

(Legislative Supplement No. 47)

LEGAL NOTICE NO. 143

THE POLITICAL PARTIES ACT

(No. 11 of 2011)

THE POLITICAL PARTIES (FUNDING) REGULATIONS, 2019

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THE POLITICAL PARTIES ACT

(No. 11 of 2011)

IN EXERCISE of the powers conferred by section 49 of the Political Parties Act, 2011, the Registrar of Political Parties makes the following Regulations—

THE POLITICAL PARTIES (FUNDING) REGULATIONS, 2019

PART I—PRELIMINARY

1. These Regulations may be cited as the Political Parties (Funding) Regulations, 2019. Citation.

2. In these Regulations, unless the context otherwise requires— Interpretation.

“Act” means the Political Parties Act, 2011;

“accounting officer” means a person designated by the political party to be in charge of and responsible for financial accounts of the political party;

“financial year” means the period of twelve months ending on the thirtieth June each year;

“Fund” means the Political Parties Fund established under section 23 of the Act;

“Fund Account” means the account established under regulation 4;

“political party” has the meaning assigned to it in Article 260 of the Constitution;

“Registrar” means the Registrar of political parties appointed under section 33 of the Act; and

“work plan” in relation to a political party, means a schedule showing the activities a political party intends to undertake, their costs and time frame.

PART II—ADMINISTRATION AND MANAGEMENT

3. (1) The Registrar shall be responsible for the administration and management of the Fund and shall be responsible for— Management and control of the Fund.

- (a) the accounting of the receipts to the Fund;
- (b) the distribution of the Fund to political parties;
- (c) the monitoring and evaluation of expenditures of the Fund by political parties;
- (d) ensuring that proper books and records of income and expenditure of the Fund are kept;
- (e) ensuring the reporting and disclosure of all monies received by political parties; and
- (f) such other functions necessary for the effective implementation of the Act.

(2) The Registrar shall ensure that money held in the Fund, including any earnings or accruals, is spent only for the purposes for which the Fund is established.

(3) The accounts of the Fund shall be audited annually and filed with the Auditor General in accordance with the Public Audit Act and any other law relating to the management of public funds.

No. 34 of 2015.

4. (1) The Registrar shall open an account to be known as the Political Parties Fund Account at a bank designated by the National Treasury into which shall be paid—

Political Parties
Fund Account.

- (a) the funds approved or appropriated by National Assembly in accordance with section 24 (1) (a) of the Act; and
- (b) contributions or donations from any other lawful source as contemplated under section 24 (1) (b) of the Act.

(2) The Registrar shall declare in the annual report, all accruals, interest and liabilities related to the Fund.

5. (1) Every registered political party qualifying to receive monies from the Fund shall open a bank account into which only disbursements from the Registrar shall be paid.

Accounts of
Political Parties.

(2) Every registered political party shall open a bank account or bank accounts into which all donations and contributions from lawful sources other than the Fund shall be paid.

(3) A political party may open other accounts and every account shall, for purposes of financial reporting, be considered to be part of the account referred to under sub-regulation (2).

(4) Every political party shall submit to the Registrar names of at least three officials authorised in the constitution or rules of the political party to sign bank accounts of the political party.

(5) The names under sub-regulation (4) shall be submitted in Form PPF1 set out in the First Schedule.

(6) At least three signatories shall be required for any withdrawal of funds from the bank account.

(7) A political party shall utilize the funds in sub-regulation (1) in accordance with the purposes set out in section 26(1) of the Act.

(8) A political party shall declare in the annual report, all accruals, interest and liabilities.

PART III— FUNDING OF POLITICAL PARTIES

6. The Registrar shall within fourteen days upon receipt of monies into the Fund—

Notification by
the Registrar.

- (a) notify all fully registered political parties in writing;
- (b) require the eligible political parties to apply for monies from the Fund; and
- (c) publish a notice in the *Gazette* stating the political parties eligible to receive the Fund and their respective allocation.

