LEGAL NOTICE NO 1

THE PUBLIC FINANCE MANAGEMENT (EMBU COUNTY WOMEN TRUST FUND) REGULATIONS 2016

ARRANGEMENT OF REGULATIONS

PART I—PRELIMINARY

1—Citation
2—Interpretation

PART II—ESTABLISHMENT OF THE FUND

3—Establishment of the Fund
4—Object and purpose
5—Capital of the Fund

PART III—ESTABLISHMENT OF THE COUNCIL

6—Establishment of the council
7—Term of office
8—Cessation of office
9—Functions of the council

PART IV—FINANCIAL PROVISIONS

10—Appointment of a financial institution
11—Bank Account
12—Application for loan
13—Requirements for application for loan
14—Maximum loan disbursement
15—Repayment of loan
16—Management fee
17—Responsibilities of the Fund administrator

PART V—MISCELLANEOUS PROVISIONS

18—Responsibilities of financial institution
19—Council guidelines
THE PUBLIC FINANCE MANAGEMENT ACT 2012
(No 18 of 2012)
THE PUBLIC FINANCE MANAGEMENT (EMBU COUNTY
WOMEN TRUST FUND) REGULATIONS, 2016

IN EXERCISE of the powers conferred by section 116 of the
Public Finance Management Act 2012 the County Executive
Committee Member for Finance makes the following Regulations—

PART I—PRELIMINARY

1 These Regulations may be cited as the Public Finance
Management (Embu County Women Trust Fund) Regulations 2016

2 In these Regulations unless the context otherwise requires—
   Act means the Public Finance Management Act, 2012,
   ‘Council means the Women Trust Fund Council established
   under Regulation 6 of these Regulations,
   County means Embu County
   Executive Member means the County Executive Committee
   Member responsible for gender affairs
   ‘Fund means the Embu County Women Trust Fund established
   under Regulation 3 of these Regulations
   Governor” means the Governor of Embu County Government
   Director means Director in the gender department in the
   county
   Fund administrator means the person appointed by the
   Executive Member for finance under regulation 11
   ‘Woman means a female individual of 18 years and above who
   is a resident of Embu County,
   resident means one who is living in Embu County permanently
   or on a long-term basis

PART II—ESTABLISHMENT OF THE FUND

3 There is established a fund to be known as the Embu County
Women Trust Fund which shall be a revolving fund

4 The object and purpose of the Fund is to promote the culture of
   savings and investment amongst the women and to promote
   establishment of both new and existing small women enterprises in the
   County

5 (1) The Fund shall consist of—
   (a) monies allocated and appropriated from the County Revenue
       Fund by the County Assembly
   (b) any grants gifts donations loans or other endowments given
       to the Fund
(c) such funds as may vest in or accrue to the Fund in the course of the Council's exercise or performance of its functions under these Regulations and

(d) monies from any other lawful sources accruing to the Fund

(2) The monies allocated under sub regulation (1) (a) shall be appropriated every financial year for an initial period of ten years from the date of the coming into operation of these Regulations

(3) The Fund shall be appropriated for purposes of—

(a) providing access to capital and financing facilities to new and existing micro and small enterprises owned by women

(b) providing access to capital and financing facilities to enterprises where the majority of seventy per centum of the owners are women and

(c) such other operational expenses including allowances of members of the Council which expenses shall not exceed annual management fee charged

PART III—ESTABLISHMENT OF THE COUNCIL

6 (1) There is established a council to be known as the Embu County Women Trust Fund Council which shall consist of—

(a) a non-executive chairperson not being a public officer and being a woman appointed by the Governor

(b) the Chief Officer in the gender department

(c) the Chief Officer responsible for finance

(d) the Director responsible for gender affairs who shall be an ex officio member and secretary to the Council and

(e) four residents one from each sub-County appointed by the Executive Member for finance who shall be women

(2) The members of the Council under sub regulation (1) (b) and (c) may attend the meeting in person or through a representative duly nominated in writing

(3) The appointed chairperson under sub regulation (1) (a) shall be a woman—

(a) satisfying the requirements of Chapter Six of the Constitution,

(b) holding a minimum of a Bachelor's degree in any of the following areas—

(i) Economics

(ii) Finance

(iii) Public administration
(iv) Commerce

(v) Business related course or

(vi) Education from a university recognized in Kenya and

(c) having at least three years experience in the relevant area of expertise with proven track record

(4) The members appointed under sub regulation (1) (e) shall hold a minimum of a diploma from an institution recognized in Kenya, meets the requirements of Chapter Six of the Constitution and recruited competitively

(5) The quorum of meetings of the Council shall be the chairperson and five other members

(6) The meetings of the Council shall be convened by the chairperson

7 The chairperson and members appointed under regulation 6 (1) (e) shall serve for a term of three years and shall be eligible for re-appointment for one further term subject to their performance

8 (1) A member of the Council may cease to hold office if—

(a) he or she resigns upon giving one month's notice in writing to the appointing authority,

