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Kenya Gazette Supplement No. 21 (Senate Bills No. 2)



REPUBLIC OF KENYA

KENYA GAZETTE SUPPLEMENT

SENATE BILLS, 2015

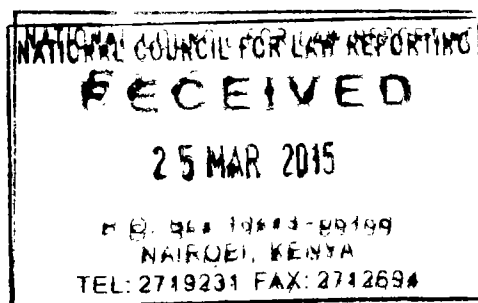
NAIROBI, 27th February, 2015

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THE SELF-HELP ASSOCIATIONS BILL, 2015**A Bill for**

AN ACT of Parliament to provide for the registration of self-help associations; to provide an administrative and regulatory framework within which self-help associations can conduct their affairs and for connected purposes

ENACTED by the Parliament of Kenya, as follows—

PART I—PRELIMINARY

1. This Act may be cited as the Self-Help Associations Act, 2015.

Short title

2. In this Act unless the context requires—

Interpretation

“Cabinet Secretary” means the cabinet secretary for the time being in charge of matters of social welfare development;

“Committee” means the National Steering Committee on Community Development established under section 31 of this Act;

“community” means people sharing common interests found in a geographic locality;

“community development” refers to an approach that brings about change through initiation of projects that are responsive to community needs;

“county committee” means the county self-help development committee established under section 39;

“county executive committee member” means the county executive committee member responsible for matters relating to community development within the county;

“Director” means the person who is appointed by the Public Service Commission to serve as the director to the Secretariat under section 37(2)(a);

“Ministry” means the Ministry responsible for the matters relating to community development;

“office bearer” means the chairperson, deputy chairperson, secretary, treasurer or any other office bearer as defined by the association constitution thereof who takes part in the management of the self-help association;

“register” means the register which the Registrar is required to keep under section 18;

“Registrar” means the Registrar appointed under section 3 of this Act and includes the Deputy Registrar; and

“self-help association” means a non-professional association formed by community members from the same socio-economic background with a common problem or situation for the purpose of pooling resources, gathering information and offering mutual support, services or care.

3. The objects and purposes of this Act are to —

Object and purposes
of the Act.

- (a) to provide a mechanism for the registration of self-help associations within the counties;
- (b) provide an administrative and regulatory framework within which self-help associations can conduct their affairs within the counties;
- (c) encourage self-help associations to maintain adequate standards of governance, transparency and accountability and to improve those standards;
- (d) provide a platform that encourages collaboration between self-help associations, the government, financial institutions and other stakeholders;
- (e) create an environment that promotes self-reliance and self sufficiency; and
- (f) provide a platform for the establishment of a linkage between financial institutions, the Government and other institutions with self-help associations for socio-economic development.

PART II—APPOINTMENT OF REGISTRARS

4. (1) There shall be a Registrar and a Deputy-Registrar who shall be competitively recruited by the Public Service Commission and appointed by the Cabinet Secretary.

Appointment of
registrars.

(2) The Cabinet Secretary may, in consultation with the Public Service Commission, appoint such number of county registrars in the counties as shall be necessary for the performance of the functions of the Registrar and who shall be subject to the directions of the Registrar.

5. (1) The Registrar shall—

Functions of the registrars.

- (a) register, inspect, regulate, monitor, investigate and supervise self-help associations registered under this Act to ensure compliance with the provisions of this Act;
- (b) issue, renew and cancel, with the approval of the Steering Committee, certificates of registrations issued under this Act;
- (c) maintain a register of all registered self-help associations in the country;
- (d) keep all documents and records of registered self-help associations including records of the Steering Committee;
- (e) enforce the decisions of the Steering Committee;
- (f) co-ordinate the functions of county registrars of self-help associations;
- (g) advice, promote and carry out education and training programmes targeting of members of self-help associations; and
- (h) perform such other functions as may be necessary for the development of self-help associations.

(2) The Deputy Registrar shall depute the Registrar and shall perform such duties as may be assigned to him or her by the Registrar.

(3) The county registrars and assistant registrars shall—

- (a) facilitate formation of self-help associations;
- (b) receive applications for registration, vet and process applications of self- help associations;
- (c) build capacity of self- help association office bearers and members;
- (d) monitor and evaluate self-help association projects; and
- (e) carry out such duties as may be delegated from time to time.

PART III—REGISTRATION OF SELF HELP ASSOCIATIONS

6. An association qualifies for registration as a self-help association—

Eligibility for registration.

