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Draft of 16/05/2025



ALTERATION TO THE ORGANIC LAW ON PROVINCIAL GOVERNMENTS AND LOCAL-LEVEL GOVERNMENTS

The Government proposes to alter the *Organic Law on Provincial Governments and Local-level Governments*, and pursuant to Section 14(2) (*making of alterations to the Constitution and the Organic Law*) of the *Constitution*, I, **Hon. Job Pomat MP**, Speaker of the National Parliament hereby publish the following proposed law:

Draft of 16/05/2025



PROPOSED LAW TO ALTER THE ORGANIC LAW ON PROVINCIAL GOVERNMENTS AND LOCAL-LEVEL GOVERNMENTS

Organic Law on Provincial Governments and Local-level Governments (Amendment) Law 2025

ARRANGEMENT OF CLAUSES

1. Establishment of Local-level Governments (Amendment of Section 27).

Alteration to the Organic Law on Provincial Governments and Local-Level Governments—*continued*

2. New Sections 33B, 33C and 33D.

“33B. CITY AUTHORITIES

33C. DETERMINATION OF SERVICE DELIVERY FUNCTIONS AND RESPONSIBILITIES.

33D. DECLARATION OF DISTRICT HEADQUARTERS.”

3. Duration of Office (Amendment of Section 34).
4. Provincial and District Administrators (Amendment of Section 73)
5. Institutional structure of the administrative system of Provincial Governments and Local-level Governments (Amendment of Part IV).
6. Benefits Derived from Natural Resources (Amendment of Section 98).
7. Reports on the affairs of Provincial and Local-level Governments (Amendment of Section 119).

Draft of 16/05/2025



A PROPOSED ORGANIC LAW

entitled

Organic Law on Provincial Governments and Local-level Governments (Amendment) Law 2025

Being a law to alter the *Organic Law on Provincial Governments and Local-level Governments* and for related purposes.

MADE by the National Parliament to come into operation in accordance with a notice in the National Gazette by the Head of State, acting with, and in accordance with, the advice of the Minister.

1. ESTABLISHMENT OF LOCAL-LEVEL GOVERNMENTS (AMENDMENT OF SECTION 27).

The Principal Organic Law is amended in Section 27 -

- (a) by repealing Subsection (1A) and replacing it with the following:

“(1A) In principle, an area in respect of which a Local-level Government will apply will be contained within one open electorate.

Alteration to the Organic Law on Provincial Governments and Local-Level Governments—continued

- (b) by repealing Subsection (2).
- (c) by repealing Subsection (4)(b).

2. NEW SECTIONS 33B, 33C AND 33D.

The Principal Organic Law is amended by inserting immediately after Section 33A the following new sections:

33B. CITY AUTHORITIES.

- (1) A city authority may be established in each area that is declared as a city under the *Cities Act* (Chapter 4)
- (2) Subject to Subsection (1), the *District Development Authority Act 2014* does not apply to an area that is declared as a city under the *Cities Act* (Chapter 4).
- (3) Where a City Authority is established in an area under this section, an urban local-level government that existed in the area ceases to exist and its powers and function are subsumed into the City Authority.
- (4) An Act of the Parliament shall make provision for the functions and powers of, and other matters relating to City Authorities.

33C. DETERMINATION OF SERVICE DELIVERY FUNCTIONS AND RESPONSIBILITIES

- (1) The Minister shall determine the service delivery functions and responsibilities of each District Development Authority in consultation with the Board and the Provincial Executive Council.
- (2) A Provincial Executive Council and a District Development Authority must enter into partnership arrangements to implement impact projects in the district where the District Development Authority has responsibility.
- (3) An Act of the Parliament may make provision for the matters to be determined by the Minister.”

33D. DECLARATION OF DISTRICT HEADQUARTERS

- (1) The Minister responsible for provincial and local-level government affairs may, by notice in the Notice Gazette, declare an area to be a district quarters.
- (2) The boundaries and coordinates of the district headquarters shall be described in the notice under Subsection (1).”

3. DURATION OF OFFICE (AMENDMENT OF SECTION 34).

Section 34 of the Principal Organic Law is amended by repealing Subsection (1) and replacing it with the following:

- “(1) The term of a Local-level Government is for five years.
- (2) The general elections to the Local-level Government is on a date no later than 30 months after the date fixed for the return of writs of the national general election to the Parliament.”

Alteration to the Organic Law on Provincial Governments and Local-Level Governments—*continued***4. PROVINCIAL AND DISTRICT ADMINISTRATORS (AMENDMENT OF SECTION 73).**

Section 73 of the Principal Organic Law is amended by repealing Subsection (2), (2A), (2B) and (2C) and replacing them with the following:

(2) The Provincial Executive Council is to make all substantive appointments to the offices of Provincial Administrators from a list of three persons submitted by the Public Services Commission.

(2A) The Provincial Executive Council is to make all temporary appointments to the offices of Provincial Administrators in accordance with recommendation from the Public Services Commission.

(2B) The Provincial Executive Council is to suspend from the office the Provincial Administrators appointed under Subsection (2) or (2A) in accordance with a recommendation from the Public Services Commission.

