REPUBLIC OF KENYA

THE NATIONAL TREASURY

ANNUAL BORROWING PLAN

FINANCIAL YEAR 2026/2027

JULY 2026

For comments and clarifications, please contact:

Public Relations Office
The National Treasury
Treasury Building
P. O. Box 30007-00100
NAIROBI, KENYA

Tel : +254-20-2252-299
Email : pstnt@treasury.go.ke

The document is also available on the website at: www.treasury.go.ke

FOREWORD

The 2026 Annual Borrowing Plan (ABP) has been prepared pursuant to the provisions of the Public Finance Management Act, Cap. 412A and serves as the principal instrument for implementing the 2026 Medium-Term Debt Management Strategy (MTDS). Guided by the MTDS cost-risk optimization framework, the Plan outlines the Government's annual borrowing strategy to meet financing needs at the lowest possible cost over the medium to long term, consistent with a prudent degree of risk. It supports the Government's fiscal consolidation agenda while aligning public borrowing with the Bottom-Up Economic Transformation Agenda (BETA) and the Fourth Medium-Term Plan (MTP IV) of the Kenya's Vision 2030.

The Plan has been formulated against a backdrop of heightened global uncertainty, particularly geopolitical tensions in the Middle East, which continue to disrupt energy markets and global trade. These developments have occasioned the prevailing oil price volatility, increased external financing costs, and intensified risks to macroeconomic stability. In response, the ABP adopts a proactive financing strategy centered on prudent borrowing strategy, active liability management to mitigate refinancing risks, strengthening the domestic debt market, and enhancing the resilience of the public debt portfolio.

The ABP remains anchored on the Government's fiscal consolidation agenda, which seeks to reduce the fiscal deficit, moderate public debt accumulation, and preserve debt sustainability. Accordingly, the FY2026/2027 financing strategy provides for a gross borrowing mix of 18 percent external and 82 percent domestic, translating into a net borrowing composition of 40 percent external and 60 percent domestic. This reflects the Government's commitment to deepening the domestic debt market while prudently managing exposure to external risks, including exchange rate volatility.

Overall, the 2026 Annual Borrowing Plan reaffirms Kenya's commitment to prudent, transparent, and sustainable debt management. Through diversified financing sources, sound risk management, and enhanced market confidence, the Plan provides a credible framework for financing priority government programmes while safeguarding macroeconomic stability and supporting sustainable economic growth.

HON. FCPA JOHN MBADI NG'ONGO, EGH
CABINET SECRETARY

ACKNOWLEDGEMENT

The preparation of the 2026 Annual Borrowing Plan (ABP) has been undertaken in accordance with the provisions of the Public Finance Management Act, Cap. 412A, through a collaborative and consultative process involving key relevant government institutions and stakeholders. The National Treasury acknowledges, with appreciation, the contributions of all those whose commitment, expertise, and support were instrumental in the preparation of this Plan.

We express our profound appreciation to the Cabinet Secretary for the National Treasury for providing strategic leadership, policy direction, and oversight throughout the preparation of the Plan. His guidance ensured that the Plan remains consistent with the Government's fiscal policy objectives, debt management framework and national development priorities.

We further extend our deep appreciation to the Central Bank of Kenya (CBK) for its invaluable technical collaboration and policy coordination in the formulation of the borrowing strategy. This partnership has strengthened the alignment of debt management with monetary policy and supported the continued stability and development of the domestic debt market.

We also wish to acknowledge our Development Partners, Creditors, and Investors for their continued confidence, constructive engagement, financing support and technical assistance. Their collaboration remains integral to Government's efforts to mobilize sustainable financing and implementation of sound public debt management practices.

Special recognition is accorded to the Director General, Public Debt Management Office, together with the technical teams, whose diligence, professionalism and technical expertise ensured the preparation of a comprehensive, credible, and analytically robust Annual Borrowing Plan.

Lastly, the National Treasury remains committed to upholding the principles of fiscal responsibility, transparency, accountability and prudent public debt management. The 2026 Annual Borrowing Plan is presented in furtherance of these principles and reflects the Government's commitment to safeguarding debt sustainability, maintaining macroeconomic stability and mobilizing financing to support Kenya's sustainable and inclusive economic development.

