

Legal Notice No.....

**THE MICRO AND SMALL ENTERPRISES ACT**  
**(No. 55 of 2012)**

In exercise of the powers conferred by section 74 of the Micro and Small Enterprises Act, 2012, the Cabinet Secretary for the time being responsible for matters relating to micro and small enterprises, makes the following Regulations—

**MICRO AND SMALL ENTERPRISES (ASSOCIATION) REGULATIONS, 2019**

Citation. **1.** These Regulations may be cited as the Micro and Small Enterprises (Association) Regulations, 2019.

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

“Act” means the Micro and Small Enterprises Act, 2012;

“association” has the meaning assigned to it under section 2 of the Act;

“Tribunal” means the Micro and Small Enterprises Tribunal established under section 54 of the Act;

“Registrar” means the person appointed to be the registrar under section 4 of the Act; and

“umbrella organization” has the meaning assigned to it under section 2 of the Act.

Designation of officer. **3.** (1) The Registrar may in writing, designate, an enterprise development officer in each County for effective discharge of the functions of the office of the registrar under the Act.

(2) The person designated under sub regulation (1), shall be a person in the public service in the Authority.

Search. **4.** (1) A person or group of persons desiring to form an association or umbrella organization shall make an application to conduct a name

search in the prescribed Form MSEA AS1, on the availability of the proposed name.

(2) The Registrar shall on receipt of the application under sub regulation(1), conduct the search and issue the applicant with a search certificate containing–

- (a) the date and time when the search was performed;
- (b) all information matching the search requirements criterion;
- and
- (c) an indication that no registered association or umbrella organization has a similar name to the one proposed by the applicant;

(3) A certificate of search issued under sub regulation (2), shall be valid for a period of thirty days (30), unless the applicant applies for an extension of reservation.

Registration of an association or umbrella organization.

**5.** (1) Upon receipt of the search certificate referred to under Regulation 4, an association or umbrella organization, shall make an application for registration in Form MSEA AS2 in the First Schedule to these Regulations.

(2) The application referred to in sub regulation (1), shall be signed by the Chairperson, Secretary and Treasurer of the association or umbrella organization and accompanied by a list containing the particulars of members of the association or umbrella organization and such documents and fees referred to under the Act and these Regulations.

Approval of the application.

**6.** (1) If upon receipt of the application, the Registrar is satisfied that the requirements of the provisions of the Act and these Regulations have been fulfilled, the registrar shall issue such applicant with a certificate of registration as prescribed in Form MSEA AS3 in the First Schedule to these Regulations.

(2) If upon receipt of the application, the Registrar is of the view that the application is aimed at achieving such objects prohibited under the Act, the Registrar shall reject such application and communicate that decision to the applicant, within fourteen days.

Cancellation  
Registration.

of **7.** (1) A certificate of registration of an association or umbrella organization may be cancelled by the Registrar on grounds specified under the Act.

(2) Before cancellation of the certificate of registration under sub regulation (1), the Registrar, shall issue the association or umbrella organization, with a notice as prescribed in Form MSEA AS4 set out in the First Schedule to these Regulations, to show cause within thirty days of receipt of the notice of intended cancellation, why their registration should not be cancelled.

(3) Upon receipt of the notice under sub regulation (2), the association or umbrella organization shall appear before the Registrar through its elected representatives or an advocate.

(4) If the Registrar, having heard the association or umbrella organization, is satisfied that the threshold for cancellation as set out under the Act, has been met, the Registrar shall cancel the registration of the association or umbrella organization and communicate that decision to the association or umbrella organization, as prescribed in Form MSEA AS5 in the First Schedule to these Regulations, within fourteen days.

Change of particulars.

**8.** An association or umbrella organization, may where necessary, apply to the Registrar for a change of particulars as prescribed in Form MSEA AS6 in the First Schedule to these Regulations.

Register to be kept.

**9.** (1) Every registered association or umbrella organization shall keep a register of its members as prescribed in Form MSEA AS7 in the First Schedule to these Regulations.

(2) The Registrar, shall in addition to the register prescribed in sub regulation (1), keep an updated register of the individual associations or umbrella organizations registered under the Act.

(3) The register referred to under sub regulation (2), shall contain the—

- (a) name of the association or umbrella organization;
- (b) registered office of the association or umbrella organization;
- (c) postal address of the association or umbrella organization;
- (d) class or classes of persons to whom membership is restricted;
- (e) number of members of the association or umbrella organization; and
- (f) names, occupations and contact addresses of the principal officers.

Election.

**10.** (1) Every election of the officials of an association or umbrella organization under the Act shall be presided over by an officer duly appointed by the Authority, who shall prepare and submit a report of the election to the Registrar within seven days of the conclusion of the election.

(2) An association or umbrella organization that intends to conduct an election shall inform the Authority of the date, venue and time of the proposed elections at least thirty days before the election is conducted.

(3) Election of the officials of an association or umbrella organization shall be conducted through a secret ballot by the registered members in an open, transparent, free and fair process.