- (a) if such association consists of at least five persons and not more than forty persons who have attained the age of eighteen years and are of sound mind;
- (b) if the members of the association have a common socio-economic agenda which the self- help association seeks to satisfy; and
- (c) if it meets the requirements imposed under this Act.

7. (1) A self-help association shall, within a period of sixty days from the date of its formation, make an application for registration in accordance with the provisions of this Act.

Requirements for registration.

(2) Notwithstanding the provisions of subsection (1), every association which was, immediately before the commencement of this Act, registered as a self-help association by the Ministry shall, at the commencement of this Act, be deemed to be registered under this Act.

(3) A self-help association under subsection (2) shall, within six months from the date of the commencement of this Act, submit to the Registrar, the information required to be submitted by an applicant under section 8(2).

(4) An association which fails to comply with the requirements of subsection (3) within the time specified shall automatically cease to be a registered self help association and the Registrar shall cancel the name of that association from the register.

8. (1) Any association of persons that intends to be registered as a self-help association shall make an application to the registrar in the prescribed form.

Application for registration.

(2) An applicant for registration under subsection (1) shall submit an application for registration of the association together with—

- (a) a statement setting out the following information—
- (b) the name and address of the association;
- (c) a specification of the geographical area of intended operation of the organization;
- (d) the governance structure or office bearers of the association;

- (e) a profile of the members of the association;
and
- (f) the activities of the association;
- (g) the constitution of the association; and
- (h) the prescribed fee.

(3) The application for registration under subsection (2) shall be signed by the chairperson and one other official of the association designated by the association of persons for that purpose.

(4) The Registrar may require the applicant to submit to the Registrar such further information as the Registrar may consider necessary for the purpose of determining the application for registration.

9. (1) For purposes of section 8, the Registrar shall—

- (a) prepare and issue model documents, including—
 - (i) a model constitution for self-help associations;
and
 - (ii) model reports required to be submitted by a self-help association under this Act;
- (b) prepare and issue codes of good practice for—
 - (i) self-help associations; and
 - (ii) those persons, bodies and organisations entering into partnerships with, or making donations or grants to self-help associations;
and
- (c) ensure that the information and documents prepared under paragraphs (a) and (b) are accessible and available in English and Kiswahili.

Model documents
and code of good
practice

(2) Any constitution submitted to the Registrar under section 8 by an applicant for the purposes of registration shall provide for the matters specified in the First Schedule.

10. (1) The Registrar shall, within thirty days upon receipt of an application under section 8—

- (a) examine the documents submitted to him or her;
and
- (b) if the Registrar considers it necessary, call for such further information or carry out such inspections as he or she may consider necessary for the determination of the application.

Consideration of
application and
registration

(2) Where the Registrar is satisfied that an applicant meets the requirements for registration under this Act, the Registrar shall, subject to the provisions of this Act, enter the name and particulars of the applicant in the register of self-help associations kept for that purpose.

11. The Registrar shall, upon entering the name of the applicant in the register, issue to the association, a certificate in the prescribed form.

Certificate of
Registration

12. (1) The certificate of registration issued by the Registrar under section 11 shall be conclusive evidence that the self-help association—

Effect of
registration

- (a) has met all the requirements for registration specified under this Act; and
- (b) has been duly registered in accordance with this Act unless it is proved that the registration of the association has been cancelled.

13. (1) The Registrar may reject an application for the registration of a self-help association where—

Refusal to register
an association

- (a) the constitution of the association is inconsistent with existing written law;
- (b) the association has submitted false or misleading information in its application;
- (c) the application does not comply with the provisions of this Act;
- (d) the name of the association is identical to another registered self-help association or so nearly resembles the name of another self-help association as to be likely to mislead the public as to its nature or identity; or
- (e) the objects of the self-help association are likely to be pursued for an unlawful purpose or used for a purpose incompatible with the peace and welfare of other members of the community.

(2) The Registrar shall notify the applicant of his or her decision to reject an application for registration within fourteen days of such rejection.

14. (1) The Registrar may, subject to the provisions of section 15, de-register a self-help association registered under this Act where—

Grounds for de-
registration

- (a) the Registrar has reasonable cause to believe that the association has among its objects the pursuit of an unlawful cause or purpose prejudicial to the peace, welfare or good order of the community or is likely to carry out such actions;
- (b) the terms of the constitution or rules of the association are inconsistent with the Constitution or any other written law;
- (c) the association fails to comply with any directive issued by the Registrar to ensure compliance with the provisions of this Act;
- (d) the members of the association fail to comply with the provisions of their constitution or rules or the provisions of this Act;
- (e) the association fails to submit any information required under this Act or requested by the Registrar in order to ensure compliance with this Act; or
- (f) the Registrar determines that the association submitted false information or statements at the time of registration of the association.

