



**STATEMENT FOR MR. HENRY ROTICH, CABINET SECRETARY, THE NATIONAL TREASURY AND PLANNING DURING THE SIGNING OF THE TECHNICAL AND FINANCIAL COOPERATION AGREEMENTS BETWEEN THE GOVERNMENT OF KENYA AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY ON 7<sup>TH</sup> DECEMBER 2018**

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**H.E. Annett Günther, the Ambassador of the Federal Republic of Germany in Kenya**

**Mr. Niels Breyer, Head of the German Government negotiation delegation**

**Members of the German Delegation**

**Government officials present**

**Ladies and Gentlemen**

1. Good morning. Let me welcome you all to the National Treasury for the signing of Technical and Financial Cooperation Agreements for 2014, 2015 and 2016 between the Government of Kenya and Government of the Federal Republic of Germany. I also wish to take this earliest opportunity to sincerely thank the Government of the Federal Republic of Germany for its continued financial support to our development priorities of the Government of Kenya.

2. Indeed, to date, the financial and technical assistance is cumulatively is approximately **Euros 2 billion (equivalent to Kshs 240 billion)** since 1961. The Government of Kenya appreciates your Government's support in: Good governance and Decentralization Support (MTS), Agriculture, Food Security and Drought Resilience Programs, Water sector development, Irrigation, Education, Energy, Climate Change, Health and Promotion of Youth Employment and Vocational Training.

3. **Ladies and Gentlemen**, let me re-emphasize that, H.E. Uhuru Kenyatta the President of the Republic of Kenya has committed to achieving the 'Big 4 Agenda' which include: Affordable Housing; Universal Health Care; Manufacturing, Food Security and Nutrition for all. In addition, the Third Medium Term Plan (MTP III) was officially launched on 23<sup>rd</sup> November 2018. The SDGs indicators have been mapped onto the MTP indicators; an indication that the Government of Kenya is fully committed to implementing programmes that lead to realization of steady economic growth and development. The Government has therefore set the development agenda which we are fully committed to implementing programmes that lead to realization of steady economic growth and development. We call upon our Development Partners including to support us this agenda.

4. The Government of Kenya has put in place policy and technical measures to ensure maximum utilization of resources. We follow implementation of such guidelines with regular partnership dialogue with Development Partners to address any outstanding issues. For instance in November three key partnerships meetings took place namely; The Pre-DPF, an interactive dialogue on operational challenges and the DPF. Some of the issues raised and addressed were: Cases of delayed finalizing and signing of financing agreements; Tax exemptions on ODA; Delays in processing work permits; Low absorption capacity; weak communication channels and capacity gaps.

5. We believe that the actions we have committed to undertake will lead to a better working environment for the mutual benefit of our Governments and citizens.

6. **Ladies and gentlemen;** I am informed that the negotiations for Development Cooperation between the Government of Kenya and the Government of the Federal Republic of Germany took place successfully on 4<sup>th</sup> and 5<sup>th</sup> December 2018. There was very good high level representation from the Government who pitched their cases for support. I have perused the minutes of the negotiations and must confirm that I am impressed with the outcome. **The funding available in the Kenyan –German development cooperation for the coming period amounts to over Euro. 62 Million new commitments consisting of Euro. 38.9 Million as Loans, Euro. 7 Million Grants for Financial Cooperation and Euro. 16.1 Million Grants for Technical Cooperation. The areas of focus are TIVET (Euro. 35.9 Million), Agriculture (Euro. 23.1) and Good Governance (Euro. 3 Million).** I therefore look forward to signing of the Technical and Financial Agreements for 2018 in the near future.

7. **Lastly Ladies and Gentlemen,** I am pleased to sign the Technical and Financial Agreements for 2014, 2015 and 2016, whose negotiations and conclusion took longer than expected owing to the issues related to tax and applicable laws. **The total commitments for the pending Agreements is Euro. 311. 5 Million consisting of Euro. 250 Million as Loans, Euro. 26 Million Grants for Financial Cooperation and Euro. 35.5 Million Grants as Technical Cooperation.** Agreeing the way forward is a good sign of the two Governments long standing tradition and mutual cooperation between our Governments.

Once more that the Government of the Federal Republic of Germany for its continued support to Kenya.

Thank you!