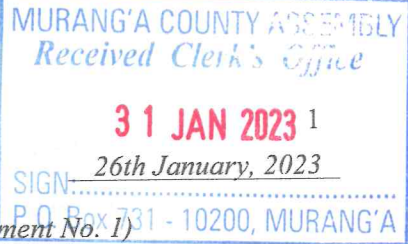


**SPECIAL ISSUE**

Kenya Gazette Supplement No. 1

(Murang'a County Legislative Supplement No. 1)



LEGAL NOTICE NO. 1

THE PUBLIC FINANCE MANAGEMENT ACT, 2012

(No. 18 of 2012)

THE PUBLIC FINANCE MANAGEMENT (MURANG'A COUNTY  
AGRICULTURAL FARM INPUTS SUBSIDY AND INCENTIVE FUND)  
GUIDELINES, 2023

ARRANGEMENT OF GUIDELINES

*Guideline*

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of the Assembly  
On 31/1/2023  
  
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THE PUBLIC FINANCE MANAGEMENT ACT, 2012

(No. 18 of 2012)

THE PUBLIC FINANCE MANAGEMENT (MURANG'A COUNTY  
AGRICULTURAL FARM INPUTS SUBSIDY AND INCENTIVE FUND)  
GUIDELINES, 2023

IN EXERCISE of the powers conferred by Regulation 17 (1) of the Public Finance (Murang'a County Agricultural Farm Inputs Subsidy and Incentive Fund) Regulations 2022, the County Executive Committee Member for Finance and Economic Planning, with the approval of the County Assembly, makes the following Guidelines —

THE PUBLIC FINANCE MANAGEMENT (MURANG'A COUNTY  
AGRICULTURAL FARM INPUTS SUBSIDY AND INCENTIVE FUND)  
GUIDELINES, 2023

PART I — PRELIMINARY

*Citation*

1. These Guidelines may be cited as the Public Finance Management (Murang'a County Agricultural Farm Inputs Subsidy and Incentive Fund) Guidelines, 2023 and shall come into operation upon publication in the *Gazette*.

*Interpretation*

2. (1) In these Guidelines, unless the context otherwise requires, the terms committee of the fund, farmers, producer organizations, and subsidy, shall assume the meanings ascribed to them under Regulation 2 of the Public Finance Management (Murang'a County Agricultural Farm Inputs Subsidy and Incentive Fund) Regulations, 2022.

(2) The term "baseline month" shall mean a fixed month of reference to be used by the Committee of the Fund for the purpose of calculating payable subsidy.

PART II — APPLICATION PROCESS

*Expression of Interest*

3. The County Executive Committee Member for Finance and Economic Planning shall issue a call for expression of interest in a newspaper of nationwide circulation inviting producer organizations to express interest of having their members benefit from the subsidy.

*Opening of Proposals*

4. The composition of the evaluation committee, opening of proposals, evaluation, shortlisting, invitation to submit proposals, and notification of award shall be conducted in accordance with the public procurement laws.

PART III — CRITERIA FOR THE EVALUATION OF ELIGIBLE PRODUCER  
ORGANISATIONS

*Eligible Producer Organizations*

5. (1) Eligible producer organizations must—

(a) be registered legal entities with current operating licenses from the county government as well as other operational licenses required by the law;

- (b) have made and filed audited accounts in the last two financial years;
- (c) provide a tax clearance certificate;
- (d) provide returns made to the registrar of cooperatives or companies as well as proof of holding annual general meetings and conducting democratic elections, where applicable;
- (e) provide proof of payment of competitive market prices to members and possession of sound financial records;
- (f) avail statutory returns and bank statements for the preceding one year;
- (g) avail records of their members for the preceding one year to verify whether they are mango or dairy farmers belonging to registered producer organizations in accordance with Regulation 10 of the Public Finance Management (Murang'a County Agricultural Farm Inputs Subsidy and Incentive Fund) Regulations, 2022;
- (h) be willing to enter into a tripartite agreement with the County Government and their respective banks;
- (i) comply with all conditions set out in the Public Finance Management (Murang'a County Agricultural Farm Inputs Subsidy and Incentive Fund) Regulations, 2022 as well as other guidelines that may be issued to implement the Regulations;
- (j) within seven days of receiving a notification of award, successful tenderers shall provide beneficiary farmers' names, identity card numbers, telephone numbers, bank account details, physical addresses, and a letter from a bank confirming that the farmers have been receiving payment from the said bank for a period preceding the baseline month;
- (k) the notification of award shall lapse upon the failure to provide the required information.

(2) The conditions spelt out in 5 (1) (b), (c), (d), (e), (f), (g) shall start applying to the mango sector or new dairy producers two years after the commencement of these guidelines.

(3) The Committee of the Fund may require proof of ownership to ascertain the produce in either the mango or dairy sector.

#### PART IV — PAYMENT OF SUBSIDY

##### *Amount of Payable Subsidy*

6. Subject to the availability of budget and approval of County Executive Committee, the Committee of the Fund shall determine the minimum and maximum amount of subsidy payable to an individual farmer at any particular time.

##### *Record of Farmers*

7. On or before the fifth day of each month, the producer organization shall furnish the Fund Manager with a list of farmers and the amount of produce delivered by each.

##### *Tripartite Agreements*

8. The agreements under Regulation 16 of the Public Finance Management (Murang'a County Agricultural Farm Inputs Subsidy and Incentive Fund) Regulations,

2022 shall provide a mechanism for signing tripartite agreements between the County Government, producer organizations, and their respective banks in order to facilitate direct payment of subsidy to farmers' bank accounts against the bank records used to pay for ordinary deliveries of produce.

*Verification of Payment Records*

9. The tripartite agreement shall give the County Government the right to verify banks' payment records and the payment claims submitted to the bank by the producer organizations.

*Stoppage of Subsidy Payments*

10. The Committee of the Fund shall halt the payment of subsidies in the event of—

- (a) death or bankruptcy of a farmer;
- (b) stoppage of supply by a farmer;
- (c) dishonesty on the part a producer organization;
- (d) collapse or closure of a producer organization; or
- (e) failure to appropriate funds for the subsidy by the County Assembly.

PART V — MISCELLANEOUS PROVISIONS

*Monitoring and Evaluation of the Fund*

11. (1) The Committee of the Fund shall carry out regular monitoring and audit of the Fund to ensure that the program delivers on its objectives.

(2) The audit report shall be tabled before the Assembly on an annual basis.

*Offences*

12. (1) It shall be an offence for any person to forge a document relating to the subsidy program, conceal information about farmers who have ceased delivering produce, or give false information that is intended to benefit a farmer unduly.

(2) Such offences shall be prosecuted under the Penal Code or any other written law.

Made on the 25th January, 2023.

KIARIE MWAURA,  
*County Executive Committee Member,  
Finance and Economic Planning.*