



The Public Benefit Act, 2013

Hellen Kuria
Programme Coordinator,
Community Voice & Philanthropy

Kenya Community Development Foundation

- ❑ Founded in 1997, the Kenya Community Development Foundation is a foundation that supports communities to initiate and drive their development agenda by harnessing and growing their resources, as well as securing their fundamental rights and services from duty bearers.
- ❑ KCDF has built a strong basis for community-driven development approaches.



About KCDF:

KCDF is a Kenyan development foundation that promotes sustainable community-driven development approaches and is unique in pioneering community philanthropy.

Vision

Flourishing and resilient communities

Mission

To Promote Social Justice and the Sustainable Development of Communities

Our Philosophy:

Shifting of the power



Communities will be able to hold decision makers accountable for their decisions on the use and distribution of resources.

Flourish



Communities will realize improved quality of lives through the recognition and investment in their own resources.

Resilience



Communities have the ability to mitigate, adapt to, and recover from shocks and stresses in a manner that reduces chronic vulnerability.

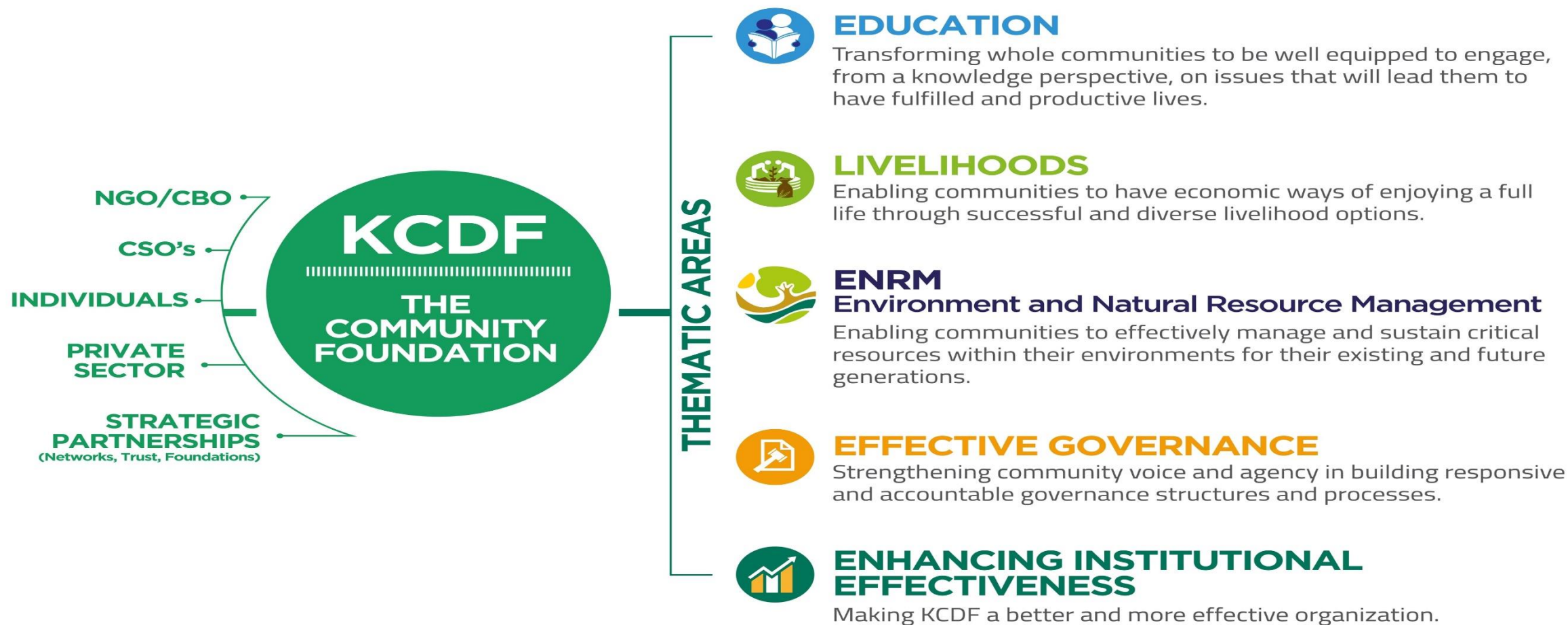
Working Together



For communities to benefit from the inclusion of many grassroots and national actors who have the capacity to promote sustainable development.



