

THE KENYA - EU PARTNERSHIP FORUM

STATEMENT BY THE CABINET SECRETARY TO THE NATIONAL TREASURY AND PLANNING

**12TH NOVEMBER, 2018 AT INTERCONTINENTAL
HOTEL AT 9.30 A.M**

Your Excellences, Ladies and Gentlemen

1. It is with great pleasure for me to address this meeting for the KENYA/EU Partnership Forum. I am happy that this partnership dialogue is happening today as it also coincides with the finalization of the national development plan of the Government, the third Medium Term Plan (MTP) 2018-2022, which has ambitious targets including the “Big Four” initiatives and has also integrated the Sustainable Development Goals (SDGs).
2. Kenya will continue to pursue policies which promote trade and investment through economic partnerships as

well as bilateral arrangements. Our focus will be on acceleration of industrialization to address the remaining bottlenecks that continue to hold back the economy from achieving its full potential. We are optimistic that the effective implementation of the “Big Four” initiatives will help realize this goal.

3. **Ladies and Gentlemen**, you will agree with me that a healthy nation is a productive nation, therefore the Government has prioritized Food and Nutrition Security for all through transformation of the agricultural sector to boost food and nutritional security through increased output and improved agricultural processing which is expected to contribute to higher growth of the agricultural sector.

4. Under affordable healthcare for all, special focus will be on the achievement of Universal Health Coverage (UHC) by implementing programmes that increase health insurance coverage, increase access to quality healthcare services and offer financial protection to people when accessing healthcare. It is equally important that these initiatives are combined with prioritizing preventive health care and educating the citizens on healthy lifestyles.

5. **Ladies and Gentlemen**, successful realization of the “Big Four” Initiatives will depend on quality infrastructure which will provide market access as well as access to medical facilities in a timely manner. In this regard, we cannot achieve the full realization of the “Big Four”

initiatives without improving on our infrastructure in road, rail, marine, air, energy, and ICT. Therefore, investing in on-going infrastructural development will unlock the economic potential and support achievement of the “Big Four” initiatives.

6. It is important to note that macroeconomic stability is a key enabler in the attainment of overall development of the Country by ensuring low inflation, stable exchange and interest rates, sustainable debt position and fiscal space. In this regard, the Government will implement additional legal and institutional reforms to maintain and strengthen macroeconomic stability.

7. Effective and efficient management of resources demands for full transparency and accountability. To realize the “Big Four” initiatives will not only require financial accountability but also accountability for results. It will therefore be important to integrate fiduciary risk management in every programme that we implement. This will ensure integrity in the implementation process and also provide mechanisms of mitigating any risks that may arise during implementation.

8. **Your Excellences, Ladies and Gentlemen,** as we peruse these policies we consider the European Union which together with its member states as a friend and an

important partner in implementing our development agenda.

9. In the over fifty years of our partnership with Kenya, the European Union has been a very significant contributor of development assistance to our country, providing more than KSH.100 billion and a similar amount in form of loans from the EIB. Significant development assistance has also been received from EU Member States.

10. The funding we receive through the European Development Fund – which consists entirely of grants – goes towards the improvement of our roads and energy

infrastructure; access to affordable food and clean water; devolution and access to justice; the urban poor and those living in Kenya's driest regions.

11. Other than our development cooperation, let me also underscore other important areas in which the EU and EU Member States have made significant contribution.

12 . Europe is the largest supporter of the peace process in Somalia, including in financial support to the African Union Mission to Somalia, demonstrating the EU's commitment to regional stability which our country directly benefits from.

13. The regional office of the EU's Humanitarian Aid and Civil Protection agency, ECHO, is headquartered in Nairobi. It provides emergency relief while also seeking to tackle the underlying causes of malnutrition, famine and refugee issues in Kenya and the wider region.

14. **Your Excellences, Ladies and Gentlemen,** the issue of migration and development has become a global challenge. Kenya still bears an inordinate burden due to the influx of refugees from unstable neighbouring countries. Possible additional financial support to Kenya will go a long way in tackling migration issues. Increased GoK/EU (and the wider Horn of Africa) development cooperation can make a substantial contribution to the

challenges we are currently facing. It can do so in three ways:

15. **Ladies and Gentlemen**, there is a lot can be achieved through our Partnership. It is my hope therefore that our discussions will help share how we effectively coordinate our Kenya/EU development Cooperation that will in-turn lead to the implementation of the Big-Four initiatives. Towards this end, today, we will also be launching the “European Joint Cooperation Strategy with Kenya 2018-2022” under this Joint Cooperation Strategy, the EU and its Member States present in Kenya have come together and jointly committed to supporting the priorities and objectives identified by the GoK in the Third Medium

Term Plan (MTP II) 2018-2022 and the manifesto of the Big Four Agenda with a financial envelope of Eur. 4.1 Billion for the period 2018-2022.

16. As earlier on noted, Kenya is in the midst of a transformation process that is marked by the need to consolidate and strengthen economic growth, the rule of law and democratic governance to fulfil its vision 2030. We are therefore happy this transformation will form the backbone of the present strategy between Kenya and EU.

17. In conclusion, let me reiterate that the Government of Kenya is committed to transform Kenya into a newly industrialized middle income country, providing high

quality of life to all its citizens by 2030 through consistent implementation of sound economic and financial policies. We will therefore count on the support of the EU and its Member States towards the achievement of this agenda. Towards this end I wish to indicate that all the financial resources that we have received from the EU and its Member States will be used for the intended purposes.

THANK YOU.