DR. CHRIS KIPTOO, CBS
PRINCIPAL SECRETARY

ABBREVIATIONS AND ACRONYMS

ABP	Annual Borrowing Plan
AiA	Appropriation in Aid
ADB	African Development Bank
BMF	Bond Market Forum
BETA	Bottom-Up Economic Transformation Agenda
CBK	Central Bank of Kenya
DhowCSD	Dhow Central Securities Depository
DFC	Development Finance Corporation
FY	Financial Year
GDP	Gross Domestic Product
IMF	International Monetary Fund
LMOs	Liability Management Operations
MTDS	Medium Term Debt Management Strategy
MTP	Medium Term Plan
NEXI	Nippon Export and Investment Insurance
OTC	Over-the-Counter
PFM	Public Finance Management
PBO	Program-Based Optionn
RRO	Rapid Results Operation
PforR	Program-for-Results
PDMO	Public Debt Management Office
PPPs	Public-Private Partnerships
QEBR	Quarterly Economic and Budgetary Review
SOEs	State-Owned Enterprises
USD	United States dollar
WB	World Bank
WFP	World Food Programme

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1. Introduction

1.1 Background

1. Section 62 of the Public Finance Management (PFM) Act, Cap. 412A, establishes the Public Debt Management Office (PDMO) and mandates it to manage the Government's public debt. In discharging this mandate, the PDMO is required: to minimize the cost of public debt management and borrowing over the medium to long term, consistent with a prudent degree of risk; promote the development of the Government securities market and ensure an equitable distribution of the benefits and costs of public borrowing between present and future generations.

2. Sections 63(d) and 64(2)(b) of the PFM Act, Cap. 412A, require the PDMO to prepare and submit an Annual Borrowing Plan (ABP), based on the approved budget, to the Cabinet Secretary responsible for matters relating to finance and to the Commission on Revenue Allocation. Additionally, Regulation 186 of the Public Finance Management (National Government) Regulations, 2015, provides that the Medium-Term Debt Management Strategy (MTDS) shall be implemented through the Annual Borrowing Plan.

3. Accordingly, the PDMO has prepared the 2026 Annual Borrowing Plan, which operationalizes the 2026 MTDS, by setting out the Government's borrowing programme for FY2026/2027. The Plan is aligned with the approved Budget Estimates and provides the framework for financing the Government's fiscal requirements in a manner that is consistent with the objectives of prudent public debt management and fiscal sustainability.

1.2 Summary of 2026 Medium-Term Debt Management Strategy

4. The 2026 MTDS has been prepared in accordance with the PFM Act, Cap. 412A to provide the strategic framework for managing the Government's public debt over the medium term. The Strategy establishes the desired composition of the public debt portfolio, taking into account the trade-offs between cost and risk. Its objective is to meet the Government's financing requirements at the lowest possible cost over the medium to long term, consistent with a prudent degree of risk. It further reaffirms the Government's commitment to maintaining public debt at sustainable levels through prudent borrowing, diversification of financing sources, and continued development of the domestic debt market.

5. Consistent with these objectives, the 2026 MTDS targets a gross borrowing mix of 18 percent external financing and 82 percent domestic financing over the medium term. The domestic borrowing strategy prioritizes medium to long term debt instruments to lengthen the maturity profile, reduce refinancing risk, and deepen the domestic debt market, while progressively reducing reliance on short-term Treasury Bills. The external borrowing strategy prioritizes concessional and semi-concessional financing, with commercial borrowing undertaken selectively to optimize cost and risk. Accordingly, gross external financing is projected to comprise 10 percent concessional loans, 2 percent semi-concessional loans and 6 percent commercial borrowing, resulting in a public debt portfolio of approximately 40 percent external debt and 60 percent domestic debt by the end of the Strategy period.

1.3 Macroeconomic Assumptions and Key Risks

6. The ABP is anchored on the Government's macroeconomic and fiscal framework, which provides the basis for fiscal projections, financing requirements, and public debt management decisions.

7. The macroeconomic outlook over the medium term remains broadly favourable, supported by prudent macroeconomic management, to forestall emerging inflationary pressures, sustained fiscal consolidation, and continued implementation of structural reforms to enhance economic resilience and inclusive growth. Global economic growth is projected at 3.0 percent in 2026 and 3.4 percent in 2027, while growth in Sub-Saharan Africa is projected at 4.3 percent in 2026 and 4.5 percent in 2027. Kenya's economy is projected to expand by 5.0 percent in FY2026/2027, underpinned by the implementation of the Bottom-Up Economic Transformation Agenda (BETA) and the Fourth Medium-Term Plan (MTP IV) of Kenya's Vision 2030 aimed at strengthening fiscal sustainability, private sector-led growth and employment creation. Accordingly, the 2026 Annual Borrowing Plan is based on the macroeconomic assumptions and projections summarized in Table 1 below.

