

EXPLANATORY MEMORANDUM

EXPLANATORY MEMORANDUM FOR THE PUBLIC FINANCE MANAGEMENT (SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND) (AMENDMENT) REGULATIONS, 2024

PART I

Name of instrument: Public Finance Management (**Sports, Arts and Social Development Fund**) (**Amendment**) Regulations, 2024

Name of Parent Act: The Public Finance Management Act (*No. 18 of 2012*).

Enacted Pursuant to: Section 24(4) of the Public Finance Management Act, 2012

Name of Ministry: The National Treasury & Economic Planning

Gazetted on: To be advised by the Hon. Attorney-General

Tabled on: To be advised by the Clerk National Assembly

PART II

1. Purpose of the Statutory Instrument

The purpose of this Statutory Instrument is to amend the **Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2024** whose objects and purpose shall be to provide funds to support the development and promotion of sports and arts. The statutory instrument will be renamed Public Finance Management (Sports and Arts Fund) after approval of the amendments

2. Legislative Context

The National Assembly delegated the duty to establish national public funds to the Cabinet Secretary responsible for finance with the approval of the National Assembly. This is provided for under Section 24 (4) of the Public Finance Management Act, 2012.

The Regulations and amendments therein are therefore developed within the meaning of Section 24 (4) of the Public Finance Management Act 2012 and the procedure for public participation provided under the Statutory Instrument Act, 2013.

3. Policy Background

3.2 The Sports, Arts and Social Development Fund (SASDF) is established under the Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018. The mandate of the Fund is to provide funding to support the development and promotion of sports and arts, and the promotion of social development including universal health-care.

3.3 The government is now intentional in ensuring that the Fund caters solely for the support, promotion and development of sports and the creative arts. The promotion of social development including universal health care has now been omitted

4. Guidance

The National Treasury, the State Department for Sports, and the State Department for Culture, the Arts and Heritage shall sensitize the general public, and various stakeholders on the objectives of the Sports and Arts Fund.

5. Stakeholder Consultations

The Task force responsible for the preparation and development of the Regulations held targeted consultations with key stakeholders and their input was taken into account before the finalization of these Regulations.

These included The National Treasury and Economic Planning, the State Department for Sports, the State Department for Culture, The Arts and Heritage, Sports, Arts and Social Development Fund and the Office of the Attorney-General and Department of Justice.

In line with the provisions of Section 5 of the Statutory Instruments Act, 2013, the National Treasury together with the State Department for Sports, and State Department for Culture, The Arts and Heritage and Sports, Arts and Social Development Fund undertook public participation before publication of these Regulations.

The mode of public participation included the invitation of key stakeholders via an advertisement posted on the National Treasury website and published in the **My Gov** section of Nation and Standard Newspapers on 3rd December, 2024. Written responses/submissions on the Regulations were sent to psnt@treasury.go.ke and jona.wala@treasury.go.ke

6. Review

The National Treasury shall monitor the application of the Regulations. This shall be done through the quarterly and annual reports prepared by the Fund and forwarded to the National Treasury.

7. Contact

The contact person shall be the Cabinet Secretary or Principal Secretary, The National Treasury & Economic Planning.

Made on the....., 2024.

HON. CPA JOHN MBADI NG'ONGO, EGH
Cabinet Secretary for the National Treasury & Economic Planning