(b) is removed from office by the appointing authority upon recommendation of the Council to terminate the appointment of a member on any of the following grounds—

(i) violation of the Constitution or any other law

(ii) gross misconduct, whether in the performance of the member's functions or otherwise

(iii) physical or mental incapacity to perform the functions of the office

(iv) Incompetence or neglect of duty

(2) Whenever the office of a member becomes vacant before the expiry of the term provided under regulation 7 the appointing authority may appoint another person to be a member and that other person shall hold office only for the unexpired term of office of the person who vacated such office

9 (1) The functions of the Council shall be to—

(a) supervise the administration of the Fund

(b) consider applications for loans in accordance with the existing terms and conditions of borrowing

(c) advise the Executive Member on the programs relating to gender affairs and development funded from the Fund
(d) coordinate funded women activities

(e) evaluate funded and to be funded women programs

(f) assist and encourage organizations interested in women empowerment in the initiation of women training and development programs, and

(g) do such other lawful functions as may be conferred by these Regulations or any other law

(2) The Executive Member may give to the Council such general or specific directions with respect to the discharge of its functions as he or she may consider necessary in furtherance of the objectives of the Fund and the Council shall give effect to such directions

PART IV—FINANCIAL PROVISIONS

10 Notwithstanding Regulation 9 (1) the Executive Member for finance may if he or she considers it appropriate to do so and after Financial consultation with the Executive Member responsible for gender affairs appoint a financial institution to administer the Fund on behalf of the Council

11 (1) The Executive Member for finance shall designate an officer from within the department of gender in the County to administer the Fund and who shall open a bank account in the name of Embu County Women Trust Fund

(2) The bank account shall be operated by a minimum of two signatories of whom the officer administering Fund shall be a mandatory signatory

(3) The Executive Member shall designate any other additional signatory to the bank account

12 Any person or group wishing to apply for a loan from the Fund shall make such application to the officer administering the Fund in such manner as the Council may prescribe

13 (1) An application for a loan under these Regulations shall be accompanied by the documents security or collateral as the Council may determine

(2) An application for the funds shall be accompanied by a signed guarantee form executed by the borrower and in case of a group executed by each member of the group individually committing oneself to repay the loan requested

14 (1) The maximum loan to be granted under these Regulations to a borrower or a registered group of borrowers shall not exceed a sum of—

(a) fifty thousand Kenya shillings for an individual and

(b) five hundred thousand Kenya shillings for a registered group

which amount may be continuously reviewed upon successful repayment of the previous loan for each subsequent applications
15 (1) A loan granted under these Regulations shall be fully repaid at the end of the term not exceeding three years

16 (1) The management fee charged on a loan shall be five per centum paid one off

(2) The Executive Member responsible for finance shall negotiate with the financial institution appointed under Regulation 10 on the applicable interest subject to a maximum interest rate of ten per centum per annum

(3) The management fee or interest charged under sub regulations (1) and (2) of this regulation shall be met by the borrower

17 (1) The officer administering the Fund shall—

(a) supervise the day-to-day running control and administration of the Fund

(b) utilize the money accruing thereto to defray operating expenses and may impose any reasonable restriction or other requirements concerning such use

(c) cause to be kept books of accounts and other books and records in relation to the Fund and for all loans financed from the Fund

(d) prepare sign and transmit to the Auditor-General in respect of each financial year and within three months after the end thereof a statement of accounts relating to the Fund prepared and signed by him or her specifying the income of the Fund and showing the expenditure incurred from the Fund and such other details as the Executive Member may from time to time direct in accordance with the Public Finance Management Act

(e) furnish such additional information as may be required for the purpose of examination and audit by the Auditor-General

(f) supervise all legal documentation and disbursement of funds and

(g) designate and appoint such staff with approval of the Council as may be necessary to assist him or her in the administration of the Fund and may require such staff to carry out such inspections as may be necessary to verify any information submitted under these Regulations

(2) Every statement of account prepared under this regulation shall include details of the balances between the assets and liabilities of the Fund and shall indicate the financial status of the Fund as at the end of the financial year concerned

PART V—MISCELLANEOUS PROVISIONS

18 The responsibilities of the financial institution if any appointed under these Regulations shall be—
(a) to operate individual accounts for each borrower which shall provide details of recoveries of the loan

(b) to seek security or collateral on loans from the Fund to protect the interests of the Fund and act as custodian of such securities or collaterals

(c) to disburse approved loans to successful borrowers after the necessary documentation is completed

(d) to pay all outgoings and issue demand notices to borrowers where necessary through the officer administering the Fund, and

(e) upon repayment of the loan interest and other expenses which may be outstanding, release the security documents to the borrower

19 (1) These Regulations shall be supplemented by such terms as Council Guidelines may, from time to time be detailed in the application form supplied by the Council and in the contract between the financial institution and the Executive Member responsible for finance

(2) Subject to these Regulations the Executive Member issue guidelines on such other matters as may be necessary for the proper management and administration of the Fund

Dated the 12th January 2016

JOHN N NJAGI

County Executive Committee Member for Finance and Planning