(2) The Registrar shall de-register a self-help association which has ceased to be an association under this Act.

15. (1) The Registrar shall, before de-registering a self-help association under section 14 issue to the association a compliance notice in the prescribed form.

Notice of non-compliance.

(2) A compliance notice specified under subsection (1) shall—

- (a) be in writing;
- (b) notify the association of the noncompliance and the steps it is required to take in order to ensure compliance; and
- (c) inform the association of the period within which it is required to comply with the notice.

(3) The Registrar may, upon request by the association and where there are sufficient grounds shown by the association, extend the period of compliance for

such period as the Registrar may consider necessary to ensure compliance.

16. (1) Where a self-help association which receives a notice under section 15 fails to comply with such notice, the Registrar shall de-register that association by—

De-registration.

- (a) cancelling its certificate of registration;
- (b) notifying the association in writing of—
 - (i) the cancellation and the reasons for it; and
 - (ii) the date on which the certificate of registration was cancelled; and
- (c) amend the register accordingly.

(2) Where a self-help association is de-registered under subsection (1), all the rights and benefits that accrue to it by virtue of being registered shall cease to accrue to the association.

(3) For purposes of this Act, the de-registration of a self-help association under this section takes effect on the date on which the certificate of registration is cancelled by the Registrar.

17. (1) A person who is aggrieved by the decision of the Registrar under this Part may, within thirty days of being notified of the decision, apply to the county committee for a review of the decision.

Application from an order of refusal or de-registration.

(2) An application for review shall be in such form as the Cabinet Secretary shall prescribe.

(3) The committee shall determine an application under subsection (1) within sixty days of receipt of the application under subsection (1) and may confirm, vary or reverse the decision under review.

18. (1) The Registrar shall keep and maintain a register of—

Register of associations

- (a) all self-help associations registered under this Act specifying —
 - (i) the name of the association;
 - (ii) the members of the association;
 - (iii) the address of the association; and

(iv) such other particulars as the Registrar may from time to time determine;

(b) all de-registered self-help associations; and

(c) all self-help associations which have voluntarily deregistered under this Act

(2) Any person may inspect the register and obtain a copy of, or an extract from the Registrar upon payment of such fee as the Registrar shall determine.

19. (1) The Registrar may, from time to time, make changes or corrections in the Register relating to any entry.

Alteration of register.

(2) Any change or correction in relation to an entry made pursuant to a notice issued by a self-help association shall be made to the Registrar as soon as it is practicable after receipt of an authenticated notification thereof.

20. If an application made under section 8 contains any matter which is false in any material fact known to any person signing it, that person commits an offence.

False statements

21. (1) A self help association may change its name, its constitution or any other particulars of registration.

Change of particulars

(2) An association that resolves to change its particulars under subsection (1) shall, within thirty days of its decision, submit to the Registrar—

(a) a notice of change in the prescribed form;

(b) a copy of the decision of the association signed by the chairperson and at least two other members duly authorized for that purpose confirming that the resolution complies with its constitution and this Act; and

(c) where the association resolves to change its name, the original certificate of registration.

(3) Upon receipt of the documents specified under subsection (2) and where the Registrar is satisfied that the self-help association has met the requirements specified under this Act, the Registrar shall—

(a) where the association has resolved to amend its constitution or particulars of registration—

(i) register the particulars of registration or the amended constitution if it meets the requirements specified under section 9;

- (ii) endorse a copy of the decision certifying that the change has been registered; and
 - (iii) submit a copy of the endorsed decision to the association; or
- (b) where the association has resolved to change its name—
 - (i) enter the new name in the register and issue a certificate of registration in the new name of the association;
 - (ii) remove the old name from the register and cancel the earlier certificate of registration; and
 - (iii) send the new certificate of registration to the association.

22. Where the office bearers of a self-help association that falls within the meaning of a self-help association under this Act fail to register the association, such office bearers commit an offence.

Default in registration.

23. (1) A registered self-help association may be deregistered voluntarily—

Voluntary de-registration or dissolution of association.

- (i) where the members pass a resolution according to the constitution of the association for the voluntary de-registration of the association; or
- (ii) where the association resolves that it cannot by reason of its liabilities continue its activities and that it is advisable to dissolve in accordance with its constitution.

(2) A self-help association that passes a resolution for voluntary de-registration under subsection (1) shall make an application for voluntary deregistration by submitting to the Registrar, —

- (a) a written notice—
 - (i) stating its intention to be deregistered voluntarily;
 - (ii) stating the reasons for resolving to apply for voluntary de-registration; and
 - (iii) specifying a date, at least two months after the date of the notice, on which the deregistration is to take effect; and

- (b) a copy of its financial report for the period from its previous financial year up to the date of the written notice contemplated in this subsection.

