



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

**PRESS STATEMENT**

Monday, 15<sup>th</sup> March, 2021.

**FOR IMMEDIATE RELEASE**

**THE PORT OF MOMBASA IS SAFE**  
**Clarification on SGR Loan story carried by *The Star***

The National Treasury & Planning has noted with dismay, a misleading story published by The Star Newspaper on 15<sup>th</sup> March, 2021, titled: “*China Could Seize Mombasa Port Over Shs 364 bn SGR Loan*”.

For the avoidance of doubt, there is absolutely no risk of China or any other country taking over the Port of Mombasa. The story is not only alarmist, but also risks straining relations with development partners and foreign investors.

The Government of Kenya through the National Treasury entered into **three (3) loans agreements** with The Export Import Bank of China (China EXIM) to finance the construction of the Standard Gauge Railway (SGR). The loan agreements were **reviewed by the Attorney General for assurance that it conforms with the laws of Kenya**, before signature by the Cabinet Secretary, National Treasury on behalf of the Government of Kenya.

Therefore, The Government of Kenya through the National Treasury is servicing the SGR loans in accordance with the provisions of the loan agreements and the Public Finance Management (PFM) Act 2012.

Specifically, Section 50 (6) of the PFM Act 2012 states that ‘*A public debt incurred by the national government is a charge on the Consolidated Fund, unless the Cabinet Secretary determines, by regulations approved by Parliament, that all or part of the public debt is a charge on another public fund established by the national government or any of its entities.*’

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