7. (1) A political party eligible for allocation of monies from the Fund shall make the application contemplated under regulation 6 (b) in Form PPF 2 set out in the First Schedule.

Application for the Fund by Political Parties.

(2) An application under sub-regulation (1) shall include a work plan containing a schedule of the activities and a budget that the political party intends to undertake in that financial year, including an estimate cost and timeframe for every activity.

(3) The activities contained in the work plan referred to in sub-regulation (2) shall conform to the requirements of section 26 of the Act.

8. Upon receipt of the application under regulation 7, the Registrar shall assess the application to ascertain whether the political party meets the requirements of the Act and in particular, whether—

Processing of applications.

- (a) the political party has, in its governing body, representation of special interest groups; and
- (b) all activities in the work plan relate and conform to the purposes for which the Fund should be used.

9. (1) The Registrar shall within fourteen days of the application made under regulation 8, notify the political party of its decision in writing.

Decision by the Registrar.

(2) Where the application under regulation 8 is—

- (a) approved, the Registrar shall notify the political party and effect the disbursement of the funds within fourteen days of such approval;
- (b) declined, the Registrar shall notify the political party giving reasons for the decision and recommendations.

(3) Where an application is declined under sub-regulation (2)(b), the political party may reapply taking into consideration the recommendations under sub-regulation (2)(b).

10. (1) In allocating the monies from the Fund, the Registrar shall in addition to the requirements under section 25 of the Act have regard to—

Allocation of funds and disbursement.

- (a) the approved work-plan of a political party; and
- (b) a clearance certificate from the Auditor General after auditing of funds of the previous financial year.

(2) Upon allocation of funds to a political party, the Registrar shall issue a confirmation letter of the disbursement of funds to the political party and require the political party to acknowledge receipt of the funds.

PART IV—ACCOUNTING AND REPORTING

11. The accounting officer of a political party shall—

- (a) ensure that the political party complies with the Act and these Regulations;

Functions of accounting officer of a political party.

- (b) ensure that the funds allocated to the political party are not used for a purpose not authorized by the Act or these Regulations;
- (c) be accountable to the Registrar for monies allocated to the political party; and
- (d) perform any other duties imposed by any other law or by these Regulations.

12. (1) The accounting officer shall keep separate books and records of accounts in respect of the funds of the political party and all transactions for each financial year.

Annual accounts.

(2) The accounting officer of a political party shall, within three months after the end of each financial year and in accordance with section 32 of the Act and any other law, cause to be prepared annual reports and accounts of the political party.

(3) The annual report and accounts prepared under sub-regulation (2) shall be in Form PPF 3 set out in the First Schedule and shall include—

- (a) an income and expenditure statement;
- (b) a statement of assets and liabilities;
- (c) a cash flow statement;
- (d) a summary of activities undertaken within the financial year; and
- (e) any other information as may be required by the Registrar.

13. (1) The governing body of a political party shall be responsible for approving all reports and annual accounts of the political party.

Approval of accounts.

(2) The internal auditor of the political party shall express an opinion, in writing, on the accounts based on the results of each audit stating whether—

- (a) all information and explanations considered necessary for the audit were received;
- (b) proper records were maintained of all transactions as required under the generally accepted accounting practices;
- (c) the accounts are in agreement with the records referred to under paragraph (b);
- (d) the accounts reflected fairly the financial position of the political party; and
- (e) there are any recommendations by the auditor.

14. (1) Subject to section 31(2) of the Act, the accounting officer shall concurrently submit the reports and accounts of the political party to the Registrar and the Auditor-General.

Auditing of Reports and accounts by Auditor General.

(2) The Registrar shall implement any recommendations of the Auditor-General made pursuant to section 31(3) of the Act.

15. The Registrar may —

- (a) publish reports submitted by political parties;
- (b) determine the manner and form of publishing such reports.

Publication of reports by the Registrar.