(3) Upon receiving a notice of voluntary deregistration from a self-help association, the Registrar shall, subject to subsection (4), on the date specified in the notice —

- (a) cancel the certificate of registration of the association;
- (b) amend the register accordingly; and
- (c) notify the association in writing of the deregistration and confirm the date on which the amendment was made to the register.

(4) The Registrar may, upon receipt of a notice of voluntary de-registration under subsection (3), impose such conditions as he or she considers necessary prior to the de-registration of the self-help association.

(5) For purposes of this Act, the de-registration of a self-help association takes effect on the date on which the certificate of registration is cancelled by the Registrar.

24. (1) A self-help association may, by a resolution in such manner as the Registrar may determine, resolve to merge with another registered self-help association which agrees, by a resolution, to such merger.

Merger of self-help associations.

(2) A self-help association shall not merge with another self-help association unless—

- (a) at least three quarters of all the members of both associations agree to the merger;
- (b) the associations have notified its creditors, if any, of the intended merger and the creditors do not object to the merger; and
- (c) the resulting membership of the merged association does not exceed forty members.

(3) The office bearers of the associations that intend to merge shall, within a period of thirty days from the date of the resolution to merge, issue to its creditors, if any, and all the members of the respective associations a notice informing them of the resolution and of their option to withdraw in accordance with subsection (4).

(4) A member of a self-help association under subsection (3) who is opposed the merger may, within a period of thirty days from the date of issuance of the notice under subsection (3), withdraw from the self-help association, subject to the discharge of his or her obligations to the association and shall do so in accordance with the constitution of the association.

(5) Any member who does not exercise his or her option within the period specified in subsection (4) shall be deemed to have assented to the merger.

(6) The merger by a self-help association under this section shall not take effect until—

- (a) the creditors of the association, if any, have approved the merger and financial arrangements have been put in place to settle any monies due to them from the association;
- (b) all claims of the members of each association who have exercised the option under subsection (4) have been met in full or otherwise satisfied;
- (c) the information of the intended merger and information about settlement of claims of members and creditors is submitted to the Registrar;
- (d) the Registrar is satisfied that the associations have met the requirements under this Act and their respective constitutions in relation to the merger and approves the merger;
- (e) the association that intends to merge with another association submits to the Registrar, its certificate of registration; and
- (f) the Registrar cancels the name of the self-help association from the register.

(7) Where a self-help association merges with another association under this section —

- (a) the former self-help association shall be deemed to have been dissolved;
- (b) the Registrar shall delete the name of the former association from the register; and

- (c) the members of the former association who assented or are deemed to have assented to the merger, shall be deemed to have become the members of the existing self-help association

(8) Where resolutions passed under subsection (1) take effect, the resolutions shall be sufficient conveyance to vest the assets and liabilities held or incurred by or on behalf of the former association by the members in the existing self-help association without any further assurance.

25. (1) Any two or more self-help associations may resolve to amalgamate for the purpose of forming a new self-help association.

Amalgamation of
self-help
associations

(2) The provisions of section 24 shall, subject to subsection (3), apply with such modifications to an amalgamation of self-help associations under this Act.

(3) Where two or more self-help associations resolve to amalgamate, the office bearers of the associations shall, in addition to complying with the requirements imposed under section 24, submit to the Registrar, an application for the registration of the newly formed association together with their certificates of registration.

26. Any offence under this Act may be tried by a subordinate court.

Court jurisdiction

27. (1) Every self-help association shall keep a register of its members in the prescribed form.

Register of
members

(2) A register kept under subsection (1) shall contain the names, physical address and such other information as the Registrar shall prescribe.

(3) The register of members shall contain the identification numbers of each member.

(4) The name of every member whose membership has ceased, or who was terminated or withdrawn, shall be struck off from the register.

28. (1) A self-help association shall, in carrying out its operations—

Obligations of a
self-help association.

- (a) not engage in any act which is prejudicial to the interests of the Republic of Kenya;
- (b) adhere to the provisions of this Act.

(2) Each member of an association shall adhere to the constitution of the association and the provisions of this Act.

29. (1) Every registered self-help association shall keep the following records —

Records and reports
of a self-help
association

- (a) the minutes book of the association;
- (b) account of all sums of money received and expended by the association and their respective purposes;
- (c) account of all purchases and sales of goods by the association;
- (d) account of the assets and liabilities of the association;
- (e) a list of members and their fulfilment of responsibilities during the previous financial year; and
- (f) such other records as the Registrar may prescribe.

