



REPUBLIC OF KENYA
THE NATIONAL TREASURY AND ECONOMIC PLANNING

PUBLIC NOTICE

DRAFT PUBLIC FINANCE MANAGEMENT (AMENDMENT) BILL, 2023

Article 201 of the Constitution provides of principles of Public Finance and among them is that, *“there shall be openness and accountability, including public participation in financial matters”*.

The National Treasury identified gaps in the operationalization of Articles 187 and 189 of the Constitution on transfer of function between the two levels of Government and cooperation between the National and County Governments.

Accordingly, the National Treasury and Economic Planning constituted an Inter-Agency Taskforce to develop a legislation for operationalization of Articles 187 and 189 of the Constitution on transfer of functions and cooperation between national and county Governments, respectively. The Taskforce comprises of members from the National Treasury, Controller of Budget (COB), Intergovernmental Relations Technical Committee (IGRTC), Council of Governors (CoG), Commission on Revenue Allocation (CRA), Office of Attorney General (OAG), State Department of Devolution, Kenya Law Reform Commission (KLRC) and Parliamentary Budget Office (PBO).

The interagency has finalized preparing the Draft Public Finance Management (Amendment) Bill, 2023, which seeks to amend the Public Finance Management Act, 2012 and the Intergovernmental Relations Act, 2012; and to fully operationalize Articles 187 and 189 of the Constitution on Transfer of Functions and Cooperation between National and County Governments.

The objects and purpose of the Public Finance Management (Amendment) Bill, 2023 is to provide for: -

- Financial management of cooperation between national and county government or among county governments including planning, budgeting, accounting & reporting and oversight;
- Financial Management of Transfer of Function between national and county governments including planning, budgeting, accounting & reporting and oversight; and

- clear mechanisms and procedure for establishment of Joint Authorities and Committees and administrative structures for cooperation between national and county governments and among county governments.

The Draft Public Finance Management (Amendment) Bill, 2023 is available on the National Treasury website <https://www.treasury.go.ke/>

In fulfillment of the requirements of conducting public participation under the Constitution, the National Treasury and Economic Planning invites interested members of the public to submit any comments, inputs or memoranda that they may have on the Draft Public Finance Management (Amendment) Bill, 2023 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 **Wednesday, 15th March, 2023 at 5.00 pm.**

NJUGUNA NDUNG’U
CABINET SECRETARY/NATIONAL TREASURY & ECONOMIC PLANNING