Our Approach:



Content

1.

**Introduction
and
Background**

2.

**Key
Provisions
of the Act &
Benefits**

3.

**Transition,
Opportunities
& Governance**

4.

**PBO Act Vs
NGO Act**

5.

What Next?

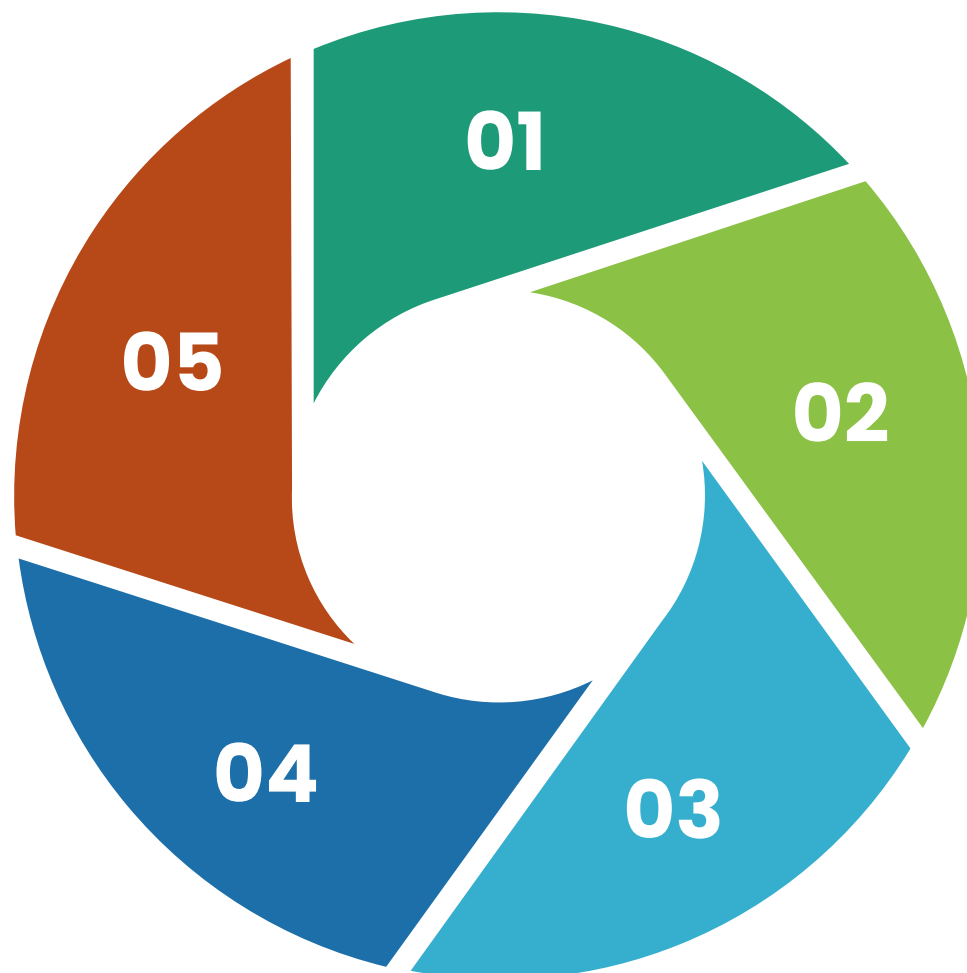
Background of the PBO Act 2013

Commencement

- Legal Notice for commencement, May 10, 2024
- Commencement, May 14, 2024.

