



PRESS RELEASE

STATUS UPDATE ON PAYMENT OF PENDING BILLS

Since the recent Presidential directive on payment of pending bills by public institutions, the Commission has been inundated by enquiries from suppliers of goods and services with pending payments.

During the 2017 General Elections and the subsequent Fresh Presidential elections, the Commission accrued pending bills of Ksh.3,901,757,574 due to lack of exchequer from the National Treasury.

The Commission made several efforts to request for additional funding through various correspondence with the National Treasury with a view to settling the said pending bills but these requests were not serviced by the National Treasury citing tight fiscal policy. The Commission, from its own savings, was able to settle about Ksh.107,339,648 leaving a balance of Ksh.3,794,417,926.

On 1st June 2019, during the Madaraka Day Celebrations, The President gave a directive that all pending bills for suppliers of Goods and Services to National and County Government that have been validated by audit be paid before 30th June 2019. In compliance with the directive, the National Treasury on the 3rd June 2019 directed all Government institutions to categorize all the pending bills into: pending bills for AGPO; pending bills for non-AGPO below Ksh. 10 million; and pending bills for non-AGPO above Ksh. 10 million. On 4th June 2019 the Commission, in compliance with National Treasury request, submitted the list of pending bills as summarised below: -

S/No	Category	Amount in Kshs
1	AGPO pending bills for 2017/18	21,948,950.00
2	Non-AGPO cumulative pending bills less than Kshs. 10 m from 2012/13 to 2018/19	1,398,293,025.54
3	Non-AGPO cumulative pending bills over Kshs. 10 m from 2012/13 to 2018/19	2,374,175,950.99
	Total	3,794,417,926.53

On the 19th of June 2019, the Commission received approved schedule of FY 2018/19 Supplementary Estimate no. 2 indicating an allocation of Ksh.703 million. Out of this allocation, Ksh.203 million was going towards the by election budget that had already been expended leaving a balance of Ksh.500 million to settle pending bills. The Ksh.500 million was prioritized to pay all AGPO and Non-AGPO pending bills totalling to **Kshs. 330 million** and the Balance of **Kshs. 170 million** was earmarked to reduce the legal pending bills. In accordance with this categorization the budget was captured in IFMIS to reflect the Commission's priority. However, the National Treasury reversed all the allocations to AGPO and Non-AGPO and reallocated all the Ksh.500 million to legal pending bills. The implication of the above is that the Commission will not have complied with the Presidential directive.

The Commission wishes to assure the general public that it is committed to equitable treatment of all its suppliers and service providers and will endeavour to make payment of outstanding bills as soon as it receives additional funding from the National Treasury.

Signed 

W. W. Chebukati
Chairman, IEBC

1st July 2019