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TREASURY CIRCULAR NO. 1/2019

To: ALL ACCOUNTING OFFICERS

REGISTRATION OF ENTERPRISES OWNED BY YOUTH, WOMEN AND PERSONS WITH DISABILITIES FOR THE AGPO (ACCESS TO GOVERNMENT PROCUREMENT OPPORTUNITIES) PROGRAM

I. PURPOSE

The purpose of this circular is to clarify issues that have arisen over the eligibility of enterprises registering for the Access to Government Procurement Opportunities (AGPO) program further to Treasury Circular No. 1/2015 dated 15th January, 2015 titled “IMPLEMENTATION OF THE 30% PUBLIC PROCUREMENT RESERVATIONS AND PREFERENCES FOR YOUTH, WOMEN AND PERSONS WITH DISABILITIES”.

II. VALIDITY OF AGPO REGISTRATION

AGPO certification is valid for a duration of two years after which the certificate is considered to have expired. Renewal of an AGPO certificate can be done on its expiry so long as the registration requirements are met. The two-year validity period and renewal process is necessary inorder to maintain the integrity of the AGPO program through the confirmation of the eligibility status, in terms of the ownership threshold of 70%, the tax compliance status, to allow for change of schemes and to address the age dynamism issue under the Youth scheme.
III. ENTERPRISES TO BE REGISTERED UNDER AGPO

Enterprises to be registered under the AGPO program should be legal entities registered by the Registrar of Companies in the form of sole proprietorships, partnerships and limited companies. Documents submitted for registration of these businesses/companies should reflect the current ownership (within a given calendar year) as at the time of certification.

IV. PREFERENCE SCHEMES FOR REGISTRATION UNDER AGPO

The preference schemes for registration in the AGPO program are; Youth, Women and Persons with Disabilities. A given business/company can only register for one scheme at a time. Once a business/company has registered for a given scheme, no change of scheme can be done till the lapse of the two year validity period.

V. REMOVAL OF REGISTRATION CATEGORIES

Since the inception of the AGPO program in the year 2013, the certificates have been issued under five (5) categories namely: General Supplies, Fresh Produce and Agricultural Produce, Professional Services and Consultancy, ICT Services and Small Works and Engineering. It has been observed that these categorizations have hindered the registered enterprises from taking full advantage of tendering opportunities which do not fall under their registered category but which they have the capacity to undertake successfully. This has in turn hampered the uptake of the 30% procurement reservation in some procuring entities.

In order to ensure that these categorizations do not hinder the participation of AGPO registered firms in tenders and in order to increase the uptake of the 30% procurement reservation, enterprises will now be registered under the schemes of Youth, Women and Persons with Disabilities only. The AGPO certificates will no longer have a specific categorization as has been the case. Accordingly, for valid categorized AGPO certificates issued from the year 2017, procuring entities are advised to only take into consideration the schemes during tender evaluation.
VI. CITIZENSHIP STATUS FOR QUALIFICATION FOR AGPO

Since AGPO is an affirmative action program targeting disadvantaged groups domiciled in Kenya, all businesses/companies registering for AGPO must be 100% Kenyan owned.

VII. CONCLUSION

All Accounting Officers are required to ensure adherence to this circular and to communicate its contents to all Procuring Entities under them, including Semi-Autonomous Government Agencies (SAGAs).

HENRY K. ROTICH, EGH
CABINET SECRETARY/ NATIONAL TREASURY AND PLANNING

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