(2) Every self-help association shall preserve each of its books of account, supporting vouchers, records of subscriptions or levies paid by its members, income and expenditure statements, balance sheets and accounting officer's reports, in an original or reproduced form, for the prescribed period.

30. (1) Every self-help association shall submit to the Registrar —

Duty to provide
reports and
information

- (a) the names and physical, business and postal addresses of its office-bearers within one month after any appointment or election of its office-bearers even if their appointment or election did not result in any changes to its office-bearers; and
- (b) a report of its activities in the prescribed form together with its financial records in such manner as the Registrar may specify within a period of three months after the end of its financial year.

(2) The Registrar may cause any financial or other report that is submitted to the Registrar to be scrutinised, or, by means of a notice, require a self help association to submit any information or document reasonably required in

order to enable the Registrar to determine whether the association is complying with—

(a) the provisions of its constitution; and

(b) the provisions of this Act.

(3) A registered self-help association shall submit the information or document contemplated in subsection (2) within one month after receipt of the notice.

PART IV—THE NATIONAL STEERING COMMITTEE ON COMMUNITY SELF-HELP DEVELOPMENT

31. There is established a committee to be known as the National Steering Committee on Community Self-Help Development.

Establishment of the steering committee

32. (1) The Steering Committee shall consist of—

Membership of the steering committee

(a) the chairperson appointed by the Cabinet Secretary;

(b) the Principal Secretary responsible for the National Treasury or a person designated by the Principal Secretary in writing;

(c) the Principal Secretary, responsible for community development or a person designated by the Principal Secretary in writing;

(d) one man and one woman nominated by the federation representing the largest number of self-help associations in the country;

(e) one person nominated by the Micro and Small Enterprises Authority established under the Micro and Small Enterprises Act;

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(f) one person nominated by the association of micro finance institutions from among its member organisations who has knowledge and experience in matters relating to banking and finance;

(g) one person nominated by the Kenya Private Sector Alliance from their member organizations who has knowledge and experience in matters related to micro, small and medium enterprises.

(2) The persons under subsection (1) (a), (e) and (f) shall—

(a) be appointed by the Cabinet Secretary by notice in the Gazette; and

(b) hold office for a term of three years renewable for one further term of three years.

(3) A person shall be qualified for appointment as chairperson under subsection (1) (a) if that person —

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

(b) has at least ten years knowledge and experience in matters relating to community development.

(4) A person shall be qualified for appointment under subsection (1) (d) if that person —

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

(b) has at least five years knowledge and experience in matters relating to community development.

(5) In appointing persons as members of the Committee, the Cabinet Secretary shall have regard to the principle of gender equity and regional balance.

(6) The members of the Committee shall be paid such allowances as the Cabinet Secretary shall, in consultation with the Salaries and Remuneration Commission, determine.

33. A person shall not be qualified for appointment as a member of the Committee under section 32 if that person—

(a) is a member of a county committee;

(b) has violated Chapter Six of the Constitution;

(c) is adjudged bankrupt; or

(d) has been convicted of an offence and sentenced to imprisonment for a term of more than six months.

Disqualification
from membership.

34. (1) The office of a member of the Committee appointed under section 32 shall become vacant if the member—

(a) is adjudged bankrupt;

(b) is convicted of a criminal offence and sentenced to a term of imprisonment of not less than six months;

Vacation of office of
member

- (c) is convicted of an offence involving fraud or dishonesty;
- (d) is absent, without reasonable cause, from three consecutive meetings of the Committee;
- (e) resigns in writing addressed to the Cabinet Secretary;
- (f) is removed from office by the Cabinet Secretary for —
 - (i) being unable to perform the functions of his office by reason of mental or physical infirmity; or
 - (ii) failing to declare his interest in any matter being considered or to be considered by the Committee; or
- (g) dies.

(2) Before the removal of a member under subsection (1)(f), the Cabinet Secretary shall request the Committee to—

- (a) investigate the circumstances giving rise to the proposed removal; and
- (b) make recommendations on whether or not the member should be removed from office.

35. The functions of the steering committee shall be to—

Functions of the Committee.

- (a) promote and advise the Cabinet Secretary on the formulation of policy, action plans and guidelines on training and registration;
- (b) collaborate with State agencies, financial institutions and other stakeholders in the implementation of the policy, programmes and plans of the Committee;
- (c) promote the dissemination of information, education and communication on community self-help development programmes;
- (d) monitor and evaluate community self-help development programmes in the country;
- (e) provide linkages and networks with financial institutions and other institutions willing to engage

in capacity building and offer financial services to self-help associations and establish informal credit systems that encourage the development and growth of self-help associations;

- (f) establish and maintain close liaison with relevant development agencies;
- (g) participate in national and regional community development related fora;
- (h) facilitate research and documentation of community self-help development initiatives; and
- (i) carry out such duties or functions as may be necessary to achieve the objects and purposes of this Act.

