



**REPUBLIC OF KENYA**  
**THE NATIONAL TREASURY & PLANNING**  
**OFFICE OF THE CABINET SECRETARY**

**Remarks for**

Hon. Ambassador Ukur Yatani, EGH | Cabinet Secretary, National Treasury & Planning

**LAUNCH OF KENYA'S FIRST COMPREHENSIVE INSURANCE  
COVER FOR CIVIL SERVANTS AND NATIONAL YOUTH SERVICE  
EMPLOYEES.**

*Wednesday 18<sup>th</sup> November, 2020 from 2:00 pm at the*

*Kenyatta International Convention Centre*

My Cabinet Colleagues: **Prof. Margaret Kobia**, Cabinet Secretary, Ministry of Public Service and Gender

**Hon. Mutahi Kagwe**, Cabinet Secretary, Ministry of Health

**Mr. Joe Mucheru**, Cabinet Secretary, Ministry of ICT, Youth Affairs

**Mr. Abdi Noor**, Chairman, Insurance Regulatory Authority

**Mrs. Hannah Muriithi**, Chairperson, National Hospital Insurance Fund

**Mr. Godfrey Kiptum**, CEO Insurance Regulatory Authority

**Mr. Peter Gathenge**, CEO National Hospital Insurance Fund

Members of the **Fourth Estate**, here present,

**Ladies & Gentlemen,**

Good afternoon!

I am glad to be here this afternoon, to witness and be a part of a historic moment for civil servants in this country. The launch of the enhanced insurance cover with the inclusion of Work Injury Benefits and Group Accident Cover will not only have a profound impact on the well-being of civil servants and their families, enhance public service motivation, and productivity but also boost the general growth of our insurance industry.



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Throughout the COVID-19 pandemic, we have witnessed the adverse social, economic and psychosocial effects of the virus on the lives of Kenyans.

Generally, Civil Servants have not been spared, particularly the front line essential health workers as they were called upon to redouble their efforts in discharge of their daily duties so as to ensure the country runs normally despite the overwhelming pressure.

I indeed, recall that at the onset of the pandemic, the National Treasury & Planning alongside other key stakeholders was tasked by the President to look into ways in which to **cushion these workers**, by taking care of their health and insurance requirements especially during this challenging times of Covid-19.

Accordingly, after elaborate consultative meetings with the relevant stakeholders including ministry of public service among others, it was agreed that in addition to enhancing the existing **Group Personal Accident (GPA) cover** and **Work Injury Benefits Act (WIBA) cover**, the provisions be extended to include a **comprehensive Group Life cover** to cater for all causes of death including death arising from critical illnesses such as COVID-19. These provisions were extended to all civil servants and employees of the National Youth Service.

Indeed, the Cabinet meeting on 10<sup>th</sup> September, 2020 under the chairmanship of **President Uhuru Kenyatta**, approved this proposal and mandated the National Treasury, the State Department for Public Service and the National Hospital Insurance Fund (NHIF) to roll-out the scheme noting the urgency of the full implementation.

Consequently, a contract was drafted between the three entities to operationalize the new covers, which will be administered by the NHIF.



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To this effect, I wish to reiterate the full and unequivocal commitment of National Treasury & Planning to the success of this project.

I further recognize, moving forward, the key role that will be played by the State Department for Public Service of ensuring that civil servants and their families are given the guidance they require in order to realize the dream of nurturing a productive and motivated workforce that will continue to serve Kenyans now and in the future with utmost dedication.

**Ladies & Gentlemen,**

Additionally, as the ministry responsible for the insurance industry, I am confident that the structure and delivery of this enhanced cover, which will involve a co-insurance model of about **30 insurance companies**, will not only ensure that NHIF spreads the risk, but also spur growth in the insurance industry and the general economy.

The co-insurance and **facultative reinsurance model** adapted under this scheme is in tandem with global insurance market practice that not only spreads the risk, but also drives efficiency and effectiveness in the settlement of claims. I am confident that this innovation in the local insurance industry will spur similar efforts by other players and in so doing expand our financial services sector.

Its worthy to note that, currently, the National Treasury & Planning pays out an annual premium of **KES 839 million** for Last Expense cover, but has no other cover whatsoever for Group Life, Group Personal Accident, WIBA and COVID.

However, under this new scheme, civil servants and employees of the National Youth Service will for the first time, have a comprehensive insurance cover with a total annual premium of **KES 6.07 billion** per year. This is indeed monumental and a turning point in public service welfare management.

With over **14 new categories** of cover, we are satisfied that this new and enhanced insurance cover, will not only offer value for money, but will also assure all civil



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Hon. Ambassador Ukur Yatani, EGH | Cabinet Secretary, National Treasury & Planning servants and employees of the NYS, of the government's commitment to their well-being and that of their families. We believe that a healthy workforce portends the health of the economy of the entire citizens.

**Ladies & Gentlemen,**

It is my hope that this will in turn motivate the broader public service to go beyond the call of serve to the citizens of Kenya, especially during these difficult and uncertain times.

It's also my hope that this noble intervention by our Government will put to rest the perennial agitation for better welfare and the unfortunate consequences of strikes that robs too many man-hours from the public service.

As I conclude, allow me to thank all those who worked diligently to help put this cover together in record time, especially my colleagues at the National Treasury: Principal Secretary Dr. Muia and the Principal Administrative Secretary, Amos Gathecha.

I also wish to thank the CEO of NHIF, Mr Peter Gathenge and his team, and the Principal Secretary for Public Service, Mrs Mary Kimonye and her team. Thank you all for a job well done.

It's now my humble duty, and with great pride and sense of fulfilment, especially noting the long and challenging journey towards realization of this welfare scheme, that I request my colleagues Cabinet Secretaries, and all of you to join me in officially launching Kenya's first comprehensive cover for civil servants.

*Asanteni sana!*