

SPEECH FOR THE DEPUTY PRIME MINISTER AND MINISTER FOR FINANCE, DURING THE SIGNING CEREMONY OF THE EXCHANGE OF NOTES AND GRANT AGREEMENT FOR THE PROJECT FOR THE FLOOD DISASTER MANAGEMENT TO ADOPT TO CLIMATE CHANGE IN THE NYANDO RIVER BASIN IN TREASURY ON 19TH MAY, 2009.

H.E. Mr. Shigeo Iwatani, **Japanese Ambassador to Kenya**

Mr. Yoshiyuki Takahashi, JICA, Country Representative

Honorable Ministers

Distinguished Ladies And Gentlemen,

1. **Your Excellency**, I am pleased to note the substantial support Kenya has received from the Government of Japan in support of our development programmes. Since the beginning of our cooperation in 1964, we have received on a cumulative basis financial support amounting to **¥405 billion** (approx. Kshs. 300 billion). Indeed, Japan is one of our leading donor in support of our development program.

2. **Ladies and Gentlemen**, to deepen our cooperation, **we** have today signed Exchange of Notes and Grant Agreement for Community Based Flood Disaster Management to adopt to Climate change in the Nyando River Basin amounting to **¥482 million (approx. Kshs.422.3 million)**. Let me on behalf of the Government and people of Kenya indicate how grateful we are and particularly appreciate that this special consideration is in response to Kenya Government's request for support to our development agenda. It is in this context that we view today's

signing of the Exchange of Notes and the Grant Agreements as yet another step towards deepening the good relationship that our two countries enjoy.

3. The Grant will be applied to establish a flood management system by implementing structural and non-structural measures for integrated flood management in 24 villages of flood prone areas of Nyando and Kisumu Districts. Some of the structural measures to be undertaken include; construction of boreholes, evacuation centres and storage facilities. The development of community based flood management organizations, community flood management training and education program for disaster prevention will be undertaken under the non-structural measures. The project is envisaged to directly benefit 20,000 people in the 24 villages. This is crucial as this is one area that is faced with annual floods and our people lose all their property.

4. The technical and financial support we have received from the Government of Japan has been well aligned with our development priorities and objectives as contained in our development policy documents. The projects that have been funded by your Government are visible in the country, which include Jomo Kenyatta University of Agriculture and Technology, the Kenya Medical Research Institute. These institutes have provided quality leadership in the area of technology and innovation and medical research respectively.

5. Your Excellency, I note that the project will be implemented under the Japanese Sponsored “Cool Earth Partnership Initiative” which aims at providing a wide range of support to developing countries that are committed to achieving both reduction of green house gas emissions and economic growth in compatibility. Let me assure you that the Government of Kenya appreciates and supports this initiative as it will greatly contribute to mitigation of and adaptation to climate change which has been exemplified by erratic weather patterns affecting agriculture and exposing people to food deficiency among other ills.

6. Your Excellency, let me comment briefly on the status of our economy. Despite the drought and post election effects, we are beginning to see positive signs of economic recovery. The performance of the economy in the last five years has inspired us to aim for desired development agenda as reflected in the Vision 2030. Our target is to transform Kenya into a newly industrializing middle income country, providing high quality of life to all its citizens by 2030. We are confident that with consistent implementation of sound economic and financial policies complemented with appropriate structural reforms, we should be able to achieve our development goals.

7. Under Vision 2030, we envisage an average Gross Domestic Product (GDP) growth rate of 10% per annum beginning in 2012. This calls for a sharp increase in both GOK and private sector investments to spur the desired growth target. We are convinced

we can achieve this target as long as we all work together as a people guided by a common Vision to conquer poverty and hunger in this country. I know we have immediate challenges which we must confront.

8. As you are aware, Your Excellency, the country is currently facing serious threat of hunger as a result of prolonged drought that affected most parts of the country. At least 10 million Kenyans are facing starvation. In this connection, the Kenya Government welcomes any support from your Government to supplement Government's efforts of addressing the food deficit in the country.

9. In this regard, we wish to thank your Government for your donation early this year of US\$ 7.0 million, through the International Migration Organization (IMO) among other interventions, for the support of recovery activities as a result of the unfortunate post election crisis. We note that the grant will be used to construct 8,000 low cost shelters, support livelihood activities, and most importantly, promote the creation of a culture of peace among Kenyans in the Rift Valley Province.

10. Finally Your Excellency, we remain confident that Japan will continue to work with us towards achieving a prosperous Kenya.

THANK YOU!

