



**REPUBLIC OF KENYA  
THE NATIONAL TREASURY AND PLANNING**

**STAKEHOLDER ENGAGEMENT WORKSHOP ON DISASTER RISK  
FINANCING AND OFFICIAL DISSEMINATION OF KENYA'S  
DISASTER RISK FINANCING STRATEGY.**

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MOMBASA.**

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**Representatives of Ministries, Departments and Agencies;**

**Representatives of the World Bank;**

**Distinguished guests;**

**Ladies and Gentlemen.**

1. It gives me great pleasure to be with you on this stakeholder engagement workshop on disaster risk financing and dissemination of Kenya's Disaster Risk Financing Strategy. I wish to also extend my welcome and acknowledge your presence here today in this important workshop.

**Ladies and Gentlemen**

2. Ending Emergencies of droughts and floods is a priority flagship project under the Kenya Vision 2030 and is very critical in meeting the Big Four Agenda. Indeed, building resilience against the impacts of droughts and floods is a very important component in this process.
3. World disasters are considered among the most serious threats to sustainable development. Some of the major disasters in the world include; the 2004 Indian Ocean earthquake and tsunami, 2010 earthquake in Haiti and 2010 earthquake in Japan where very many lives and property were lost. The occurrence of natural disasters, including droughts and floods, is aggravated by unplanned rapid urbanization and climate extremes.

4. More than 70 percent of natural disasters in Kenya result from extreme climatic events such as droughts and floods. The Economic costs of droughts and floods is estimated to create a long term fiscal liability equivalent to an average of about 2.4% of the Gross Domestic Product (GDP) each year.

### **Ladies and Gentlemen**

5. This workshop comes at an opportune time when Kenya has made and continues to make great strides in ensuring that development gains and the citizens of this country are protected from the negative impacts of droughts and floods which are aggravated by the changing climate.
6. The Government, through the Ministry of Interior and Coordination of National Government has developed the National Disaster Risk Management (DRM) Policy. The Policy, is serving as the overarching framework on Disaster Risk Management for the Country.
7. The Policy aims at building a safe and disaster resilient nation through establishment of a robust DRM system that contributes to and protects the achievement of Kenya's national development objectives. It seeks to substantially reduce natural and human-induced disaster risks and associated losses in social, economic and environmental assets at the national and county levels through the establishment of an integrated multi-hazards DRM approach.

### **Ladies and Gentlemen**

8. We all know that disaster management and preparedness require substantial amount of resources. It is for this reason that a National Drought Emergency Fund was established. Parliament has approved amendments to the National Disaster Management Authority Bill 2019 (Revised), and will be operationalized soon.
9. The Fund will address resilience and preparedness measures, response interventions as well as recovery interventions.
10. The Government also continues to finance initiatives towards building resilience against droughts and floods by supporting the mainstreaming on climate change mitigation and adaptation as stipulated in the Medium-Term Plan III. This is in support of the implementation of the Climate Change Act, 2016.

### **Ladies and Gentlemen**

11. We have also developed a Disaster Risk Financing Strategy. This Strategy is one of the key components of the comprehensive approach to disaster risk management in the country.
12. Disaster risk financing complements disaster risk reduction and resilience measures by helping the government address residual risks. Our goal is to increase the ability of the National and County Governments to respond effectively to disasters, thereby protecting investments, fiscal stability and wellbeing of our citizens.
13. The Disaster risk financing Strategy (DRFS) that is being disseminated today will help the government to address risks that remain even after effective disaster risk management efforts have been put in place. DRFS will

help the governments proactively manage the financial risks associated with disasters in order to lessen their economic impacts, which are generally felt most acutely by poor and vulnerable populations.

14. The Strategy sets out four strategic priorities going forward, over the medium term: Ensure a coordinated approach to disaster risk financing across National and County Government institutions managing various disaster risk financing instruments; Improve sovereign financing capacity by strengthening and expanding the National and County Government's portfolio of disaster risk financing instruments; Support key programmes to protect the most vulnerable populations from the impacts of disasters and contribute to building resilience; and Enhance the capacity of Ministries, Departments and Agencies, as well as County Governments to respond to disasters.

15. One of the disaster risk financing instruments outlined in the Strategy is the Disaster Risk Management Development Policy Credit with a Catastrophe Deferred Drawdown Option (Cat DDO) which became effective in November 2018. It is a credit line worth approximately Ksh. 20 billion from the World Bank and is available to the country if and when the country is faced by a national disaster upon declaration by His Excellency the President.

### **Ladies and Gentlemen**

16. I would like to acknowledge the efforts of many entities that supported the preparation of the Disaster Risk Financing Strategy. First of all, I would like to express my gratitude for the technical support provided by officers from National Disaster Operation Centre, National Disaster Management Unit,

National Disaster Management Authority, Council of Governors, State Department for Planning, State Department of Livestock, State Department of Housing and Urban Development, National Water Conservation Authority, and State Department of Agriculture. I would also wish to thank the World Bank for the support offered towards the development and finalization of the Disaster Risk Financing Strategy and also in supporting the Workshop cost.

### **Ladies and Gentlemen**

17. As I conclude, it is my hope that you will use the opportunity availed by this workshop, to share experiences in responding to emergencies of drought and floods, explore existing gaps in policy and institutional structures that hinder building resilience. May we learn from various experiences and know what else is required to enhance coordination among key players. I wish you fruitful and candid deliberations.
18. With those few remarks it is my pleasure now to declare this workshop officially opened.

**May God Bless You All**

**Thank you**

**25<sup>th</sup> November, 2019**