

(Legislative Supplement No. 32)

LEGAL NOTICE NO. 115

THE GOVERNMENT FINANCIAL MANAGEMENT ACT

(No. 5 of 2004)

IN EXERCISE of the powers conferred by section 26 of the Government Financial Management Act, the Minister for Finance makes the following Regulations:—

THE GOVERNMENT FINANCIAL MANAGEMENT (WATER TOWERS CONSERVATION FUNDS) REGULATIONS, 2010

1. These Regulations may be cited as the Government Financial Management (Water Towers Conservation Fund) Regulations, 2010.

Citation.

2. In these Regulations, unless the context requires—

Interpretation.

“Committee” means National Water Towers Management Committee established under regulation 6;

“financial agreement” means the final document and its annexure signed between the Government of Kenya and any person or institution which provides for grant to or other financing to the Fund;

“financial year” means the period of twelve months ending on the 30th June in each year;

“Fund” means Water Towers Conservation Fund established under regulation 3;

“Minister” means the Minister for the time being responsible for matters relating to the coordination of the rehabilitation, conservation and sustainable management of the water towers in Kenya;

“officer administering the Fund” means the Permanent Secretary of the Ministry for the time being responsible for matters relating to the coordination of the rehabilitation, conservation and sustainable management of the water towers in Kenya;

“water tower” means an area that acts as a receptacle for rain water and that stores the water in the aquifers underneath it and gradually releases the water to the springs and streams emanating from it.

3. (1) There is hereby established a fund to be known as the Water Towers Conservation Fund.

Establishment of the Fund.

(2) The Fund shall consist of—

(a) monies appropriated by Parliament;

- (b) grants and donations; and
- (c) Income generated from the proceeds of the Fund.
- Object and purpose of the Fund. 4. The object and purpose of the Fund is to provide funds for the restoration, conservation and sustainable management of the water towers in Kenya, in an equitable, efficient and transparent manner to secure environmental stability, economic development and human well being.
- Initial Capital of the Fund. 5. The initial capital of the Fund shall be fifty million shillings appropriated by Parliament in the financial year 2010/2011.
- Establishment and composition of the National Management Committee. 6. (1) There is established a committee to be known as the National Water Towers Management Committee.
- (2) The National Water Towers Management Committee shall consist of—
- (a) a chairman appointed by the Minister by virtue of his knowledge and experience in matters relating to good governance and management of public resources, and who shall not be a public officer;
- (b) the Permanent Secretary in the Ministry for the time being responsible for matters relating to the coordination of the rehabilitation, conservation and sustainable management of the water towers in Kenya or his representative;
- (c) the Permanent Secretary in the Ministry for the time being responsible for forestry or his representative;
- (d) the Permanent Secretary in the Ministry for the time being responsible for water or his representative;
- (e) four other persons appointed by the Minister, by virtue of their knowledge and experience in matters relating to the management of public resources, financial management, restoration, sustainable management and conservation of natural resources including forest, land and water resources and mainstreaming of poverty reduction strategies in sustainable rural development.
- Duties of the Committee. 7. The Committee shall—
- (a) approve annual work plans;
- (b) review operations of the Fund; and
- (c) advise the Minister on matters relating to the general operations of the Fund.
- Expenditure on the Fund. 8. The expenditure incurred on the Fund shall be on the basis of, and limited to, annual work programmes and cost estimates prepared by the officer administering the Fund, and approved by the Committee at the beginning of the financial year to which they relate.
- Retention of receipts and earnings 9. All receipts, earnings and accruals to the Fund, and the balance of the Fund at the close of each financial year shall be retained by the Fund for use for the purpose for which it is established.

10. Existing government regulations and procedures on budgeting, accounting, audit and procurement shall apply in the administration of the Fund.

Application of the financial and procurement procedures.

11. The officer administering the Fund shall—

Administration of the Fund.

- (a) open and operate a bank account at a bank to be recommended by the Committee and approved by the Treasury;
- (b) supervise and control the administration of the Fund;
- (c) consult with the Committee on matters relating to the administration of the Fund;
- (d) cause to be kept books of accounts and other books and records relating to the Fund, and all activities and undertakings financed from the Fund;
- (e) prepare, sign and transmit to the Controller and Auditor General, in respect of each financial year and within three months after the end thereof, a statement of accounts prepared in the manner prescribed by the Treasury relating to the Fund.
- (f) furnish additional information as he may consider to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor General in accordance with the provisions of the Public Audit Act.

No. 12 of 2003.

12. In the event of winding up of the Fund, the cash balances shall be transferred to the Exchequer while other assets of the Fund shall be transferred to the Ministry for the time being responsible for matters relating to the coordination of the rehabilitation, conservation and sustainable management of Kenya water towers.

Winding-up of the Fund.

Dated the 8th July, 2010.

UHURU KENYATTA,
*Deputy Prime Minister and
Minister for Finance.*