RE: REVIEW AND INPUT ON DRAFT POLICY & GUIDELINES ON ASSETS AND LIABILITIES MANAGEMENT IN THE PUBLIC SECTOR.

The provisions of the Public Finance Management Act Regulations 2015, Section 139 (3) requires the National Treasury to issue guidelines on Assets and Liabilities Management, while section 143 requires Accounting Officers to maintain a register of assets and liabilities under their control. The National Treasury has developed a draft Policy and Guidelines on Asset and Liability Management in the Public Sector. The Policy and Guidelines will provide a framework for management, safeguarding and reporting of public assets and liabilities at National and County level of Government.

The Public Finance Act Regulation 2015 (for County Governments), Section 132 (3) has mandated the County Treasury to provide guidelines on County Government Asset and Liability Management after seeking the views of the Cabinet Secretary, National Treasury & Planning. In this regard, Counties are hereby guided to prepare guidelines on Asset and Liability Management, guided/premised on the attached draft guidelines.

The purpose of this Circular is therefore to request Counties to:

1) Review the draft guidelines on Asset and Liability Management (attached) and provide comments/input by 30th March 2020 to the National Treasury for consideration.
2) To customize and develop guidelines of managing county Assets and Liabilities as guided by the attached draft guidelines and seek advice from the Cabinet Secretary, National Treasury & Planning before its approval.

3) Develop and maintain Assets and Liabilities registers using the templates attached to the draft guidelines, which have already been approved by Public Sector Accounting Standard Board for use by public sector entities.

It will be appreciated if this exercise is prioritized to bring uniformity and clarity on how public entities prepare and account for public assets and liabilities.

[Signature]

Hon.(Amb.) Ukur Yatani, EGH
CABINET SECRETARY/ THE NATIONAL TREASURY & PLANNING

Copy to: The Auditor General
The Office of the Auditor general
Nairobi.

The Chairman
Council of Governors
NAIROBI