



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

**PRESS STATEMENT**

Saturday, 3<sup>rd</sup> April 2021.

**FOR IMMEDIATE RELEASE**

**APPROVAL OF IMF USD 2.34 BILLION 3-YEAR  
DISBURSING PROGRAMME FOR KENYA**

The National Treasury & Planning wishes to announce that on 2<sup>nd</sup> April 2021, the Executive Board of the International Monetary Fund (IMF) approved Kenya's 38-month programme with a blended access under the Extended Fund Facility (EFF) and the Extended Credit facility (ECF).

Access for the programme is at 305 percent of quota, that is, approximately **USD 2.34 billion (KES. 255.9 billion)**, with an initial disbursement of **USD 724 million (KES. 79 billion)** due for release by 30<sup>th</sup> June, 2021, as follows:

- **USD 308 million (KES 33.7 billion)** to be released *immediately*;
- **USD 404 million (KES 44.2 billion)** to be released by 30<sup>th</sup> June, 2021.

The balance will be disbursed following subsequent programme reviews conducted approximately every *six months*.



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This 38-month programme is an initiative of the Government of Kenya, targeted at **stabilizing the economy and supporting Kenya's economic recovery and inclusive growth plan.**

The programme has four key deliverables that include:

1. **Scaling-up the COVID-19 response** in the immediate term, targeting the health and other sectors most impacted by the pandemic.
2. **Reducing debt vulnerabilities** by pursuing a revenue-driven fiscal consolidation plan in order to stabilize the debt to GDP ratio and ultimately set it on a downward path.
3. **Structural and governance reforms while addressing weaknesses in state-owned enterprises (SOEs)** with a view to enhancing efficiency in the management of economic and fiscal affairs.
4. Implementing specific measures to **strengthen the monetary policy framework and support financial stability.**





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It is noteworthy to mention that the early response by the Government by way of tax relief measures, additional public spending on health and targeted social programmes, were essential interventions, whose sustenance, however, **would require additional resource mobilization.**

This coupled with uncertainties over the evolving nature of the COVID-19 pandemic as well as the unsteadiness surrounding the supply of vaccines, **require that the Government be adequately resourced** to make prompt and targeted interventions.

It is against this background, that the Government requested this disbursing programme, so as to cover these fiscal needs, by providing the necessary additional resources.

The granting of this request is not only timely, but also **an expression of confidence in the soundness of the programme** presented by the National Treasury & Planning on behalf of the Government and the People of Kenya.



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The National Treasury & Planning is confident that the support and reforms set out in this IMF programme will go a long way in mitigating the effects of the pandemic, while aiding in the achievement of the government's policy objectives set out in the recently approved *2021 Budget Policy Statement* as well as the *Medium Term Plan II*.

We sincerely thank the IMF Board for their vote of confidence and partnership in this matter.

A handwritten signature in brown ink, appearing to read 'Ukur Yatani', written over a circular stamp or seal.

**Hon. (Amb.) Ukur Yatani, EGH  
Cabinet Secretary for the National Treasury & Planning**

NAIROBI, 3<sup>rd</sup> April 2021.

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