



FOR IMMEDIATE PRESS RELEASE

NAIROBI, Kenya, May 11th, 2024 – Commencement and Implementation of the Public Benefits Organizations Act of 2013.

Yesterday, May 10th represented a moment for Civil Society Organizations (CSOs) in Kenya, just like the promulgation of the Constitution 2010 – a new moment of promise that must be seized to usher in an era of progress for the Kenyan civil society. We must all stand to celebrate the announcement made by the President on PBO Act commencement. It is now official that on Tuesday 14th May 2024, the PBO Act will commence thus marking the beginning of a new era. This historic gazettelement of the commencement date is an important step forward and demonstrates the commitment of current regime and civic society to a future of an enabling environment and broadened democratic space in Kenya. With this law, the people of Kenya will set a positive example for all of Africa and the world.




As we celebrate this gain, we must be alive to the fact that the hard work is just beginning. As the PBO Act is operationalized, the Non-Governmental Organisations Co-ordination Act, 1990, will be immediately repealed. The transitional provisions set out in the Fifth Schedule shall also apply upon commencement of this Act. During this transition phase we must be prepared for the following:

- Automatic transition of all CSOs registered under the repealed law.
- Transition of the NGOs Coordination Board to the PBO Authority
- Transition of the NGO Council to PBO Federation
- Development and adoption of regulations pursuant to Section 69 of the Act.
- Establishment of PBOs Disputes Tribunal
- Voluntary registration of new CSOs who would like to enjoy benefits under the PBO Act.
- Voluntary Registration of civil society organizations who are currently registered under other regimes but would like to enjoy benefits under the PBO Act.

Other than the publicized self-regulation, PBOs are expected to enjoy an array of benefits including but not limited to:

- a) Indirect government support in the form of
 - exemptions from income tax on income received from membership subscriptions and any donations or grants; income tax on income acquired from the active conduct of income producing activities if the income is wholly used to support the public benefit purposes for which the organization was established.
 - incentives for donations by legal and natural persons.
 - employment tax preferences.
 - special tax incentives for donations to form endowments, prudent investment policies.
- b) Preferential treatment in public procurement procedures and bidding for contracts.
- c) Provision of direct government financing for public benefit organizations that partner with the government, via budget subsidies, grants for specific purposes, and contracts to perform certain work.

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In this regard, CFF calls upon the Government to:

1. Set up a **Joint Taskforce** (including key civil society leaders and government agencies) to oversee the transition and other prohibitive laws that constrict enabling environment for CSOs.
2. Consider **extending the term of the current Executive Director** of the NGO Co-ordination Board until the end of the transition period to ensure a seamless process.
3. Facilitate **public education on the PBO Act, 2023**.
4. **Assessment of the 'NGO Council'** through public participation among civil society organizations for legitimacy before transitioning to the PBO Federation.
5. Immediate **review of the Sessional Paper No.1 of 2006** on NGOs
6. Ensure enabling environment for CSOs and **avoid constant harassment, punitive administrative and police actions against CSOs** while they deliver on their mandate.

CFF remains committed to providing continuous policy and political support and guidance to implementation of this law and enabling environment for CSOs.

Signed by

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