LEGAL NOTICE NO. 44

THE STATE CORPORATIONS ACT
(Cap. 446)

IN EXERCISE of the powers conferred by section 3(1) of the State Corporations Act, I, Uhuru Kenyatta, President and Commander-in-Chief of the Defence Forces of the Republic of Kenya make the following Order:—

THE NAIROBI INTERNATIONAL FINANCIAL CENTRE AUTHORITY ORDER, 2014

1. This Order may be cited as the Nairobi International Financial Centre Authority Order, 2014.

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

"Authority" means the Nairobi International Financial Centre Authority established under paragraph 3;

"Board" means the Nairobi International Financial Centre Authority Board constituted under paragraph 6;

"Cabinet Secretary" means the Cabinet Secretary responsible for matters relating to finance;

"Centre" means the operating environment regulated and managed by the Authority to attract international and domestic financial services businesses in order to develop the financial services sector in the country and the region.

3. (1) There is established an Authority to be known as the Nairobi International Financial Centre Authority.

   (2) The Authority shall be a body corporate with perpetual succession and a common seal, and shall, in its corporate name, be capable of—

   (a) suing and being sued;

   (b) taking, purchasing or otherwise acquiring, holding, charging or disposing of movable and immovable property;

   (c) borrowing or lending money;

   (d) entering into contracts; and

   (e) doing or performing such other things or acts necessary for the proper performance of the functions of the Board under the Order and which may lawfully be done or performed by a body corporate.
4. The headquarters of the Authority shall be in Nairobi.

5. (1) The Authority shall support and facilitate the development of a stable, efficient and globally competitive financial service sector that generates high levels of national savings and investments.

   (2) In the performance of its functions under paragraph (1), the Authority shall—

(a) formulate and implement, in consultation with the Cabinet Secretary, policies relating to the establishment of, and the carrying out of the operations of the Centre;

(b) license companies to operate under the Centre;

(c) develop and review the existing legal, regulatory and institutional framework, including the relevant financial sector laws and mechanisms for judicial redress for the purpose of aligning them to the needs of the Centre;

(d) coordinate and facilitate the development of the necessary infrastructure to support the financial sector activities conducted under the Centre;

(f) promote the Centre as the leading location for financial services business and facilitate the provision of investment and regulatory incentives specific to companies carrying out activities under the Centre; and

(g) carry out such other functions that the Board may consider necessary for the execution of its mandate under this Order.

6. (1) The management of the Authority shall vest in a Board which shall consist of the following members—

(a) a non-executive chairperson appointed by the President;

(b) the Principal Secretary responsible for matters relating to finance;

(c) the Principal Secretary responsible for matters relating to international trade;

(d) the Solicitor General;

(e) the Governor of the Central Bank of Kenya;

(f) three persons, not being public officers, appointed by the Cabinet Secretary by virtue of their knowledge and experience in matters relating to—

   (i) international finance or financial markets;

   (ii) investment or banking;

   (iii) economics; or

   (iv) law.

(g) the Chief Executive Officer of the Authority appointed under paragraph 11.
(2) A person qualifies for appointment as chairperson of the Board if such person—

(a) holds a degree from a university recognized in Kenya;

(b) has at least fifteen years professional experience at senior management level in any of the following fields—

(c) banking;

(d) capital markets;

(e) finance or economics;

(f) law; or

(g) such other field that is relevant to the functions of the Authority.

(3) The members of the Board referred to under subparagraph (1)(b), (c), (d) and (e) may in writing, designate an officer to represent them in the Board.

7. The chairperson and members of the Board appointed under paragraph 6(1) (a) and (f) shall serve for a term of three years and shall be eligible for re-appointment for one further term.

8. The Board shall have all the powers necessary for the performance of its functions under this Order, and in particular, but without prejudice to the generality of the foregoing, the Board shall have power to—

(a) administer the assets and funds of the Authority in such manner and for such purposes as shall promote the best interests of the Authority;

(b) receive grants, donations or other moneys on behalf of the Authority;

(c) enter into association with such other institutions, persons, bodies or organizations within or outside Kenya as the Board may consider desirable or appropriate in furtherance of the purposes for which the Authority is established;

(d) subject to the approval of the Cabinet Secretary, invest any of the Authority funds not immediately required for the purposes of this Act, as it may determine; and

(e) determine, impose and levy such rates, charges or fees for any services rendered by the Board as the Cabinet Secretary may, from time to time, approve.

9. The Board may, by resolution either generally or in any particular case, delegate to a committee of the Board, or to any member, officer, employee or agent of the Authority the exercise of any powers or the performance of any of the functions or duties of the Board.

10. The Board may from time to time co-opt into its membership such persons whose knowledge and skills are found necessary in
relation to any particular matter for the time being before the Board, but such co-opted member shall not be entitled to vote on the matter

11. (1) There shall be a Chief Executive Officer of the Authority who shall be competitively recruited and appointed by the Board on such terms and conditions of employment as the Board may, in consultation with the Cabinet Secretary, determine.

(2) A person shall not qualify for appointment as a Chief Executive Officer unless that person—

(a) holds at least a masters degree in any of the following fields from a university recognized in Kenya—

(i) international finance;

(ii) financial markets; or

(iii) investment or economics; and

(b) has at least twelve years professional experience at senior management level.

(3) The Chief Executive Officer shall hold office for a term of four years but shall be eligible for re-appointment for one further term.

(4) The Chief Executive Officer shall be responsible for the day-to-day operations and administration of the Authority.

12. (1) There shall be a secretary to the Board who shall be competitively recruited and appointed by the Board.