36. (1) The Committee shall conduct its affairs in accordance with the provisions of the Second Schedule.

Conduct of the
affairs of the
Committee

(2) Except as provided in the Second Schedule, the Committee may regulate its own procedure.

(3) The Committee may invite any person to attend any of its meetings and to participate in its deliberations, but such person shall no right to vote at the meeting.

37. (1) The Cabinet Secretary shall designate an appropriate department within the Ministry responsible for community development to serve as the Secretariat of the Committee.

Secretariat

(2) The Secretariat shall consist of —

- (a) the Director appointed by the Public Service Commission who shall have knowledge and experience in matters relating to community development within the Ministry; and
- (b) such other persons as the Cabinet Secretary shall determine for the proper performance of the functions of the secretariat under this Act.

38. The functions of the Secretariat shall be to—

Functions of the
secretariat

- (a) provide technical and administrative services to the Committee and community self-help development committees within the counties;
- (b) implement, in consultation with the county committees, the decisions, strategies, programmes and policies of the Committee;

- (c) recommend proposals and offer advice to the Committee for the formulation of and implementation of programmes of the Committee;
- (d) in consultation with the Registrar—
 - (i) conduct public education and sensitization on Self-help associations particularly in rural areas to enhance the realisation of self-reliance and economic development within communities;
 - (ii) conduct trainings of office bearers members of self-help associations on their obligations under this Act;
- (e) collaborate with and monitor the implementation of initiatives and plans by county governments on community development;
- (f) make arrangements for periodical evaluation of the policies and programmes in relation to the objects and functions of the Committee; and
- (g) perform such other functions as may be assigned to it by the Committee.

PART V—COUNTY SELF-HELP DEVELOPMENT COMMITTEES

39. There is established in each County, a county self-help development committee.

40. (1) Each county committee shall consist of—

- (a) the chairperson, who shall be a person with knowledge and experience in matters relating to community development, appointed by the county executive committee member;
- (b) the officer in charge of social welfare in the county who shall be the secretary to the committee;
- (c) two persons of the opposite gender, with knowledge and at least ten years experience in matters relating to community development within the county nominated by the Cabinet Secretary; and
- (d) two persons of the opposite gender with knowledge and at least five years experience in

Establishment of county self-help development committees. Membership of county self-help development committees.

matters relating to community development, appointed by the county governor to represent such special interests within the county as the governor shall determine including the interests of persons with disabilities.

(2) The persons nominated under subsection (2) (c) and (d) shall be appointed by the Cabinet Secretary by notice in the gazette.

(3) The persons nominated under subsection (2)(b) and (c) shall be appointed for a term of three years renewable for one further term.

(4) A person shall not be qualified for appointment as a member under subsection (1), if that person—

- (a) has violated Chapter Six the Constitution;
- (b) is adjudged bankrupt;
- (c) is not of good character or moral standing;
- (d) has been convicted of a felony; or
- (e) has not been resident or employed in the county for a continuous period of five years.

(5) There shall be paid to the members of the county committee such allowances as the county executive committee member may determine in consultation with the Salaries and Remuneration Commission.

41. Each county committee shall be under the direction and supervision of the Committee and shall—

- (a) implement, in consultation with the Director, the programmes, strategies and policies formulated by the Committee within the county;
- (b) advise the Committee on technical issues affecting the implementation of community self-help development programmes in the county;
- (c) advise the Committee on matters affecting communities and self-help associations registered within the county;
- (d) initiate, undertake and participate in the collection, preparation, production and dissemination of data and information on self-help development initiatives in the county;

Functions of County Self-Help Development Committees.

- (e) undertake capacity building of self-help associations within the county;
- (f) co-ordinate, in consultation with the Registrar, the registration of self-help associations within the county;
- (g) prepare and submit to the Committee such audit reports as the Committee may require on the standards, initiatives and programmes required to be adopted within the county for the realisation of the objectives of this Act;
- (h) facilitate the establishment of linkages and networks between self-help associations and relevant stakeholders, development agencies and institutions;
- (i) mobilise and sensitize the community on community development initiatives and in collaboration with the Director and the county registrars in the area, conduct capacity building and education and information campaigns on self-help registration and development;
- (j) carry out such duties or functions as may be necessary to achieve the objects and purposes of this Act.

42. The provisions relating to the conduct of the affairs of the Committee prescribed in the Second Schedule shall apply with necessary modifications to the conduct of the affairs of the county committee.

