

SPECIAL ISSUE

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REPUBLIC OF KENYA

KENYA GAZETTE SUPPLEMENT

LAIKIPIA COUNTY BILLS, 2017

NAIROBI, 28th March, 2017

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COUNTY ASSEMBLIES FORUM (CAF)
P. O. Box 73552 - 00200,
NAIROBI, KENYA

The Laikipia County Enterprise Fund (Amendment) Bill, 2017

**THE LAIKIPIA COUNTY ENTERPRISE FUND
(AMENDMENT) BILL, 2017**

A Bill for

**AN ACT of County Assembly of Laikipia to amend the
Laikipia County Enterprise Fund Act, 2014 and
for connected purposes**

ENACTED by the County Assembly of Laikipia, as
follows—

1. This Act may be cited as the Laikipia County Enterprise Fund (Amendment) Act, 2017. Short title

2. In this Act, unless the context otherwise requires— Interpretation

“Principal Act” means the Laikipia County Enterprise Fund Act, 2014.

3. Section 4 of the Principal Act is amended by – Amendment of
section 4

(a) *deleting* subsections 3 (b), (c) and (d) and
substituting therefor a new paragraph as
follows—

4 (3) The Fund shall be used for supporting micro and small enterprises in providing affordable loans and credit for business capital to persons stipulated under section 10 provided that not more than three percent of the total monies consisting of the Fund shall be utilized to administer the Fund.

(b) *deleting* subsections (4), (5) and (6).

4. Section 5 of the Principal Act is amended by— Amendment of
section 5

(a) *deleting* the words “chief officer for the time being responsible ” and *substituting* therefor to read as follows—

5(1) The Fund shall be administered by the Chief Executive Officer who shall also be the Fund Administrator recruited through a competitive process and appointed by the County Executive Member responsible for finance upon recommendation by the County Public Service Board.

inserting a new section immediately after section 5(1) as follows—

5 (1A) For a person to be appointed as the Chief Executive Officer, the person must have—

- (a) a degree from a recognized university;
- (b) at least five years experience in management—

5(1B) The Chief Executive Officer shall be subject to the direction of the Board and shall be responsible for the day to day operations of the Fund.

5(1C) The Chief Executive Officer shall serve for a term of three years on such terms and conditions as the County Public Service Board may determine and may be eligible for re-appointment for a further and final term of three years.

- (c) *deleting* the words “chief officer” in section 5(2) and *substituting* therefor as follows—

5(2) The Fund Administrator shall—

5. Section 7 of the Principal Act is *amended* by—

Amendment of
section 7.

- (a) *deleting* the words “Executive member” and *substituting* therefor with the words “Fund Administrator”;

- (b) *inserting* a new subsection (f) as follows—

7 (1) (f) determining the collateral for loans disbursed and credit advanced under this Act.

6. Section 14(2) of the Principal Act is amended by deleting all the words appearing after the expression “business undertaking shall” and substituting therefor the words “have the loan cancelled and monies advanced returned with penalties as prescribed by the Board”.

Amendment of
section 14

7. Section 15 of the Principal Act is amended by *deleting* entire section.

Amendment of
section 15

MEMORANDUM OF OBJECTS AND REASONS

This Bill seeks to amend the Laikipia County Enterprise Fund Act, 2014 to emphasize the object of the Fund to support micro and small enterprises in the county by providing affordable credit and loan facilities.

The Bill also seeks to limit the administrative cost of the fund to the statutory recommendation of three percent.

The Bill also elaborates on the terms of service of the Fund Administrator.

The Bill also introduces provision of collateral for loans advanced through the Fund as well as steps to be taken for loans utilized for a purpose other than the one sanctioned by the principal Act.

Dated 22nd February, 2017

MICHAEL KINYUA,
*Chairperson, Trade, Tourism and
Co-operatives Development Committee.*

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