(2) A person shall not qualify for appointment under subparagraph (1) unless such person is registered as a certified public secretary and holds a valid practicing certificate issued by the Registration of Certified Public Secretaries Board under the Certified Public Secretaries Act.

13. The Authority may employ such other officers, staff or agents as it considers necessary for the discharge of its functions and duties under this Order, upon such terms and conditions as the Board may, in consultation with the Cabinet Secretary, determine.

14. (1) Subject to this Order, the common seal of the Board shall be kept in such custody as the Board may direct and shall not be used except in the manner authorized by the Board.

(2) The common seal of the Board shall be authenticated by the signature of the Chairperson and the Chief Executive Officer, or by either the chairperson or the Chief Executive Officer, together with one member other than an ex-officio member of the Board authorized in writing by the Board in that behalf.

(3) Any document, other than a document which is required by any law to be under seal, made and any decision of the Board, may be signified under the hand of the Chairperson, or the Chief Executive Officer or any other member of the Board or any other person authorized in writing by the Board in that behalf.
(2) A person qualifies for appointment as chairperson of the Board if such person—

(a) holds a degree from a university recognized in Kenya;

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(c) banking;

(d) capital markets;

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(g) such other field that is relevant to the functions of the Authority.

(3) The members of the Board referred to under subparagraph (1)(b), (c), (d) and (e) may in writing, designate an officer to represent them in the Board.

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(a) administer the assets and funds of the Authority in such manner and for such purposes as shall promote the best interests of the Authority;

(b) receive grants, donations or other moneys on behalf of the Authority;

(c) enter into association with such other institutions, persons, bodies or organizations within or outside Kenya as the Board may consider desirable or appropriate in furtherance of the purposes for which the Authority is established;

(d) subject to the approval of the Cabinet Secretary, invest any of the Authority funds not immediately required for the purposes of this Act, as it may determine; and

(e) determine, impose and levy such rates, charges or fees for any services rendered by the Board as the Cabinet Secretary may, from time to time, approve.

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(2) The common seal of the Board shall be authenticated by the signature of the Chairperson and the Chief Executive Officer, or by either the chairperson or the Chief Executive Officer, together with one member other than an ex-officio member of the Board authorized in writing by the Board in that behalf.

(3) Any document, other than a document which is required by any law to be under seal, made and any decision of the Board, may be signified under the hand of the Chairperson, or the Chief Executive Officer or any other member of the Board or any other person authorized in writing by the Board in that behalf.
15. No matter or anything done by the chairperson or any other member of the Board or any officer, employee or agent of the Board shall, if the matter or thing is done in good faith for the purpose of executing any provisions of this Order, render the chairperson, member, officer, employee or agent or any person acting under the directions of those persons, personally liable to any action, claim or demand.

16. The provisions of this Order shall not relieve the Board of the liability to pay compensation or damages to any person for any injury to him or his property or any of his interests caused by the exercise of any power conferred by this Order or by the failure, whether wholly or partially, of any action.

17. The funds of the Authority shall consist of—

(a) such monies or assets as may accrue to or vest in the Authority, in the course of the exercise of its powers or the performance of its functions under this Order;

(b) any monies which may become payable to the Authority pursuant to this Order or any other written law;

(c) such gifts as may be donated to the Authority;

(d) such monies as may be appropriated by Parliament for the purposes of the Board; and

(e) all monies from any other source provided, donated or lent to the Board.

18. (1) The Authority may invest any of its funds in securities in which for the time being trustees may by law invest in trust funds, or in any other securities which the Treasury may, from time to time, approve for that purpose.

(2) The Authority may place or deposit with such bank or banks as it may determine, any moneys not immediately required for the purposes of the Authority.

19. The financial year of the Authority shall be the period of twelve months ending as at the thirtieth June in each year.

20. (1) The Board shall, at least three months before the commencement of each financial year, cause to be prepared estimates of revenue and expenditure of the Authority for that financial year.

(2) The annual estimates shall make provision for all the estimated expenditure of the Authority for the financial year concerned, and in particular, shall provide for the—

(a) payment of salaries, allowances and other charges in respect of the Board members and the staff of the Authority;

(b) payment of pensions, gratuities and other charges in respect to retirement benefits to the staff of the Authority;

(c) the effective promotion of the Centre both domestically and internally and the running of licensing, registry, dispute
resolution, and external entity coordination activities of the Authority; and

(d) proper maintenance, repair, and replacement of the equipment and other movable property of the Authority.

(3) The Board shall approve the annual estimates before the commencement of the financial year to which they relate and once approved, the sum provided in the estimates shall be submitted to the Cabinet Secretary for approval.

(4) No expenditure shall be incurred for the purposes of the Authority except in accordance with the annual estimates approved under subparagraph (3) or with the authorization of the Board given with prior written approval of the Cabinet Secretary.

21. (1) The Board shall cause to be kept all proper books and other records of accounts of income, expenditure, assets and liabilities of the Authority.

(2) Within a period of three months after the end of each financial year, the Board shall submit to the Auditor-General the accounts of the Authority, in respect of that year together with—

(a) a statement of income and expenditure during that financial year;

(b) a statement of assets and liabilities of the Authority on the last day of that financial year; and

(c) a funds flow statement during that financial year.

(3) The accounts of the Board shall be audited and reported upon in accordance with the provisions of the Public Audit Act, 2003.

22. (1) The Board shall, within three months after the end of each financial year, prepare and submit to the Cabinet Secretary, a report on the operations of the Board for the immediately preceding financial year.

(2) The Cabinet Secretary shall lay the annual report before the National Assembly as soon as is practicable after the National Assembly next sits after the Cabinet Secretary has received the report.

Made on the 16th April, 2014.

UHURU KENYATTA,
President.