Pre-Commencement

- 4 November 2016, High Court order for the commencement
- Commencement Announcement 9 Sep 2017
- Judicial Review Application 29 Sep 2017



Drafting of the PBO Act

- 2010 Aug Constitution
- 2010-2012 Review of NGO Coordination Act 1990 & consultations
- April 2012 PBO Bill published

Presidential Assent

- 19 Dec 2012 Parliament approval.
- Presidential Assent 14 Jan 2013

Amendments & Legal issues

- Statute Law (Misc. Amendments) Bill Oct 2013
- Statute Law (Misc. Amendments) Bill 2014 May
- Petition (No.351 of 2015) June
- PBO (Amendment) Bill, 2016, March

Introduction of the PBO Act, 2013



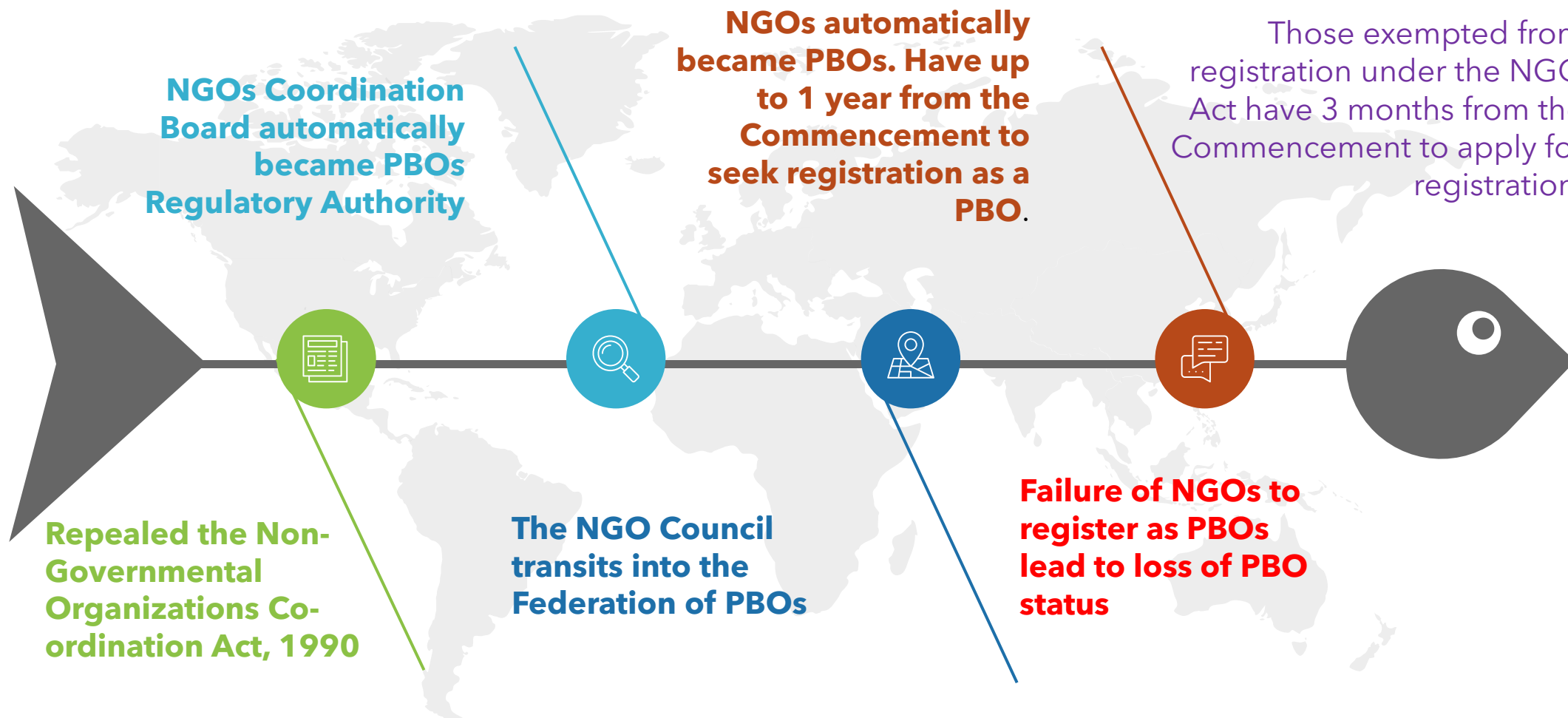
Definition of PBO

- Voluntary membership or non-membership grouping of individuals or organizations.
- Autonomous
- Non-partisan
- Non-profit making
- Organized and operated locally, nationally or internationally to engage in Public Benefit Activities*
- Registered as such by the Authority

PBO Act

- ◆ Creates a new legal, regulatory, and institutional framework for non-profit organizations doing public benefit work in Kenya, under a single law.
- ◆ The PBO Act Repeals the Non-Governmental Organizations Coordination Act ("NGO Act")
- ◆ Sets up a registration and regulatory Body - The PBO Regulatory Authority
- ◆ Sets up an umbrella organization of registered PBOs known as the National PBO Federation.

