# SPECIAL ISSUE

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Box 731 - 10200, MURANS

### REPUBLIC OF KENYA

# KENYA GAZETTE SUPPLEMENT

# **MURANG'A COUNTY BILLS, 2022**

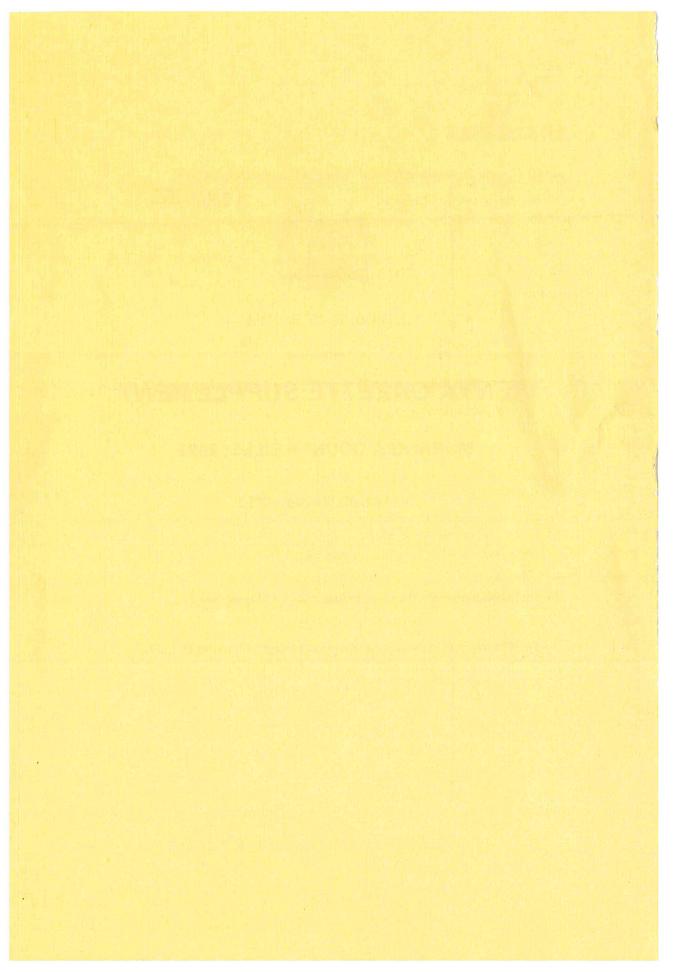
# NAIROBI, 9th May, 2022

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# THE MURANG'A COUNTY NATURAL RESOURCES BENEFITS SHARING BILL, 2022

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# THE MURANG'A COUNTY NATURAL RESOURCES BENEFITS SHARING BILL, 2022

#### A Bill for

AN ACT of the County Assembly of Murang'a to establish a system of benefit sharing in resource exploitation between resource exploiters, the national government, county governments and other entities, to ensure maximum benefit on the exploitation of resources, as well as environmental conservation and awareness

ENACTED by the Murang'a County Assembly, as follows —

### PART I—PRELIMINARY

#### Short Title

1. This Act may be cited as the Murang'a County Natural Resources Benefits Sharing Act, 2022.

# Interpretation

2. In this act, unless the context otherwise requires —

"county executive member" means the County Executive Committee member in charge of natural resources in Murang'a County.

# Objects and Purpose of the Act

- 3. The object and purpose of this Act is to —
- (a) ensure revenue maximization and adequate sharing of benefits of natural resources among all the stakeholders;
- (b) encourage partnerships and collaboration in the sharing of natural resources;
- (c) create a legal and institutional framework for the sharing and distribution of natural resources in the county; and
- (d) to ensure that indigenous people of Murang'a benefits from the share of natural resources in the county.

# Application of the Act

4. This Act shall apply to the exploitation of natural resources that are domiciled in the County.

# **Guiding Principles**

- 5. The implementation of this Act shall be guided by the following principles—
  - (a) sustainable development;

- (b) transparency and accountability in the share of the natural resources;
- (c) public participation and people driven resource allocation; and
- (d) maximum use of resource for the largest benefit.

