



LEGAL NOTICE NO. ....

**THE PROCEEDS OF CRIME AND ANTI-MONEY LAUNDERING  
ACT  
(No. 9 of 2009)**

**IN EXERCISE** of powers conferred by section 113(1) of the Proceeds of Crime and Anti-Money Laundering Act, 2009, the Cabinet Secretary, the National Treasury and Economic Planning makes the following Regulations—

**THE PROCEEDS OF CRIME AND ANTI-MONEY LAUNDERING  
(CRIMINAL ASSETS RECOVERY FUND) REGULATIONS, 2023**

Citation. **1.** These Regulations may be cited as the Proceeds of Crime and Anti-money Laundering (Criminal Assets Recovery Fund) Regulations, 2023.

Interpretation. **2.** In these Regulations, unless the context otherwise requires—

“Act” means the Proceeds of Crime and Anti-money Laundering Act, 2009;

No. 18 of 2012. “Accounting Standards Board” has the meaning assigned to it under section 2 of the Public Finance Management Act, 2012;

“Administrator” means the Administrator of the Fund in accordance with section 111 of the Act;

“Advisory Board” has the meaning assigned to it in section 2 of the Act;

“Agency” has the meaning assigned to it in section 2 of the Act;

“Cabinet Secretary” has the meaning assigned to it in section 2 of the Act;

“Director” means the Agency Director appointed under section 53(2) of the Act; and

“Fund” has the meaning assigned to it in section 2 of the Act.

Purpose of the Regulations.

**3.** The purpose of these Regulations is to provide a framework for the administrative operations of the Fund and the utilization of properties and monies standing to the credit of the Fund as required under section 113(1) of the Act.

Other sources of funds.

**4.** In addition to the sources of funds specified in section 110 of the Act, the Fund shall consist of—

- (a) any moneys from incidental compensation and restitution orders;
- (b) income generated from the investments of the Fund; and
- (c) money accruing to the Fund from the management of confiscated or forfeited property under the Act.

Payments out of the Fund.

**5.** There shall be paid out of the Fund—

- (a) moneys derived from concluded confiscation

and forfeiture orders stipulated in Parts VII to X of the Act, into the Consolidated Fund;

- (b) five percent of the total proceeds recovered or realized from any property seized or forfeited to the Government, to the Agency;
- (c) claims by a third party in respect of a forfeiture order issued in accordance with section 93 of the Act; and
- (d) moneys in respect of administrative expenses incurred in pursuance of the objects and purposes for which the Fund is established.

Withdrawals  
from the Fund.

**6.** Any withdrawal from the Fund shall only be for the purposes of payments envisaged under regulation 5 of these Regulations.

Role of the  
Advisory Board.

**7.** The Asset Recovery Advisory Board shall—

- (a) generally advise the Agency on the administration and management of the Fund;
- (b) advise the Agency on the preparation of the estimates of revenues and expenditure of the Fund; and
- (c) advise the Agency on the preparation of the annual financial and non-financial reports and statements of the Fund.

Administration  
of the Fund.

**8.** (1) Pursuant to section 111 of the Act, the Agency through the Director shall be the administrator of the Fund.

(2) The functions of the administrator of the Fund shall be to—

- (a) open and operate such bank accounts with the approval of the Board and the National Treasury;
- (b) supervise and control the day-to-day administration of the Fund;
- (c) in consultation with the Advisory Board, develop such policies as may be necessary for the attainment of the objects of the Fund;
- (d) cause to be kept books of accounts and other books and records in relation to the Fund of all activities and undertakings financed from the Fund;
- (e) be the custodian of the property, assets and equipment of the Fund; and
- (f) prepare estimates of annual revenue and expenditure of the Fund and submit them to the Advisory Board for advice before adoption.

(3) The Agency shall comply with the ordinary Government budget cycle in the preparation of the estimates for the Fund.

Secretariat of the Fund.

**9.** (1) There shall be a secretariat to support the functions of the administration of the Fund.

(2) The Director shall designate such officers in the Agency to be the staff of the secretariat.

(3) The Director may assign duties to the staff of the secretariat in respect of the administration and management of the Fund.

Financial year. **10.** The financial year of the Fund shall be the period of twelve months commencing on the 1st July in each year and ending on the thirtieth June.

Bank accounts of the Fund. **11.** (1) The administrator shall cause bank accounts in the name of the Fund to be maintained for the Fund in a bank regulated by the Central Bank of Kenya in accordance with the Public Finance Management Act, 2012.

(2) All moneys payable to the Fund shall be paid into the bank accounts of the Fund.

(3) The bank accounts of the Fund shall be operated by the Director and two other persons nominated by the Director from among the staff of the Agency.

No. 34 of 2015. (4) The bank accounts of the Fund shall be submitted to the Auditor-General within three months after the end of each financial year in accordance with the Public Audit Act, 2015.

Overdrawn accounts. **12.** The Administrator shall ensure that the bank accounts of the Fund are not overdrawn.

Investment of surplus funds. **13.** The Administrator may, with the approval of the Cabinet Secretary, invest any surplus funds of the Fund in Government securities.

Retention of receipts and earnings. **14.** All receipts, earnings and accruals to the Fund, and the balance of the Fund at the close of each financial year shall be retained by the Fund for the purposes of the Fund.

Annual estimates.

**15. (1)** At least three months before the commencement of each financial year, the Administrator shall cause to be prepared the estimates of the revenue and expenditure of the Fund for that year.

(2) The annual estimates shall make provision for the estimated revenues and expenditures of the Fund for the financial year and, in particular, the estimates shall provide for—

- (a) revenues projected to be received by the Fund from the sources of funds provided for under the Act and these Regulations;
- (b) moneys for the administrative expenses of the Fund;
- (c) the maintenance of the assets, equipment and properties of the Fund; and
- (d) any other lawful expenditure that promotes the objects and purpose of the Fund.

Annual reports.

**16.** The Administrator shall prepare annual financial and non-financial reports in accordance with the format prescribed by the Public Sector Accounting Standards Board and submit them to the Advisory Board for consideration and advice.

Records of the Fund.

**17. (1)** The Administrator shall cause to be kept all proper books and records of account of the income, expenditure, assets, liabilities, equipment and properties of the Fund.

(2) Within a period of three months from the end of each financial year, the Administrator shall submit to the

Advisory Board the accounts of the Fund together with—

- (a) a statement of the income and expenditure of the Fund during the financial year; and
- (b) a statement of the assets and liabilities of the Fund on the last day of that financial year.

(3) The financial statements prepared under paragraph (2) shall be prepared in accordance with the format prescribed by the Public Sector Accounting Standards Board.

Financial and procurement Regulations.

**18.** The Fund shall be governed by all relevant financial and procurement laws and Regulations as applicable

Administrative expenses.

**19.** The administrative expenses of the Fund shall be three percent of the proceeds recovered or realized from any property seized or forfeited to the Government.

Winding up of the Fund.

**20.** The winding up of the Fund shall be in accordance with the provisions of the Public Finance Management Act, 2012.

Made on the ....., 2023.

**NJUGUNA NDUNG’U,**

*Cabinet Secretary for the  
National Treasury and Economic Planning.*