Table 1: Baseline Macroeconomic Assumptions

	Unit	2024/25	2025/2026	2026/27	2027/28	2028/29	2029/30
		Prel. Actual		Projection			
Real GDP	Percent	4.6	4.8	5.0	5.1	5.2	5.3
GDP Deflator	Percent	3.1	4.9	6.1	5.8	5.4	5.4
Inflation	Percent	4.3	4.7	5.5	5.2	4.8	4.8
Revenue	Percent of GDP	16.8	17.2	17.4	17.5	17.0	16.8
Expenditure	Percent of GDP	23.2	24.1	23.2	21.4	20.6	20.2
Overall Fiscal Balance	Percent of GDP	-5.9	-6.8	-5.5	-3.9	-3.6	-3.4
Primary Budget Balance	Percent of GDP	-0.2	-1.0	0.5	1.6	1.6	1.4
Revenue	KSh Billion	2,923.6	3,198.8	3,630.6	4,038.9	4,337.2	4,699.5
Expenditure	KSh Billion	3,975.9	4,484.2	4,819.4	4,931.4	5,241.6	5,662.3
Overall Fiscal Balance	KSh Billion	-1,019.1	-1,264.7	-1,145.2	-833.7	-837.3	-885.8
Primary Budget Balance	KSh Billion	-39.1	-190.3	109.0	369.8	394.4	383.0
GDP (Current Prices)	KSh Billion	16,904.9	18,642.5	20,816.8	23,126.5	25,649.5	28,345.7

Source: *National Treasury*

8. Despite the favourable macroeconomic outlook, the implementation of the Annual Borrowing Plan remains subject to a number of risks that could affect the Government's financing strategy. These include:

a) Global economic uncertainty arising from geopolitical tensions, trade disruptions, and weaker global growth, which could tighten external financing conditions;
b) Commodity price volatility, particularly fluctuations in international oil prices, which could heighten inflationary pressures and increase fiscal expenditures;
c) Exchange rate volatility, which could raise the cost of servicing external debt;
d) Elevated domestic and global interest rates, resulting in higher borrowing costs;
e) Emerging climate-related shocks, including droughts and floods, which could adversely affect agricultural production, economic growth, and Government revenues;
f) Shortfalls in domestic revenue mobilization, leading to higher financing requirements;
g) Delays in the disbursement of external financing, which could affect project implementation and Government cash flow management;
h) Limited access to concessional financing, increasing reliance on costlier commercial borrowing;
i) Crystallization of contingent liabilities, including those arising from State-Owned Enterprises (SOEs), Public-Private Partnerships (PPPs), and legal claims; and
j) Potential credit rating downgrades arising from heightened political uncertainty associated with the general elections, which could increase borrowing costs and constrain access to international capital markets.

9. To mitigate these risks, the Government will continue implementing prudent fiscal and debt management policies aimed at preserving macroeconomic stability and debt sustainability. Key measures include strengthening domestic revenue mobilization, diversifying financing sources, prioritizing concessional financing, undertaking proactive liability management operations to reduce refinancing risks, enhancing cash and liquidity management, and maintaining adequate fiscal buffers. In addition, the Government will continue to deepen the domestic debt market and engage development partners to secure sustainable financing. These measures will support the implementation of the Annual Borrowing Plan while ensuring that the Government's financing needs are met at the lowest possible cost over the medium to long term, consistent with a prudent level of risk.

1.4 Public Debt Stock

10. The total public and publicly guaranteed debt stock as at end of 30th June, 2026, was KSh 13,013.2 billion, up from KSh 11,813.9 billion in June 2025, an increase of 9.22 percent. The increase is majorly attributed to domestic borrowing to finance the fiscal deficit during the period. The public and publicly guaranteed debt stock comprised Ksh 5,684.7 billion (43.7 per cent of total debt) in external debt and Ksh 7,328.5 billion (56.3 per cent of total debt) in domestic debt.

2 Review of 2025 Annual Borrowing Plan

11. As at 30th June 2026, the net financing outturn amounted to KSh 1,252.5 billion (6.7 percent of GDP) against a target of KSh 1,357.7 billion (7.3 percent of GDP). The outturn comprised net external financing of KSh 267.3 billion (1.4 percent of GDP) and net domestic financing of KSh 985.2 billion (5.3 percent of GDP).