What is the impact of commencement?



Objectives and Purpose



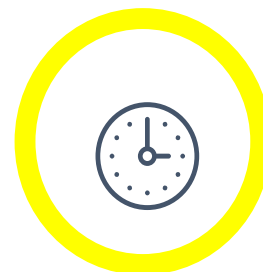
**Empowering
PBOs**



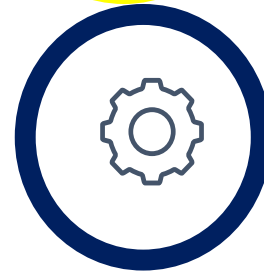
**Self-
Regulation**



**Public
Transparency**



**Streamlined
Processes**



**Collaborative
Development**



**Fundamental
Freedoms**



**Compliance
Support**

Benefits of the PBO Act

Government funding

- Budget subsidies, grants and contracts

Tax exemptions, Incentives and special tax

- Income from membership, donations, grants, IGA, interests, dividends, Imports for goods/services, endowments, prudent investment policies etc

1

2

3

4

Public Procurement procedures

- Preferential services for the procurement & Bidding contracts

Access to training & Information

- Relevant courses & information offered by Government to PBOs

Dispute resolution Tribunal

- A subordinate court

Transition and Registration

May 14, 2024

**All PBOs, (Current NGOs)
will be required to
register as PBOs**

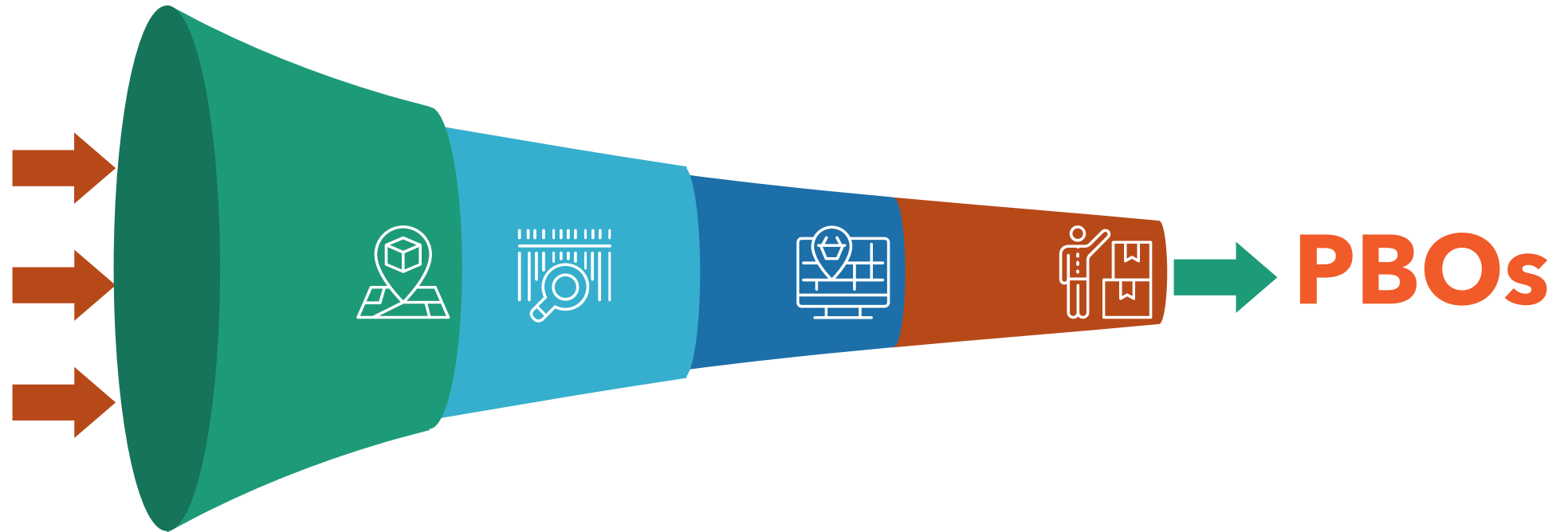
Progressively

**All CSOs currently
registered under the NGO
Act automatically transition
into PBOs**

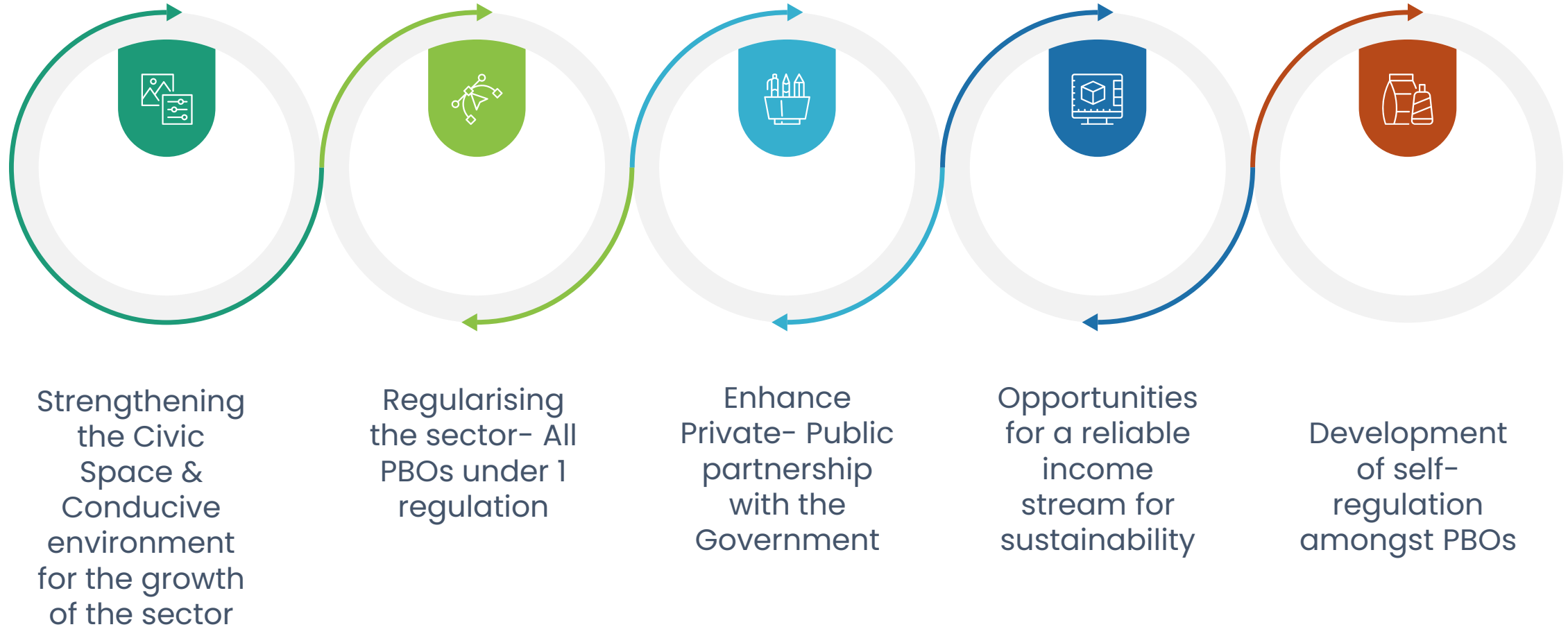
**2025 (1-year post-
commencement)**

**Any other registered
entity can apply to