Conduct of affairs of the county self-help development committees.

PART VI—MISCELLANEOUS PROVISIONS

43. (1) For the avoidance of doubt, nothing in this Act may be construed as providing for or dealing with-

Non-money Bill status

- (a) taxes;
- (b) the imposition of charges on a public fund or the variation or repeal of any of those charges;
- (c) the appropriation, receipt, custody, investment or issue of public money;
- (d) the raising or guaranteeing of any loan or its repayment; or

(e) matters incidental to any of those matters.

(2) There may be established a fund which shall consist of monies specified under subsection (3).

(3) Any expenses that may be occasioned in the implementation of this Act shall be provided from—

- (a) such gifts, grants or donations as may be given;
- (b) such monies as may, in the future, be provided by the National Assembly for defraying the expenses incurred in the implementation of this Act; and
- (c) such other monies that may lawfully accrue in the discharge of the functions under this Act, not being monies accruing pursuant to Article 114 of the Constitution.

44. (1) The expenses of—

Revenue and expenditure of the Committee and county committees

- (a) the Committee shall be defrayed out of moneys that may, in the future, be appropriated by Parliament for that purpose; and
- (b) a county committee shall be defrayed out of moneys that may, in the future, be provided by the county assembly for that purpose.

(2) All fees and other moneys received by —

- (a) the Committee shall be paid into the Consolidated Fund; and
- (b) a county committee shall be paid into the Revenue Fund.

45. The Registrar shall, in consultation with the Committee and the Public Service Commission set up such registries as may be necessary to ensure the decentralisation of registration services to the wards and village units established in accordance with section 48 of the County Governments Act.

Decentralisation of registration services

No 17 of 2012.

46. A person who commits an offence under this Act for which no penalty is specifically provided for shall be liable, on conviction, to a fine not exceeding one hundred thousand shillings or to imprisonment for a term not exceeding one year or both.

General penalty.

47. (1) The Cabinet Secretary may, in consultation with the Committee, make regulations generally for the better carrying out of the provisions of this Act.

Regulations.

(2) Without prejudice to the generality of subsection (1), the Cabinet Secretary may make regulations—

- (a) for the registration of self-help associations;
- (b) for the determination of applications for review;
- (c) for adequate monitoring mechanisms to ensure transparency and accountability under this Act;
- (d) for the procedures and mechanisms for consulting the public on self-help and community development issues, including public hearings and meetings at all levels of government;
- (e) the conduct of sensitization programmes and the publication and dissemination of information under this Act; and
- (f) for charges and fees to be paid to the Registrar under this Act.

(3) For the purposes of Article 94 (6) of the Constitution—

- (a) the authority of the Cabinet Secretary to make regulations shall be limited to bringing into effect the provisions of this Act and the fulfilment of the objectives specified under subsection (1); and
- (b) the principles and standards set out under the Interpretation and General Provisions Act and the Statutory Instruments Act, 2013 in relation to subsidiary legislation shall apply to regulations made under this Act.

Cap. 2.

No. 23 of 2013.

FIRST SCHEDULE

(S. 9)

**MATTERS TO BE PROVIDED IN THE CONSITUION OF A SELF-
HELP ASSOCIATION**

1. Name of the self- help association.
2. Objects and purpose for the formation of the association.
3. Names and designation of office bearers.
4. Procedure for election of representatives.
5. Periodic change of representatives.
6. Rate of subscription fee if any.
7. The amount and periodicity of saving.
8. Frequency of meetings.
9. Persons to whom membership is open to.
10. Procedure for withdrawal from the association.
11. Procedure for termination of membership.
12. Operation of the bank account.
13. Activities to be taken up by the self help association other than saving and credit.
14. Procedure for sanction of loan, amount of loan, purpose of loan, rate of interest to be charged, repayment period.
15. Distribution among members of income from self-help association's business.
16. Procedure for withdrawal from membership.
17. Method for suspension or expulsion of members. and
18. Manner of dissolution of the self-help association.

SECOND SCHEDULE**(s. 36, 42)****PROVISIONS AS TO THE CONDUCT OF BUSINESS
AND AFFAIRS OF THE COMMITTEE**

1. (1) The Committee shall meet at such place in Kenya as the chairperson may determine and the meetings shall be convened by the chairperson. Meetings.

(2) The Committee shall have at least four meetings in every financial year and not more than three months shall elapse between one meeting and the next meeting.

(3) Unless three quarters of the members otherwise agree, at least seven days' notice in writing of a meeting shall be given to every member by the Director.

(4) The chairperson may, at his or her discretion or at the written request made by at least half of the members of the Committee and within seven days of the request, convene an extraordinary meeting at such time and place and he or she may appoint.