2.1. External Borrowing Performance

12. As at 30th June 2026, net external financing outturn amounted to KSh 267.3 billion, against a target of KSh 384.0 billion, resulting in a shortfall of KSh 116.7 billion. The below-target outturn was primarily attributable to delays in the disbursement of external financing during the financial year. The outturn comprised gross external loan disbursements of KSh 771.7 billion, including KSh 196.8 billion in project loans, KSh 99.9 billion in programme loans and KSh 475.1 billion in commercial borrowing, offset by external debt principal repayments of KSh 504.3 billion.

2.2. Domestic Borrowing Performance

13. As at 30th June 2026, net domestic financing outturn amounted to KSh 985.2 billion, against a target of KSh 973.6 billion. The increased of KSh 11.6 billion was to cover for revenue shortfalls and underperformance in external financing. The net domestic financing of KSh 985.2 billion was financed through Government Securities of 994.0 billion, Government Overdraft & Others of KSh 21.8 billion, Domestic Loan Repayments (Receipts) of KSh 13.7 billion. These inflows were Government deposit of KSh 9.4 billion and accounts payable of KSh 34.9 billion.

3 Government Financing Requirements for FY2026/2027

3.1 Gross Financing Requirements for FY2026/2027

14. The gross financing requirement of the Government for the FY 2026/2027 is estimated at KSh 1,996.5 billion equivalent to 9.6% of GDP. This comprises KSh 1,145.2 billion to finance the fiscal deficit and KSh 851.3 billion to finance maturing domestic and external debt obligations. Table 2 below summarizes the gross financing requirement for FY 2026/2027.

Table 2: Gross Financing Requirements for FY 2026/2027

	FY 2026/2027 (in million)	As % of GDP
Total Revenue (inclusive of Grants)	3,674,175	17.7
Primary Expenditure	3,565,129	17.1
Primary Balance	**109,047**	**0.5**
Interest Payments		
Domestic	986,726	4.7
External	267,512	1.3
Total Interest Payments	**1,254,238**	6.0
Net Financing requirements	**(1,145,191)**	**5.5**
Principal Payments		
Domestic*	(438,408)	2.1
External	(412,870)	2.0
Total Principal Payments	**(851,278)**	**4.1**
Gross Financing Needs	**(1,996,469)**	**9.6**

**Excludes treasury bill redemptions but includes IMF on-lent loans and pre-1997 Government overdraft.*

Source: *National Treasury*

3.2 Net Financing Requirements for FY2026/2027

15. The total net financing requirement for the FY2026/2027 is KSh 1,145.2 billion (5.5 percent of GDP). It is planned to be financed through net external financing of KSh 247.2 billion (1.2 percent of GDP) and net domestic financing of KSh 898.0 billion (4.3 percent of GDP).

3.2.1 Net External Financing Requirements for FY2026/2027

16. The net external financing requirement for FY2026/27 is projected at KSh 247.2 billion. This requirement will be financed through gross external borrowing of KSh 660.1 billion (excluding grants of KSh 43.6 billion), comprising KSh 285.4 billion in commercial borrowing, KSh 191.6 billion in project loans, and KSh 183.1 billion in programme loans. These inflows will be partly offset by projected external debt principal repayments of KSh 412.9 billion, yielding a net external financing of KSh 247.2 billion, as shown in Table 3.

Table 3: Composition of Net External Financing for FY2026/2027

		FY2026/2027 (in million)
A=B+F	**Net Foreign Financing**	**247,227**
B=C+D+E	**Total Disbursements**	**660,097**
C	**Commercial Financing**	**285,390**
D	**Project Loans**	**191,607**
E	**Program Loans**	**183,100**
	World Bank: Program-for-Results	5,000
	World Bank: Development Policy Operation (DPO)	94,250
	Italy: Development Policy Operation	3,705
	ADB: Program-Based Operation (PBO)	80,145
F	**Debt repayment - Principal**	**(412,870)**

Source: *National Treasury*

Notwithstanding the foregoing, the Government may also consider other external financing options, subject to the applicable legal, regulatory and policy requirements including Rapid Response Option (RRO) and Panda Bond. Additionally, the Sukuk bond will be issued upon obtaining all requisite legal regulatory and Shariah governance approvals.