(4) Upon conclusion of the elections and election results declared by the presiding officer, the duly elected officials shall submit results of their election to the Registrar within fourteen days following the declaration of such results as prescribed in Form MSEA AS8 in the First Schedule to these Regulations.

Inspection Report.

**11.** (1) The Registrar or a person authorized by him or her shall where necessary, carryout an inspection of the books of accounts and all documents related thereto of an association or umbrella organization and prepare an inspection report which shall specify–

(a) any breach or non-compliance with the requirements of the Act and these Regulations;

(b) any irregularity in the manner of conduct of affairs of the association or umbrella organization;

(c) the individuals responsible for the irregularities unveiled in the course of inspection; and

(d) the recommended action.

(2) Upon receipt of the inspection report, the Registrar shall notify the affected association or umbrella organization of the findings of the inspection in writing, within thirty days.

(3) Upon receipt of the inspection report from the Registrar, the affected association or umbrella organization shall appear before the Registrar for a hearing on the findings and recommendations of the inspection within fourteen days from the date of the notice, if the findings or recommendations in the inspection report are not in its favour.

(4) If the Registrar is of the opinion that the findings or recommendations as contained in the inspection report do not warrant a hearing, the Registrar may issue a notice to the affected association or umbrella organization to comply with such specific recommendations as made in the inspection report, within fourteen days, failure to which the registrar may suspend the association or umbrella organization from its operations.

Fees

**12.** The Fees applicable under this Regulation are as specified under the Second Schedule to these Regulations.

Annual Returns.

**13.** The annual returns shall be—

(a) filed with the Authority on or before the 31<sup>st</sup> of March in each calendar year; and

(b) in Form MSEA AS9 prescribed in the First Schedule to these Regulations accompanied by the audited financial statements of the association or umbrella organization's accounts of that year.

Penalty.

**14.** A registered association, umbrella organization or officer of the association or umbrella organization who contravenes the provisions of these Regulations commits an offence and shall on conviction, be liable to—

(a) a fine not exceeding twenty thousand shillings, in the case of a registered association or umbrella organization; or

(b) imprisonment for a term not exceeding six months or to a fine not exceeding twenty thousand shillings, or both, in the case of an officer.

**FIRST SCHEDULE**

**FORM MSEA AS 1**

**APPLICATION FOR NAME SEARCH**

TO: Registrar of Micro and Small Enterprises.

We / I, hereby apply for a name search for Registration of an Association/ Umbrella Organization.

The proposed names are:

1.  
.....  
.....

2.  
.....  
.....

3.  
.....  
.....

- I. Name.....
  - II. Contact Address.....
  - III. (i)Postal .....
  - IV. (ii)E-mail.....
  - V. (iii)Telephone Nos. ....
- (Signed) .....
- .....
- .....

Dated:-.....

**FORM MSEA AS 2 {r.5(1)}**  
**Application for Registration as an Association/Umbrella Organization.**

To:

Registrar of Micro and Small Enterprises.

We the under signed Officers, hereby apply for Registration under the Micro and Small Enterprises Act, 2012;

- (a) Name of Association/ Umbrella Organization. ....
- (b) The main objectives of this Association/ Umbrella Organization.....
- (c) Contact Address of the Association/ Umbrella Organization .....
  - (i) Postal Address of the Association/ Umbrella Organization .....
  - (ii) E-mail Address of the Association/ Umbrella Organization .....
  - (iii) Telephone Nos. of the Association/ Umbrella Organization .....
- (d) The classes of persons to whom membership is open.....
- (e) The Number of Members.....

Details of the members:

No	Name	Id	Phone	Sub/ Sect or	Youth	Gender		PWD		Sub- County	War d	Date Of		Sign
						M	F	Yes	No			Ad m	Cessation	
1														
2														

We the undersigned officers, hereby confirm that, the constitution of the association/ umbrella organization provides for all matters specified in the first schedule of the Act.

(Signed) Chairman.....  
 Secretary.....  
 Treasurer.....



**FORM MSEA AS 3 {r. 6(1)}**  
**Certificate of Registration of an Association/Umbrella Organization.**

I.....hereby certify that the, .....has been duly registered as an Association/Umbrella Organization under Reg. No.....pursuant to and in accordance with provisions of the Micro and Small Enterprises Act and the regulation made there under.

Given under my hand at .....this..... day of.....20.....

.....

Registrar of Micro and Small Enterprises

DRAFT

**FORM MSEA AS 4 {r. 7(2)}**  
**Notification of intended Cancellation /Suspension of Registration of an**  
**Association/Umbrella Organization.**

To:- .....

I hereby give notice that, in accordance with the provisions of section 9 (2) of the Micro and Small Enterprises Act, 2012. I intend to cancel/ suspend your registration under the said Act on the following grounds: -

.....  
.....  
.....  
.....

You are hereby required, within thirty (30) days from the date of this notice to show cause why your registration should not be cancelled/suspended.