16. Any person shall be entitled to inspect the audited accounts filed by a political party pursuant to section 31 (5) of the Act, and upon payment of the fee set out in the Second Schedule by the Registrar be issued copies of the audited accounts.

Inspection of Audited Accounts.

PART V— GENERAL PROVISIONS

17. Subject to section 30(1) of the Act, the accounting officer shall submit to the Registrar a statement of its assets and liabilities in Form PPF4 set out in the First Schedule.

Declaration before elections.

18. Subject to the provisions of the Act and any other law relating to public funds, the Registrar may from time to time, set general guidelines, conditions and requirements for the management of the Fund including—

General guidelines on the management of the Fund.

- (a) the guidelines for the disbursement of monies from the Fund to any political party, programme or activity;
- (b) the rules and procedures related to the disbursement and management of funds;
- (c) the funding needs to support the objectives of the Fund; and
- (d) any other issue related to the operation of the Fund.

19. For purposes of section 26 (1) (f) of the Act, administrative and staff expenses includes the payment of—

Administrative and staff expenses.

- (a) office rent and stationery;
- (b) office equipment;
- (c) property rates;
- (d) utility bills;
- (e) postage and other forms of communication expenses; and
- (f) staff salaries.

20. The Political Parties (Funding) Regulations, 2009 are revoked.

Revocation of LN. 169 of 2009.

FIRST SCHEDULE

FORMS

FORM PPF 1

(r. 5(5))

DECLARATION OF SIGNATORIES TO POLITICAL PARTIES FUND ACCOUNT
AND OTHER ACCOUNTS

Name of Political Party:				
Full Name of Bank				
Account Number				
Address				
Town/Branch				
<i>Name of Signatories</i>	<i>Designation</i>	<i>ID. No.</i>	<i>Specimen Signature</i>	

This declaration is made to the best of our knowledge, information and belief.

Made this day of 20.....

Name and signatures of three political party officials

1. Name
- Signature
- ID/Passport No
2. Name
- Signature
- ID/Passport No
3. Name
- Signature
- ID/Passport No

In the presence of a

Commissioner of Oaths/Magistrate

FORM PPF 2

(r. 7 (1))

APPLICATION FOR FUNDING OF A POLITICAL PARTY

A. Political Party Information:

1. Date of application:
2. Name of Political Party:
3. Registration No:
4. Physical Address:
5. Postal Address:
6. Tel No: Fax:
7. Website URL: Email:

B. Contact Information:

(Please provide contact information of person responsible for programme/project)

- Name:
- Designation:
- Tel No: Fax:
- Email:

C. Bank account details

- Name of Bank:
- Bank Account No.:
- Bank Account Name:
- Branch:

D. Expenditure Information:

1. Please list the project's budget expense items to be supported by this fund:

	Type of Expense	Amount	
A	Promoting representation of special interest groups.		
B-C-D	Promoting active participation by citizens in political life and civic education. Broadcasting policies and shaping public opinion. Electoral expenses.		
E	Administration		
	TOTAL		

E. Workplan Template

		Activities	Amount	Total
A.	Promoting representation of special interest groups (not less than 30% of the allocation from the Fund)			
				Subtotal

		<i>Activities</i>	<i>Amount</i>	<i>Total</i>
B.	Promoting active participation by citizens in political life and civic education			
				Subtotal
C.	Broadcasting policies and shaping public opinion			
				Subtotal
D.	Electoral expenses			
				Subtotal
E.	Administration (not more than 30% of the allocation from the Fund)			
				Subtotal
				TOTAL

* Attach any other supporting documentation.

This declaration is made to the best of our knowledge, information and belief.

Made this day of 20.....