(5) Meetings shall be presided over by the chairperson or in his or her absence by the vice-chairperson.

(6) The members of a Committee shall elect a vice-chairperson from among themselves-

(a) at the first sitting of the Committee; and

(b) whenever it is necessary to fill the vacancy in the office of the vice-chairperson.

(7) Where the chairperson or vice-chairperson is absent, the members shall appoint from among themselves, a person to chair the meeting of the Committee.

(8) The Committee may invite any person to attend any of its meetings and to participate in its deliberations, but such person shall not have a vote in any decision of the Committee.

2. (1) If any person has a personal or fiduciary interest in a project, proposed contract or any matter before the Committee, and is present at a meeting of the Committee at which any matter is the subject of consideration, that person shall as soon as is practicable after the commencement of the meeting, declare such interest and shall not take part in any consideration or discussion of, or vote on any question touching such matter.

Conflict of
interest.

(2) A disclosure of interest made under subparagraph (1) shall be recorded in the minutes of the meeting at which it is made.

3. (1) Subject to subparagraph (2), the quorum of the meeting shall not be less than half of the appointed members of the Committee.

Quorum.

(2) Where the persons present at a meeting of the Committee do not constitute the quorum necessary to hold a meeting under this Act or where by reason of exclusion of a member from a meeting, the number of members present falls below the quorum necessary to hold a meeting, the Committee shall postpone the consideration of the matter in question until there is a quorum.

4. A question before the Committee shall be decided by simple majority of the members present and voting and the chairperson shall, in the case of an equality of votes, have a casting vote.

Voting.

5. The Committee shall—

Rules of
Procedure and
minutes.

- (a) determine rules of procedure for the conduct of its business; and
- (b) keep minutes of its proceedings and decisions.

MEMORANDUM OF OBJECTS AND REASONS

Statement of the Objects and Reasons for the Bill

The principle object of the Bill is to provide a framework through which communities can mobilise resources and carry out socio-economic activities to enhance their self-reliance and economic development through self-help associations. It recognises the fact that self-help associations have increasingly, over the years, played a key role not only as an entry point for economic and other development initiatives and interventions carried out with respect to various communities but has also enhance the economic independence of the members of the community.

The Bill therefore provides the necessary legal framework for the registration of self-help associations and for their operation, and the necessary mechanisms for their regulation.

Part I of the Bill deals with the Preliminaries of the Bill, encompassing the interpretation of various words.

Part II of the Bill seeks to regularize the registration of self-help associations by putting in place a registration mechanism.

Part III of the Bill establishes the national steering committee on community self-help development and outlines its functions and membership.

PART IV of the Bill establishes the county self-help development committee for each county and outlines its functions and membership.

PART V of the Bill deals with the miscellaneous provisions such as the power of the Cabinet Secretary to make Regulations and penalties for offences not provided for under the Act.

PART VI of the Bill makes provision for transition of the self-help associations that had been registered by the department of gender and social development prior to this Act, to be deemed as if they were registered under the Act.

Statement on the delegation of legislative powers and limitation of fundamental rights and freedoms

The Bill does not delegate legislative powers nor does it limit fundamental rights and freedoms.

Statement of how the Bill concerns county governments

This Bill is expected to provide a framework for the registration, operation and regulation of self-help associations at the county level of government. It is expected to enhance the capacity of communities within the count to participate in economic activities within the counties and in turn, improve

their economic welfare. The corollary of this is expected to be enhanced trade development and improved social welfare of the members of the communities, a role which falls within the ambit of county governments. In addition, the Bill provides for the establishment of county self-help development committees by the county governments which are expected to ensure accessibility of registration, public awareness and education campaigns and other attendant services at the county level of government.

The Bill therefore concerns county governments in terms of Article 110(a) of the Constitution as it affects the functions and powers of County Governments set out in the Fourth Schedule.

Statement that the Bill is not a money Bill within the meaning of Article 114 of the Constitution.

Clause 43 of the Bill specifically removes the Bill from the ambit of the matters listed under Article 114 of the Constitution. The clause further provides that any expenses that may be occasioned by the implementation of the Act are to be provided from such gifts, grants or donations as may be given or from such monies as the National Assembly may, in the future, provide for the defraying of such expenses. The Bill also provides that a fund may be established for the purposes of the custody of such funds. The Bill does not therefore appropriate funds for the implementation of the Act; any appropriation would be effected through separate legislation which would be introduced and enacted in terms of Article 114 of the Constitution. This Bill is therefore not a money Bill within the meaning of Article 114 of the Constitution.

Dated the 18th December, 2014.

MARTHA WANGARI,
Senator.