3.2.2 Net Domestic Financing Requirements for FY2026/2027

17. The net domestic financing requirement for FY2026/27 is projected at KSh 898.0 billion. This will be financed through net domestic borrowing of KSh 987.4 billion via Government securities and domestic loan receipts of KSh 12.4 billion. These inflows will be partly offset by domestic loan repayments of KSh 1.1 billion and accounts payable of KSh 100.7 billion, resulting in a net domestic financing of KSh 898.0 billion, as presented in Table 4.

Table 4: Composition of Net Domestic Financing for FY2026/2027

		FY2026/2027 (in million)
A = B +C+D+E	Net Domestic Financing	897,964
B	Net Domestic Borrowing *Treasury Bills and Treasury Bonds (net issuance)*	987,360
C	Domestic Loan Repayments (Receipts)	12,381
D	Domestic Loan Repayments CBK	(1,110)
E	Accounts Payable	(100,668)

***Source**: National Treasury*

18. The primary instrument for mobilizing domestic financing will be the issuance of Government securities, with a strategic emphasis on Treasury bonds. Under the benchmark bond programme, the Government will issue fixed-rate Treasury bonds with maturities of 2, 5, 10, 15, 20 and 25 years, complemented by Infrastructure Bonds to support priority development financing. To further deepen the domestic debt market, the Government will implement bond re-openings and tap sales of recently issued benchmark securities to consolidate issuances, reduce market fragmentation, enhance secondary market liquidity, improve price discovery and broaden investor participation.

19. The 2026 Annual Borrowing Plan aims to meet the domestic borrowing target while optimizing debt costs through a well-structured, stable yield curve and sustained investor confidence. Treasury bills will be issued primarily for cash and liquidity management purposes.

4 Market Strategy and Investor Relations

4.1 External Market Strategy

20. The Government will source approximately 22% of net borrowing from external markets, with strong emphasis on concessional and semi-concessional financing to minimize cost and risk exposure. Non-concessional borrowing will be carefully structured to manage foreign exchange, cost and refinancing risks associated with external debt.

21. The Government will diversify its external financing sources by strengthening strategic partnerships with bilateral and multilateral creditors, international financial institutions, commercial lenders and institutional investors, while ensuring that external borrowing remains sustainable, cost-effective and aligned with the Medium-Term Debt Management Strategy.

22. To broaden and diversify its financing base, the Government will explore innovative financing instruments, including debt swaps, sovereign bonds, Samurai bonds, Sukuk bonds, sustainability-linked bonds, diaspora bonds and other market-based financing instruments, in line with national development priorities, prevailing market conditions and the objectives of the Medium-Term Debt Management Strategy.

23. The Government will proactively engage external investors through deal and non-deal roadshows, investor briefings, ad-hoc investor meetings and participation in international forums providing clarity on Kenya's fiscal policy, debt strategy and macroeconomic outlook through the regular publication of monthly, quarterly and annual bulletins on the National Treasury website.

24. To enhance transparency and investor confidence, the National Treasury will regularly publish key publications, including the Annual Public Debt Management Report, External Debt Register, Medium-Term Debt Strategy, Annual Borrowing Plan, Quarterly Economic and Budgetary Review (QEBR), Monthly Reports, Debt Sustainability Analysis Report and Annual Performance Report, among others.

25. The National Treasury will maintain and regularly update its public debt information platforms, including the Public Debt Management Office website, to provide timely macroeconomic, debt and market information.

26. The National Treasury will strengthen structured engagement with credit rating agencies through the timely provision of accurate and comprehensive information to enhance Kenya's credit profile and market access.

27. To enhance transparency and accountability, the National Treasury will strengthen and regularly update the Development Partner Management Information System (DPMIS) to improve the monitoring and reporting of externally financial commitments. In addition, the National Treasury will utilize the Commonwealth Secretariat Meridian (CS Meridian) system as the central platform for recording, monitoring, managing and reporting public debt.

4.2 Domestic Market Strategy

28. The Government, through its Fiscal Agent, the Central Bank of Kenya (CBK), will continue to leverage the Dhow Central Securities Depository (DhowCSD) to broaden and diversify the investor base for Government securities. This will be achieved through structured investor engagement, anchored by the monthly Bond Market Forum (BMF), to strengthen market confidence, enhance investor participation and support the continued development of the domestic debt market.