(2C) The Provincial Executive Council is to revoke the appointments of Provincial Administrators appointed under Subsection (2) or (2A) in accordance with a recommendation from the Public Services Commission.

5. INSTITUTIONAL STRUCTURE OF THE ADMINISTRATIVE SYSTEM OF PROVINCIAL GOVERNMENTS AND LOCAL-LEVEL GOVERNMENTS (AMENDMENT OF PART IV).

Part IV of the Principal Organic Law is amended in Division 3 by adding immediately after Subdivision D, the following new subdivision:

Subdivision DA. - Unconditional Service Improvement Program Funding.**“95C. UNCONDITIONAL SERVICE IMPROVEMENT PROGRAM FUNDING.**

The National Government shall allocate to every Provincial Government, Local-level Government, District Development Authority, City Authority and Ward Development Committee, Service Improvement Program Funding in every financial year to address their priority needs.

“95D. PROVINCIAL GOVERNMENT SERVICES IMPROVEMENT PROGRAM FUNDING.

Each year the National Government shall, out of all the monies lawfully available for the purpose, allocate a minimum of K20 million of Provincial Services Improvement Program Funding in respect of each province irrespective of whether the elected provincial representative of the province is in the Government or the Opposition.

“95E. DISTRICT SERVICES IMPROVEMENT PROGRAM FUNDING.

Each year the National Government shall, out of all the monies lawfully available for the purpose, allocate a minimum K10 million of District Services Improvement Program Funding in respect of each district irrespective of whether the elected representative of the district is in the Government or the Opposition.

95F LOCAL-LEVEL GOVERNMENT SERVICES IMPROVEMENT PROGRAM FUNDING.

(1) Subject to Subsection (2), each year the National Government shall, out of all the monies lawfully available for the purpose, allocate K250,000.00 of Local-level Government Services Improvement Program Funding in respect of each Local-level Government throughout all the districts in the country.

Alteration to the Organic Law on Provincial Governments and Local-Level Governments—*continued*

(2) Payment under Subsection (1) shall commence in 2026 and further increase as the economy improves or when the country's economy reaches K200 billion mark.

96G. WARD SERVICES IMPROVEMENT PROGRAM FUNDING.

(1) Each year the National Government shall, out of all the monies lawfully available for the purpose, allocate K30,000.00 of Ward Services Improvement Program Funding in respect of each Ward throughout all the Local-level Governments in the country.

(2) Payment under Subsection (1) shall commence in 2026 and further increase as the economy improves or when the country's economy reaches K200 billion mark.

6. BENEFITS DERIVED FROM NATURAL RESOURCE (AMENDMENT OF SECTION 98).

Section 98 of the Principal Organic Law is amended by inserting immediately after Subsection (2) the following new subsections:

“(2A) Subject to Subsection (2), the resource developer of a natural resource under Subsection (2) must pay a certain percentage of the levies to the district in which the natural resource is developed to be used for development purposes as provided for in Paragraphs (2)(a)(i), (ii), (iii) and (iv).

(2B) The percentage of the levies in Subsection (2A) shall be determined through negotiations at the Development Forum, and stated in the Memorandum of Understanding or the Memorandum of Agreement at the conclusion of a Development Forum that is held before the development of a resource project in the concerned District.

(2C) A certain percentage of the levies described in Subsection (2)(a) must be distributed during the Development Forum through the Memorandum of Understanding or the Memorandum of Agreement equally to other districts in the province in which the natural resource is developed.”

7. REPORTS ON THE AFFAIRS OF PROVINCIAL AND LOCAL-LEVEL GOVERNMENTS (AMENDMENT OF SECTION 119).

Section 119 of the Principal Organic Law is amended by inserting immediately after Subsection (5) the following new subsections:

“(6) On the recommendation of the Provincial and Local-level Government Service Monitoring Authority, the Minister may -

(a) in writing, request advice or information from a provincial government or a local-level government on any matter relating to the operations of the provincial government or the local-level government and the provincial government or the local-level government must comply with the request; and

(b) give a written direction to a provincial government or a local-level government concerning the provincial government or the local-level government's operations if the Minister is satisfied that the direction is necessary to ensure compliance and accountability of the provincial government or the local-level government's performance of their functions.

(7) The provincial government or the local-level government must comply with the direction of the Minister under Subsection (6)(b) within the set time-frame.

(8) Where a Provincial Government or a Local-level Government fails to comply with the directions, upon advice by the Provincial and Local-level Government Service Monitoring Authority, the Minister responsible may take appropriate actions to ensure responsibility.”

Alteration to the Organic Law on Provincial Governments and Local-Level Governments—*continued*



I, certify that I have drafted the *Organic Law on Provincial and Local-level Governments (Amendment) Law 2025* (Draft of 16/05/2025) in accordance with the National Executive Council Decision No: 14/2025 dated 19th February, 2025, and the Drafting Instructions.

Dated 20th May, 2025

**M.T. AKOP,
FIRST LEGISLATIVE COUNSEL.**