#### PART II— EXPLOITATION OF COUNTY RESOURCES

### **Duties of the County Executive Member**

- 6. The County Executive Member shall —
- (a) prepare a list of all the county resources that may be shared or exploited;
- (b) prescribe, by way of regulation, the mode and modalities of sharing any such resources, including the potential costs and benefits of the same pursuant to section 5 of this Act; and
- (c) prepare an annual report for tabling on the resources in the county and the mode of sharing the same by end of December every year.

### **Existing Laws on Royalties and Fees**

7. In preparation of the Regulations under section 6 (2) of this Act, the Executive Committee Member shall apply existing laws on the payment of fees and royalties.

#### **Share of Resources**

- **8.** (1) The County Executive Member shall publish in the *Kenya Gazette* for adoption by the Assembly a percentage to be used in the calculation of shared natural resource-agreement.
- (2) The percentage used for each resource shall be separately gazetted and discussed after public participation.

# **Benefit Sharing Agreement**

- 9. (1) Before the exploitation of any natural resource in the County, every entity shall enter into a benefit sharing agreement with the county.
- (2) The benefit sharing agreement shall detail all the benefit sharing and shall include non-monetary benefits that may accrue from a resource.
- (3) The agreement shall be tabled for approval by the County Assembly.

### PART III— COUNTY RESOURCE SHARING

# Collection by the revenue unit

- 10. (1) The County Treasury Revenue Collection Unit shall collect all the monies paid as a result of the implementation of this Act.
- (2) The management of the resources collected under section 10 (1) above shall be in compliance with fiscal management principles under the Constitution and the Public Finance Management Framework.

# **Non-Monetary Benefits Sharing**

11. The Executive Committee Member shall prepare a list of non-monetary benefits that may accrue to the county under this Act and these shall include social amenities, livelihood restoration, community development and catchment development.

### **Environmental Impact Assessment**

12. Every proposal to exploit a natural resource in the county shall be accompanied by an environmental impact assessment plan detailing any remedies or measures to be undertaken by the county and the entity exploiting the resource to mitigate environmental degradation.

#### PART IV—MISCELLANEOUS

#### Conflict Resolution

13. The Executive Committee Member shall issue guidelines on arbitration and mediation to resolve any conflicts arising from resource sharing agreements between the stakeholders.

# Inter-governmental Consultation Framework

14. The Executive Committee Member shall issue institute a framework for intergovernmental consultations and discussions with regards to resource sharing pursuant to the provisions of the Constitution.

# Regulations

15. The Executive Committee Member may prescribe Regulations for the better carrying out of the provisions of this Act.

#### MEMORANDUM OF OBJECTS AND REASONS

This Bill of the County Assembly of Murang'a establish a system of benefit sharing in resource exploitation between resource exploiters, the national government, county governments and other entities, to ensure maximum benefit on the exploitation of resources, as well as environmental conservation and awareness.

PART I of the Bill provides for preliminary matters including the short title, commencement and the interpretation of words and expressions used in the Bill, the objects and purpose of the Bill, application of the Bill and the guiding principles.

**PART II** of the Bill contains provisions on exploitation of county resources, including the duties of the Executive Committee Member, existing laws on fees and royalties, share of resources and benefit sharing agreements.

**PART III** of the Bill contains provisions for county resource sharing, collection by revenue unit, non-monetary benefits sharing and environmental impact assessment.

Part IV of the Bill contains miscellaneous provisions including conflict resolution, intergovernmental consultation framework and regulation.

This Bill is not a money Bill within the meaning of section 21(4) of the County Governments Act, 2012 and its enactment shall not occasion additional expenditure of public funds.

The Bill does not contain provisions limiting the fundamental rights and freedoms set out under the Constitution.

FRANCIS KIBE GITHUKA, Chairperson, Energy and Environment Committee.