Names and signatures of three authorized political party officials:

1. Name.....
Signature
ID/Passport No.
2. Name.....
Signature
ID/Passport No.
3. Name.....
Signature
ID/Passport No.

In the presence of a

Commissioner of Oaths/Magistrate

CURRENT LIABILITIES

Accounts Payable		
Wages, Salaries Payable		
Short Term Loans Payable		
Others (Describe)		
	TOTAL CURRENT LIABILITIES	

LONG TERM LIABILITIES

Loans Payable		
Others (Describe)		
	TOTAL LONG TERM LIABILITIES	B
	TOTAL LIABILITIES	C
	SURPLUS/DEFICIT (A-C)	

PART 2: STATEMENT OF INCOME AND EXPENDITURE

INCOME

Political Parties Fund		
Membership Fees		
Dividends on Shares		
Rent Received		
Profit on Sale of Assets		
Others (Describe)		
	TOTAL INCOME	A

EXPENDITURE

	From Parties Fund	Political Fund	From Sources	Other
Salaries				
Rent Paid				
Transport				
Electricity Bill				
Other Administrative expenses				
TOTAL EXPENDITURE				B
SURPLUS/DEFICIT (A-B)				C

PART 3: Reporting of activities implemented with the money allocated from the Fund.

		ACTIVITES	AMOUNT	TOTAL
A.	Promoting representation of special interest groups (not less than 30% of the allocation from the Fund)			
				Subtotal
B.	Promoting active participation by citizens in political life and civic education			
				Subtotal
C.	Broadcasting policies and shaping public opinion			
				Subtotal
D.	Electoral expenses			
				Subtotal
E.	Administration (not more than 30% of the allocation from the Fund)			
				Subtotal
				TOTAL

Attach:

- (a) a cash flow statement; and
- (b) a summary of activities undertaken within the financial year.

This declaration is made to the best of our knowledge, information and belief.

Made this..... day of 20.....

Name and signature of three political party officials

1. Name.....
 Signature.....
 ID/Passport No.....
2. Name.....
 Signature.....
 ID/Passport No.....
3. Name.....
 Signature.....
 ID/Passport No.....

In the presence of a
 Commissioner of Oaths/Magistrate.

FORM PPF 4

(r. 17)

DECLARATION OF ASSETS AND LIABILITIES OF A POLITICAL PARTY

NAME OF POLITICAL PARTY.....CERT. NO.....

STATEMENT OF ASSETS AND LIABILITIES AS OF

(This date being sixty days before date of election)

CURRENT ASSETS

- Cash on Hand
- Cash on Deposit
- Accounts Receivable
- Bonds, Stocks, Other Investments
- Inventory
- Other (Describe)

TOTAL CURRENT ASSETS	

FIXED ASSETS

Investments		
Furniture and Fixtures		
Office Equipment		
Land and Buildings		
Others (Describe)		
TOTAL FIXED ASSETS		
TOTAL ASSETS		A

CURRENT LIABILITIES

Accounts Payable	
Wages, Salaries Payable	
Short Term Loans Payable	
Others (Describe)	
TOTAL CURRENT LIABILITIES	

LONG TERM LIABILITIES

Loans Payable	
Others (Describe)	
TOTAL LONG TERM LIABILITIES	B
TOTAL LIABILITIES	C
SURPLUS/DEFICIT (A-C)	

STATEMENT OF INCOME AND EXPENDITURE

INCOME

Membership Fees	
Dividends on Shares	
Rent Received	
Profit on Sale of Assets	
Others (Describe)	
TOTAL INCOME	A

EXPENDITURE

Salaries		
Rent Paid		
Transport		
Electricity Bill		
Stationery, Printing, Photocopying		
Others (Describe)		
	TOTAL EXPENDITURE	B
	SURPLUS/DEFICIT (A-B)	C

This declaration is made to the best of our knowledge, information and belief.

Made this..... day of 20.....

Name and signature of three political party officials

1. Name.....

Signature.....

ID/Passport No.....

2. Name.....

Signature.....

ID/Passport No.....

3. Name.....

Signature.....

ID/Passport No.....

In the presence of a

Commissioner of Oaths/Magistrate.

SECOND SCHEDULE

(r.16)

FEEES

1. Application for official search	500
2. Inspection/perusal.....	500

ANNE NDERITU,
Registrar of Political Parties.