

**SPECIAL ISSUE**

*Kenya Gazette Supplement No. 89 (Acts No. 8)*



PARLIAMENT  
OF KENYA  
LIBRARY

REPUBLIC OF KENYA

---

**KENYA GAZETTE SUPPLEMENT**

**ACTS, 2004**

---

---

**NAIROBI, 3rd January, 2005**

---

---

CONTENT

Act—	PAGE
The Central Bank of Kenya (Amendment) Act, 2004.....	239

**THE CENTRAL BANK OF KENYA (AMENDMENT)  
ACT, 2004**

**No. 8 of 2004**

*Date of Assent: 31st December, 2004*

*Date of Commencement: By Notice*

**AN ACT of Parliament to amend the Central Bank of Kenya Act to provide for a Monetary Policy Advisory Committee and for certain other matters relating to banking and the Central Bank**

**ENACTED** by the Parliament of Kenya as follows:-

Short title and commencement.

1. This Act may be cited as the Central Bank of Kenya (Amendment) Act, 2004 and shall come into operation on such date as the Minister may, by notice in the Gazette, appoint.

Insertion of new section 4D of Cap. 491.

2. The Central Bank of Kenya Act is amended by inserting the following new section after section 4C -

Monetary  
Policy  
Advisory  
Committee.

**4D.(1)** A committee is hereby established to be known as the Monetary Policy Advisory Committee to -

- (a) advise the Bank with respect to monetary policy; and
- (b) perform such other functions as the Minister may prescribe by regulation.

(2) The Committee shall consist of the following members:-

- (a) the Governor, who shall be the chairman;
- (b) the Deputy Governor, who shall be the deputy chairman;

- (c) the Permanent Secretary to the Treasury or his representative; and
- (d) six other members who have knowledge, experience and expertise in matters relating to finance, banking, and fiscal and monetary policy, appointed by the Minister.

(3) At least two of the members appointed under subsection (2)(d) shall be women.

(4) Each member appointed under subsection (2)(d) shall hold office for a term of three years and shall be eligible to be appointed for one additional term.

(5) The chairman of the Committee shall convene a meeting of the Committee at least once every two months and shall convene an additional meeting if requested by at least four members in writing.

(6) At least once every six months the Committee shall submit a report to the Minister with respect to its activities and the Minister shall lay a copy of each report before the National Assembly.

(7) The quorum of the Committee shall be five members, one of whom must be the chairman or vice-chairman.

(8) The Bank shall provide staff to assist the Committee.

2004

*Central Bank of Kenya (Amendment)*

No. 8

Amendment of  
section 36 of  
Cap. 491

3. Section 36 of the Central Bank of Kenya Act is amended by inserting the following new subsection after subsection (3) –

(4) The Central Bank shall publish the lowest rate of interest it charges on loans to banks and that rate shall be known as the central bank rate.

Deletion of  
section 39 of  
Cap. 491.

4. The Central Bank of Kenya Act is amended by deleting section 39.

Deletion of  
section 39 of  
Cap. 491

5. The Central Bank of Kenya Act is amended by deleting section 39A.