become a PBO - Voluntary**

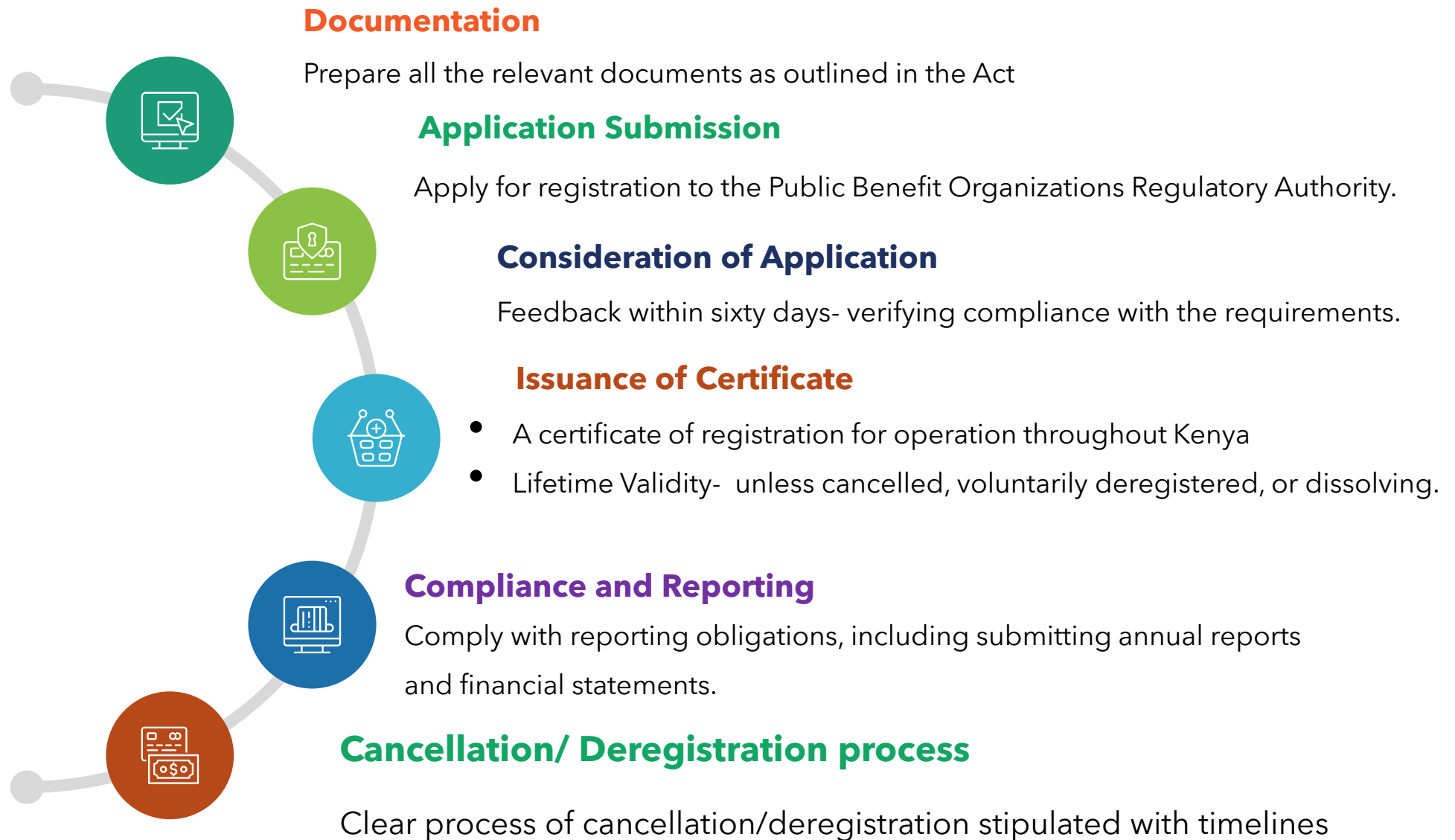
- Companies Limited by Guarantee
- Trust
- Foundations
- CBOs
- Any other not-for-profit organisation



Opportunities presented by the Law



Registration Process



Governing structure of the PBO Act

PBO Regulatory Authority

The primary regulatory body responsible for the registration, regulation, and oversight of PBOs in Kenya.

Function:

- Registration & De-registration
- Compliance & Oversight
- Policy Implementation
- Advisory role



National Federation of PBOs

Umbrella representative and coordinating body for all PBOs registered under the PBO Act 2013.

