

Prof. Njuguna Ndung'u CBS

Cabinet Secretary,
The National Treasury and Economic Planning,
Harambee Avenue, Treasury Building,
P.O Box 30007-00100.

NAIROBI

22nd March 2023

RE: PETITION TO THE CABINET SECRETARY – THE NATIONAL SECRETARY AND ECONOMIC PLANNING ON THE DELAYED DISBURSEMENT OF EQUITABLE SHARE TO COUNTY GOVERNMENT FOR THE FY 2022/23

We, the undersigned Civil Society Organizations, working to promote good governance, accountability, and transparency in Kenya.

Draw the attention of the Cabinet Secretary to the following:

THAT, the National Treasury has consistently failed or refused to disburse funds amounting to **KES. 92.5 billion** to County Governments for the months of December 2022, January 2023 and February 2023.

THAT, this figure is likely to go up should we consider the disbursement for the month of March 2023.

THAT, this delay is uncalled, unnecessary and is an affront to the provisions of article 219 of the Constitution of Kenya and section 17(6) of the Public Finance Management Act, 2012, that obligates the National Government to undertake a timely disbursement of the equitable share of revenues to the devolved units.

THAT, for the avoidance of doubt, the Constitution of Kenya, 2010 provides that when it comes to transferring of equitable share, a county's share of revenue raised by the national government shall be transferred to the county **without undue delay** and without deduction, except when the transfer has been stopped under Article 225;

THAT, section 17(6) of the Public Finance Management Act, 2012 provides that the National Treasury shall, at the beginning of every quarter, and in any event **not later than the fifteenth day** from the commencement of the quarter, disburse monies to county governments.

THAT, this delay has severely affected the provision of essential services such as healthcare, education, and other critical sectors, payment of salaries, defaulting in statutory deductions and payment of suppliers thus leading to untold suffering of millions of Kenyans across the country.

THAT, should this situation continue unmitigated, the Counties will be left with no choice but to dishonor its legitimate obligations thereby putting the lives of the many Kenyans they serve at risk.

THAT, we confirm that the issues in respect of which the petition is made is not pending before any court of law, or constitutional or legal body.

HEREFORE, your humble petitioners pray that the Cabinet Secretary intervenes as follow:

1. That the National Treasury expedites the disbursement of funds to County Governments to enable them to meet their obligations to the citizens. We also urge the National Treasury to adhere to the Constitution and the PFM Act 2012, on prompt disbursement of funds to the counties.
2. That the National Treasury forthwith puts in place mechanisms that will ensure that the transfer of equitable funds to the Counties is not unreasonably delayed.

Thank You

Signed by:

1. Centre for Fiscal Affairs(CFA)
2. CRAWN Trust
3. East Africa Tax and Governance Network (EATGN)
4. National Taxpayers Association(NTA)
5. PAWA 254
6. The Institute of Social Accountability(TISA)