29. The CBK has established the Clearstream–Kenya Link, connecting the Dhow Central Securities Depository (DhowCSD) to Clearstream's global securities settlement network. The linkage provides international institutional investors with seamless access to Kenyan Government securities, including Treasury bonds and Treasury bills, through an omnibus account structure. This initiative is expected to broaden the investor base, deepen market liquidity, strengthen price discovery, and enhance Kenya's integration into global financial markets, while supporting the development of a robust benchmark yield curve and long-term financial market stability.

30. The Government will further diversify domestic financing sources and instruments by revitalizing the retail bond platform and promoting foreign and diaspora investment. These initiatives, together with the Clearstream–Kenya Link, are expected to broaden the investor base, deepen market liquidity, strengthen the resilience of the domestic debt market and support the continued transformation of the DhowCSD through expanded digital access, enhanced operational efficiency and greater financial inclusion.

31. The Government will continue to spearhead reforms to deepen and enhance the efficiency of the domestic debt market. This will be achieved through the implementation of a pilot market-making framework and the operationalization of an electronic Over-the-Counter (OTC) trading platform to improve pre-trade transparency, strengthen price discovery, improve secondary market liquidity, facilitate efficient trading of Government securities, and support the development of a reliable benchmark yield curve.

5 Liability Management Operations

32. The Government will continue to implement proactive Liability Management Operations (LMOs) to smoothen the public debt maturity profile, reduce refinancing risks and lower overall debt service costs. These operations are central to maintaining macroeconomic stability, enhancing investor confidence and safeguarding long-term fiscal sustainability.

33. The Government will prioritize non-market-based liability management measures, particularly debt-for-development swaps, to restructure existing debt obligations without incurring new debt, thereby reducing debt servicing costs and easing medium-term fiscal pressures. Building on the successful Euro 60 million debt-for-development swap concluded with the Federal Republic of Germany in 2024, the Government will pursue similar arrangements with the Governments of Italy and Spain to create additional fiscal space for priority development programmes.

34. The Government will further pursue additional debt conversion initiatives, including the US$1 billion debt-for-food security swap approved by the U.S. International Development Finance Corporation (DFC), with savings earmarked for food security programmes implemented with the World Food Programme (WFP). The PDMO will undertake Liability Management Operations to retire at least US$500 million of high-cost external debt during FY2026/2027, thereby reducing debt servicing costs and enhancing debt sustainability.

35. The Government successfully executed Liability Management Operations in February 2026, resulting in the repurchase and retirement of US$415.4 million (KSh 53.6 billion) in outstanding Eurobond debt. This included the full buyback of the 7.25 percent Eurobond due in 2028 amounting to US$90.5 million (KSh 11.7 billion) and the partial repurchase of the 8.00 percent amortising Eurobond due in 2032 amounting to US$324.8 million (KSh 41.9 billion). The transaction was undertaken through a tender offer and reflects the Government's commitment to proactively managing public debt and reducing refinancing risks.

36. The operation was financed through proceeds from the Government's US$2.25 billion dual-tranche Eurobond issuance, comprising a US$900 million seven-year bond due in 2034 and a US$1.35 billion twelve-year bond due in 2039. By replacing shorter-dated obligations with longer-tenor amortising instruments, the Government successfully extended Kenya's debt maturity profile, reduced near-term debt service pressures, and mitigated exposure to large bullet repayments.

37. The successful implementation of successive liability management operations, including the partial buyback of the Eurobond due in 2027 in 2025 and the 2026 buyback of the 2028 and 2032 Eurobonds, has significantly smoothed Kenya's external debt redemption profile. These operations have strengthened investor confidence, contributed to improved sovereign risk perceptions, and enhanced external debt sustainability by lowering rollover risks and creating greater predictability in future debt service obligations.

38. For domestic debt, the Government will continue to actively manage and optimize domestic debt through targeted liability management measures, including refinancing and bond switches. Key liability management operations in FY 2025/26 included a successful bond buyback in November 2025 and four bond switches executed between January and May 2026. These transactions reduced bond maturities between FY 2025/26 and FY 2027/28 by a total of KSh 66.8 billion.

39. The planned liability management operations on domestic debt for this financial year will be part of the borrowing strategy. This will be implemented by selecting the optimal mix of instruments to replace maturing bonds with the aim of reducing maturity pressure, smoothening the redemption profile and supporting secondary market liquidity by switching into larger liquid bonds.

40. In summary, the Government remains fully committed to proactive liability management, leveraging both market and non-market-based operations to reduce debt service costs, mitigate refinancing risks and ensure the stability and sustainability of the public debt portfolio.

