

**April 1, 2020**

Principal Secretary,  
National Treasury,  
P. O. Box 30007-00100,  
Nairobi.

Dear Sir,

## RE: Comments and Inputs COVID-19 Emergency Response Fund

We commend the National Treasury for providing the opportunity for the public to input and comment on the draft regulations. In response to that invitation for public input, comments or memoranda by the National Treasury, Open Governance Institute (OGI) Kenya wishes to present the following proposed amendments and additions to the draft regulations:

1. Amend the Title, Citation and Interpretation of the regulations to provide for broader emergency response framework.
  - 1.1. Referring the regulation as a “fund” limits the emergency response in scope. Therefore, we propose deletion of the word ‘Fund’ in the Title, Citation and Interpretation of the regulations to read “COVID-19 Emergency Response”
  - 1.2. This proposed amendment creates two parts of the regulations – establishment of a Fund as intended in part II and creates part III for general policy response.
  - 1.3. Consequently, the proposed amendment further amends the objects and purpose of the funds as outlined in section 4 by lifting subsection (c) to the new proposed part III, which is meant to ease the burden put on resources of the Fund by spreading Emergency Response’s responsibilities across other national policies and institutions through policy regulations.
2. New part III – General Policy Response Framework: the purpose of the General Policy Response Framework is to manage the effects of the COVID-19 on the economy and facilitate smooth transition to post-COVID-19 period for quick economic recovery by supporting existing business to stay afloat while also providing financial support for innovative business venture that can create quality, well-paying and sustainable jobs.
  - 2.1. (lifted section 4 (c) to support and stimulate micro, small and medium enterprises rendered vulnerable by COVID-19 pandemic;
  - 2.2. Provide for the necessary restructure of the requirements for loan applications to the Youth Fund, Uwezo Fund, MSEA to support innovative startups<sup>1</sup> that can withstand the environment created by the COVID-19 pandemic.

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<sup>1</sup> Most startups, especially business ideas that have not been tested and those from young people who have weak bankability status or weak credit worthiness have inadequate access to credit facilities, regardless of how viable the idea maybe.



3. In line with section 5, we recommend suspension of all expenses for development (capital budget) projects, non-core spending including travel and other Operating and Maintenance (O&M) for public offices for all national government entities including the 47-county government, except for offices providing direct support to the emergency responses and essential services. Such suspension must be well
4. Amend section 5 by creating sub-section 5(2) to provide for opportunities for public input into sub-section 5(a) - monies appropriated by National Assembly for purposes of the Fund as well as the proposed suspension of non-core expenses of development and O&M. In this regard, the public be allowed a window to comment and input into supplementary budget proposals from which this sub-section refers.

This is in the same spirit that the National Treasury has invited the public to comment and input into the draft regulations.

Open Governance Institute (OGI) Kenya will be available to discuss and clarify any of these recommendations. Please contact our Executive Director via skype @kironotc or phone +254723 757 574 or email [kipronotc@gmail.com](mailto:kipronotc@gmail.com)

Sincerely



Timothy Kiprono

Executive Director

Open Governance Institute