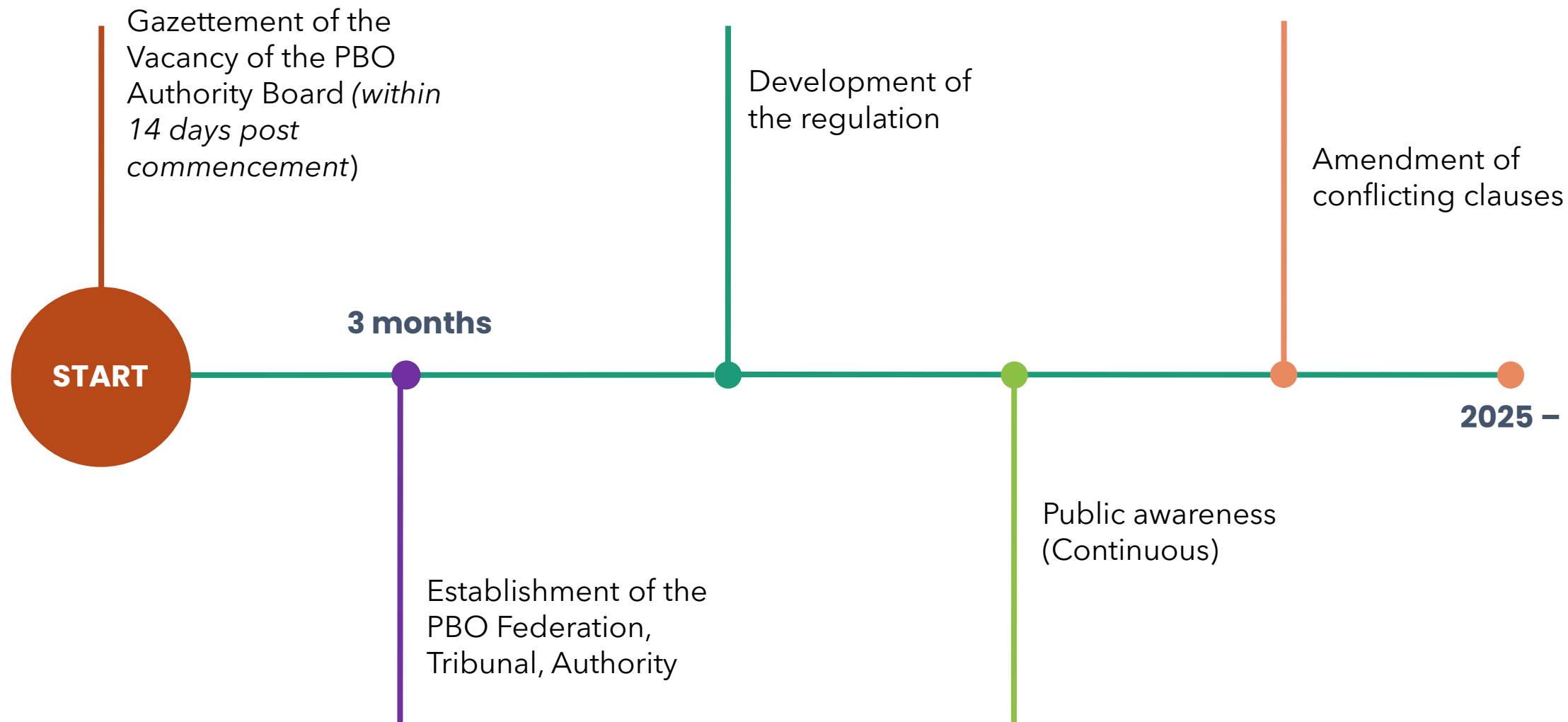
Function:

- Representation
- Capacity Building
- Advocacy
- Coordination

Key Differences Between the PBO Act and the NGO Act

Focus Areas	PBO Act 2013	NGO Coordination Act, 1990
Objectives and Purpose	Foster an enabling environment for PBO growth (Enhanced governance, transparency, accountability and government collaboration)	Registration and coordination of NGOs, focusing on regulation and oversight.
Regulatory Authority	PBO Regulatory Authority to oversee PBOs	NGOs Coordination Board for the registration and regulation of NGOs.
Scope and Definition	Organizations that enhance public benefit activities such as economic, environmental, social, or cultural	Private voluntary groupings for public benefit, not strictly focused on public benefit activities.
Registration Requirements	Detailed documentation i.e constitutive documents, names and addresses of founders, purposes, and principal activities	Requires a constitution, minutes of meetings authorizing the application, and personal particulars of officials
Governance & Accountability	High standards of governance, including mandatory financial transparency and annual reports.	Focuses on coordination and compliance with regulations but is less specific on governance standards

What Next?



Thank You