6 Implementation, Monitoring and Evaluation of 2026 ABP

41. The ABP will be implemented from 1st July 2026 to 30th June 2027.

42. The ABP will be monitored quarterly, with progress reports prepared against the targets set out in Annexes I and III.

43. The ABP will be periodically reviewed to reflect evolving domestic and global economic conditions and financial market trends, and to maintain the flexibility needed to respond to changing market conditions, ensuring its continued relevance and effectiveness.

44. The ABP and performance progress reports will be published on the PDMO website and the National Treasury website to enhance debt transparency and accountability, in line with best practices and within the Kenyan context.

45. Publication of the ABP will guide investors and other stakeholders in planning their investments.

ANNEXES

Annex I: Kenya Government Securities Issuance Plan for FY2026/2027

Kenya Treasury Bond Issuance Calendar FY 2026/2027 (KSh. billion)				
	Normal Auctions			
Value Date	Tenor (years)	New (N)/Reopen (R)	Issuance Amount	Status
13-Jul-26	5-10	R	50-70	Upcoming
27-Jul-26	10-20, 20-30	R	50-70	Upcoming
17-Aug-26	5-10,15-20	R	100-120	Upcoming
07-Sep-26	5-10, 15-20	R	50-70	Upcoming
21-Sep-26	10-15,	R	50-70	Upcoming
05-Oct-26	10-15	R	50-70	Upcoming
19-Oct-26	10-20-	R	50-70	Upcoming
09-Nov-26	10-15	R	50-70	Upcoming
23-Nov-26	15-20	R	50-70	Upcoming
14-Dec-26	5-10	R	50-70	Upcoming
11-Jan-27	10-15	R	100-120	Upcoming
25-Jan-27	15-20,	R	50-70	Upcoming
08-Feb-27	10-15	R	50-70	Upcoming
22-Feb-27	15-20	R	50-70	Upcoming
08-Mar-27	10 -15	R,N	50-70	Upcoming
22-Mar-27	15-20	R	50-71	Upcoming
05-Apr-27	10-15	R	50-70	Upcoming
19-Apr-27	15-20	R	50-70	Upcoming
10-May-27	10-15	R	100-120	Upcoming
24-May-27	15-20	R	50-70	Upcoming
07-Jun-27	5-10	R	50-70	Upcoming
21-Jun-27	10-15	R	50-70	Upcoming
Weekly T-bills	91d, 182d & 364d	N	28	Upcoming
Montly LMOs		R	10-20	Upcoming
Disclaimer: With the approval of The National Treasury, The Central Bank of Kenya has the right and discretion to modify the terms, conditions and pattern of issuance.				

Source: National Treasury and Central Bank of Kenya

Annex II: Treasury Bond Issuance Calendar FY 2026/2027

Treasury Bond Issuance Calendar FY 2026/2027

July 2026

Mo	Tu	We	Th	Fr	Sa	Su
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

August 2026

Mo	Tu	We	Th	Fr	Sa	Su
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

September 2026

Mo	Tu	We	Th	Fr	Sa	Su
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October 2026

Mo	Tu	We	Th	Fr	Sa	Su
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November 2026

Mo	Tu	We	Th	Fr	Sa	Su
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

December 2026

Mo	Tu	We	Th	Fr	Sa	Su
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

January 2027

Mo	Tu	We	Th	Fr	Sa	Su
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February 2027

Mo	Tu	We	Th	Fr	Sa	Su
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

March 2027

Mo	Tu	We	Th	Fr	Sa	Su
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April 2027

Mo	Tu	We	Th	Fr	Sa	Su
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May 2027

Mo	Tu	We	Th	Fr	Sa	Su
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June 2027

Mo	Tu	We	Th	Fr	Sa	Su
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Holiday BMF Meeting and Announcement Bids Closure and Auction Settlement Liability Management Operations

Actual bonds and amounts on offer will be published on announcement dates

Disclaimer: With the approval of The National Treasury, The Central Bank of Kenya has the right and discretion to modify the terms, conditions and pattern of issuance.