Dated at ..... this..... day of.....20.....

.....

Registrar of Micro and Small Enterprises

**FORM MSEA AS 5 {r. 7(4)}**

**Notification of Cancellation /Suspension of Registration of an Association/Umbrella Organization.**

To the: .....

I hereby give you notice that, in accordance in accordance with the provision of Section 9 of the Micro and Small Enterprises Act, 2012. I have on this .....day of.....20.....cancelled/ suspended your registration under the said Act on the following grounds:

.....  
.....  
.....  
.....  
.....

Dated at.....,this..... day of.....20.....

Registrar of Micro and Small Enterprises

DRAFT

**FORM MSEA AS 6 (R. 8)**  
**Notification of Change of Particulars.**

To;  
The Registrar of Micro and Small Enterprises:

The .....association/umbrella Organization

We hereby give notice that; the following changes have been made in the association/ umbrella organization in accordance with the Act.

(a) Change of physical Address. w.e.f.....from .....to.....

(b) Change of Titles and Name of Officials. w.e.f.....from.....to.....

(Signed) Chairman.....

Secretary .....

Treasurer .....

Dated:

DRAFT

**FORM MSEA AS 7 (R. 9)**  
**Register of an MSE association/umbrella organization.**

Name: .....Reg. No. ....

Physical Address: .....

Postal Address: .....

Branches; .....

Date of Application .....

Date of Registration .....

Date of Cancellation .....

Date of Suspension .....

Date of Dissolution .....

Officials of the Association

Titles	Full Names	Occupation	Contacts/Address	Date of Appointment	Date of Cessation

No.	Name	Id	Telephone	Sub/Sector	Youth	Gender		PWD		Date of		Sub-County	Ward	Sign
						M	F	Yes	No.	Adm.	Cessation			
1														
2														
3														
4														

Total number of Members.....

Details of the members:

**FORM MSEA AS 8**  
**Election of officials Return Form {r. 10 (4)}**

Name of Association .....

Location .....

Constituency.....

County.....

No.	Position	Name of Elected Candidate	Valid votes in figures

Signatures of Candidates or Agents

No.	Name of Candidate or Agent	Official Designation	Contact	Signature	Date

We, the undersigned, being present when the results of the count were announced, do hereby declare that the results shown above are true and accurate count of the ballots in.....Association/Umbrella Organization

Presiding Officer: .....Signature.....Date.....

Election Coordinator: .....Signature ..... Date.....

**FORM MSEA AS 9 (R. 13)**  
**Annual Returns**

Of the .....Association/Umbrella Organization

For the year ending 31<sup>st</sup> December 20.....

If there have been changes since the date of application for registration or the date of the last annual returns, whichever is later, then specify such changes in the appropriate paragraph as under:-

(a) The name of the Association/Umbrella Organization.

.....  
.....  
.....

(b) The objects or constitution or rules of Association/Umbrella Organization

.....  
.....  
.....

(c) The class or classes of persons to whom its membership is open

.....  
.....  
.....

(d) The Titles of its Officials

.....  
.....  
.....

(e) Land and premises which the Association/Umbrella Organization owns

.....  
.....  
.....  
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.....  
.....

(Signed) Chairman.....

Secretary .....

Treasurer .....

We hereby give notice that; the following changes have been made in the association in accordance with, the Act.

(a) Change of physical Address, w. e. f.....

.....  
.....  
.....

(b) Change of Titles and Name of Officials. w.e.f.....

.....  
.....  
.....

(c)Change of name of the Association/ Umbrella Organization

.....

(d) Changes and Amendments of the Constitution.

.....

(e) Formation of Branches

.....  
.....

(Signed) Chairman.....

Secretary .....

Treasurer .....

Dated:.....



## SECOND SCHEDULE

### Fees

No.	ITEM	CATEGORY	AMOUNT (KSHS.)
1.	Registration	Name Search	100.00
		Association	2,000.00
		Umbrella Organization	20,000.00
	Filing of Annual Returns	Association whose membership does not exceed 100	1,000.00
		Association whose membership exceeds 100	2,000.00
		Umbrella Organization	2,500.00
	Penalties	Late filling of annual returns	500.00
		Every year annual returns not filed	500.00
2.	Filing of change of Particulars	Association	500.00
		Umbrella organization	1,000.00
3.	Inspection of a Register	Association	500.00
		Umbrella Organization	500.00
4.	Certification of documents	Copy of Certificate	500.00
		Constitution of an Association	100.00 per page
		Constitution of an Umbrella Organization	100.00 per page
		Extract of official of Association	500.00
		Extract of official Umbrella Association	1,000.00
5.	Issue of fresh Certificate	For Association	500.00
		For Umbrella Organization	500.00
		Umbrella Organization	1,000.00
6.	Official Search	Association/Umbrella	500.00

Dated.....day of .....2019

Cabinet Secretary,  
Ministry of Industry, Trade and Cooperatives.