

REPUBLIC OF KENYA THE NATIONAL TREASURY AND PLANNING

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14th August, 2020

All Principal Secretaries/Accounting Officers

All CEC Members for Finance, All County Governments

(With sufficient copies to all Chief Executive Officers of State of Corporations and Semi-Autonomous Government Agencies)

COMMENCEMENT OF THE PUBLIC PROCUREMENT AND ASSET DISPOSAL REGULATIONS, 2020

This is to notify all the public procuring entities that the Public Procurement and Asset Disposal Regulations, 2020 (the Regulations) came into effect on **2nd July**, **2020** vide Gazette Notice No. 4957 of 9th July, 2020.

It is therefore important to note that all public procurement proceedings commencing on or after 2nd July, 2020 shall apply the new Regulations, 2020. Procurement proceedings started before the commencement date of the Regulations, shall apply the Public Procurement and Disposal Regulations, 2006.

Salient features in the new Regulations include: -

- 1. Enhanced provisions governing devolution of procurement decisions.
- 2. The Regulations have enhanced the role and responsibilities of the accounting officers in the implementation of the Act and the Regulations. Among other responsibilities, an Accounting Officer is expected to undertake the following:-

- i) ensure that procurement and asset disposal contracts are entered into lawfully and implemented accordingly;
- ii) take appropriate measures to resolve any issues arising from investigations, assessments and reviews pursuant to section 38 ad 43 of the Act;
- iii) ensure the implementation of directions as issued by the National Treasury, the Authority or Review Board from time to time;
- iv)
- v) provide information to the National Treasury or the Authority pursuant to section 34 of the Act;
- vi) ensure the preparation and timely submission of reports to the National Treasury and the Authority as required the Act; these Regulations and guidelines of the Authority.
- 3. Provisions and guidelines on emerging issues such as e-procurement, framework contracting, green and sustainable procurement among others.
- 4. Procedures for the additional procurement methods such as specially permitted procurement procedure, framework agreements, two stage tendering, community participation and force account which are geared towards effective and efficient delivery of Government services.
- 5. Provisions geared towards efficient procurement where minimum time lines for various procurement procedures have been shortened thus increasing efficiency in operations, compliance and lead times, for faster delivery of service to the public
- 6. Elaborate provisions governing preferences and reservations, designed towards promotion of the local economy, creation of employment opportunities and transfer of knowledge and technology to Kenyan citizens. Procuring Entities shall promote affirmative action initiatives in public procurement, procurement of local content to support the local manufacturing industries, and support of citizen contractors to enhance entrepreneurship in the country.
- 7. Provisions that promote and enhance effectiveness in procurement of goods, works and services which include among others; thresholds set for international tenders for goods, services and works, exclusive preferences for locally manufactured, assembled or mined in the country, margin of preference given to citizen contractors for international tenders and requirement that foreign firms must source 40% of supplies from local contractors among others.

8. Emphasis on prompt payments for performed contracts. Procuring Entities shall henceforth be required to make payment to suppliers within sixty days for all performed contracts.

The National Treasury and the PPRA are planning to carry out sensitization and capacity building on the new Regulations to all public entities at both levels of government and you shall be informed of the date and venue as necessary.

Procuring Entities are therefore required to operationalize the Public Procurement and Asset Disposal Regulations, 2020 while prioritizing on the provisions that are geared towards support of local industries, promotion of local content and support of disadvantaged groups.

Copies of the Public Procurement and Asset Disposal Regulations, 2020 are available at the Government Printer, Nairobi or can be accessed from the National Treasury's or the Public Procurement Regulatory Authority's (PPRA) websites.

Hon. (Amb.) Ukur Yatani, EGH

CABINET SECRETARY/NATIONAL TREASURY AND PLANNING

Copy to:- All Cabinet Secretaries

Head of Public Service