Source: National Treasury and Central Bank of Kenya

Annex III: External Financing Plan for FY2026/2027

Annual Borrowing Plan for FY2026/2027										
	Annual Target		Quarter 1 Projection Sep-26		Quarter 2 Projection Dec-26		Quarter 3 Projection Mar-27		Quarter 4 Projection Jun-27	
	Ksh millions	USD Millions	Ksh millions	USD Millions	Ksh millions	USD Millions	Ksh millions	USD Millions	Ksh millions	USD Millions
External Financing Plan	**703,700**	**5,413**	**73,296**	**564**	**264,682**	**2,036**	**293,909**	**2,261**	**71,813**	**552**
Program Loans (Budget Support)	**183,100**	**1,408**	**45,775**	**352**	**1,250**	**10**	**134,825**	**1,037**	**1,250**	**10**
World Bank (WB)	**99,250**	**763**	**1,250**	**10**	**1,250**	**10**	**95,500**	**735**	**1,250**	**10**
O/W. Development Policy Operation (DPO)	94,250	725	0	0	0	0	94,250	725	0	0
Program for Results (PforR)	5,000	38	1,250	10	1,250	10	1,250	10	1,250	10
African Development Bank (ADB) - PBO	**80,145**	**617**	**44,525**	**343**	**0**	**0**	**35,620**	**274**	**0**	**0**
Government of Italy (Italy) - DPO	**3,705**	**29**	**0**	**0**	**0**	**0**	**3,705**	**29**	**0**	**0**
Commercial Borrowing	***285,390***	***2,195***	***4,000***	***31***	***216,390***	***1,665***	***65,000***	***500***	***0***	***0***
Government of Japan (Japan)	***114,500***	***881***	***4,000***	***31***	***45,500***	***350***	***65,000***	***500***	***0***	***0***
O/W. Samurai Loan (NEXI Backed)	*4,000*	*31*	*4,000*	*31*	*0*	*0*	*0*	*0*	*0*	*0*
Samurai Loan (AFC Backed)	*45,500*	*350*	*0*	*0*	*45,500*	*350*	*0*	*0*	*0*	*0*
Samurai Bond (AFC Backed)	*65,000*	*500*	*0*	*0*	*0*	*0*	*65,000*	*500*	*0*	*0*
Sustainability Linked Bonds	***65,000***	***500***	***0***	***0***	***65,000***	***500***	***0***	***0***	***0***	***0***
Eurobond	***105,890***	***815***	***0***	***0***	***105,890***	*815*	***0***	***0***	***0***	***0***
External Debt Operation - LMO	*130,000*	*1,000*	*0*	*0*	*0*	*0*	*130,000*	*1,000*	*0*	*0*
O/W. Debt for Food Security Swap	*130,000*	*1,000*	*0*	*0*	*0*	*0*	*130,000*	*1,000*		
Project Loans	***191,607***	**1,474**	**19,161**	**147**	**38,321**	**295**	**76,643**	**590**	**57,482**	**442**
Project Loans Revenue	*116,310*	*895*	*11,631*	*89*	*23,262*	*179*	*46,524*	*358*	*34,893*	*268*
Project Loans AiA	*75,297*	*579*	*7,530*	*58*	*15,059*	*116*	*30,119*	*232*	*22,589*	*174*
Project Grants	**43,603**	**335**	**4,360**	**34**	**8,721**	**67**	**17,441**	**134**	**13,081**	**101**
Project Grant Revenue	*27,531*	*212*	*2,753*	*21*	*5,506*	*42*	*11,013*	*85*	*8,259*	*64*
Project Grant AiA	*16,072*	*124*	*1,607*	*12*	*3,214*	*25*	*6,429*	*49*	*4,822*	*37*
Other External Financing Consideration	**156,000**	**1,200**	-	-	-	-	**52,000**	**400**	-	-
O/W. *Rapid Response Option (RRO)	*52,000*	*400*								
*Sukkuk Bond	*65,000*	*500*								
*Panda Bond	*39,000*	*300*								

Notes:

Exchange Rate Assumption: 1 USD$ = Ksh 130

* Accessibility and issuance will subject to obtaining all requisite legal and regulatory approvals

Source: National Treasury

Annex IV: ABP Implementation Work Plan

NO.	OUTPUT	ACTIVITY	TIME FRAME	ACTION BY
1.	Development of 2026 ABP	Review 2026 ABP and drafting of 2026 ABP	July 2026	PDMO & CBK
2.	Dissemination of the 2026 ABP to the National Treasury Departments and Commission on Revenue Allocation	Circulation of printed copies, to National Treasury Departments, Commission on Revenue Allocation and other stakeholders.	August 2026	PDMO
3.	Review of Issuance Calendar	Stakeholders Forums to review issuance calendar	Quarterly	PDMO, & CBK
4.	Reviewed 2026 ABP	Review of 2026 ABP	Quarterly	PDMO & CBK