

# REPUBLIC OF KENYA



## THE NATIONAL TREASURY AND PLANNING

**KEYNOTE ADDRESS BY HON. (AMB.) UKUR YATANI, CABINET SECRETARY, THE NATIONAL TREASURY AND PLANNING, DURING THE OPENING SESSION OF THE 5<sup>th</sup> KIPPRA ANNUAL REGIONAL CONFERENCE THEMED "FOUNDATIONS FOR A SUSTAINABLE ECONOMIC TRANSFORMATION IN KENYA", ON 16<sup>TH</sup> JUNE, 2022**

**Cabinet Secretaries Present**

**Mr. Saitoti Torome, Principal Secretary, State Department for Planning**

**Principal Secretaries Present**

**Chief Executive Officers from respective organizations present**

**National Government Officials Present**

**County Government Officials present**

**KIPPRA Board of Directors**

**Mrs. Katherine Muoki, Economic Planning Secretary, State Department for  
planning;**

**Dr. Rose Ngugi, Executive Director, KIPPRA**

**Students Present**

**Members of various Media Houses Represented**

**Distinguished Guests**

**Ladies and Gentlemen**

## **Good Morning!**

It gives me great pleasure to join you during this 5<sup>th</sup> KIPPRA Annual Regional Conference, which is themed “Foundations for a Sustainable Economic Transformation in Kenya.”

I am delighted to see a diverse participation of stakeholders, including Government Officials, Private Sector, and Development partners, Students, Academia, Civil Society Organizations and the Media. This demonstrates that indeed the conference serves to trail blaze the Whole-of -Government approach by providing a platform for exchange of policy views in building strong foundations to propel sustainable economic transformation in Kenya.

The Kenya Vision 2030, which is the Government long-term development blueprint, identifies the following as key foundations for economic transformation: Macroeconomic stability; Security, Peace building and conflict management; Information Communication and Technology (ICT); Infrastructure; Public Sector reforms; Land reforms; Human

Resource Development, labour and employment; National Values and ethics; Disaster risk reduction and ending emergencies of drought; and Science, Technology and Innovation (STI). We are past the half-way in implementing the Kenya Vision 2030.

**Ladies and Gentlemen,**

As you are aware, the Government is implementing the Big Four Agenda with the Third MTP which is anchored on the Vision 2030. The agenda is also aligned to the Government commitment to the Sustainable Development Goals (SDGs) 2030 and the AU Agenda 2063.

The Big Four Agenda focuses on providing basic needs that include: Putting food on the table, having a roof over the head, money in the pocket and good health for all Kenyans.

Across the world, 811 million people are chronically hungry. This tells us that our food systems, i.e., the networks that are needed to produce and transform food, and ensure it

reaches consumers, are not meeting the needs of large sections of society, In Kenya, the food system disruptions are often linked to shocks related to climate change especially with the increased frequency and intensity of drought conditions.

Ending emergencies of drought was identified as a key foundation in building sustainable food security. The Disaster Risk Management Policy was prepared and the Disaster Risk Fund established. Counties are also putting together Climate Action Plans to mitigate the effects of climate change.

The Government through the Kenya Mortgage Refinance Company (KMRC) continues to play a leading role in the delivery of Affordable Housing in Kenya. It is important to note that since 2020, KMRC has disbursed over Ksh.2.0 Billion to seven primary mortgage lenders and is currently processing an additional Ksh.7.0 Billion.

## **Ladies and Gentlemen,**

The Government is progressively addressing the cost of Health care in the country to expand access to quality and affordable healthcare services. Key among these initiatives include: the free maternity program dubbed “**Linda Mama**”, which currently benefits over 1 (One)

Million mothers annually. With the outbreak of COVID-19, the Government enhanced its investment in health infrastructure which has seen more 90 percent of the counties equipped with CT scan X-ray equipment, increase in number of hospital beds from 14 beds per 10,000 population in 2019 to 17 beds per 10,000 population in 2020.

In addition, the number of Health workers has improved to 58,000 registered nurses 12,000 registered doctors and 12,000 clinical officers in 2020. However, based on the global target of 23 health workers per 10,000 population density, most counties are yet to meet the

threshold. A digital health platform has been developed to support effective monitoring of the health sector.

Further, the enactment of the NHIF Amendment Act has seen an increase in NHIF cumulative membership to about 23.06 million beneficiaries consisting of 9.96 million cumulative principal members. NHIF is currently implementing four subsidy programs which targets various segments of the population, and these include: Linda Mama Program; Health Insurance Subsidy Program (HISP); Older Persons and Persons with Severe Disability (OPWD) and the Inua Jamii 70+ Program (IJP).

In manufacturing, the Government has made significant steps in providing conducive environment for manufacturing. For example, the enactment of the Special Economic Zones Act, 2015, is providing a framework for the establishment of Special Economic Zones as well as industrial and technology parks. The parks are aimed to foster collaboration

between the Government, Universities and private sector in enhancing development, transfer and commercialization of technology.

**Ladies and Gentlemen,**

The Government is committed to finalizing construction of various zones and parks and allocated additional funding in the FY2022/23 budget. This is to cater for Dongo Kundu Special Economic Zone; development of the Special Economic Zone Textile Park in Naivasha, Kinanie Leather Industrial Park and Athi River Textile Hub; Freeport and Industrial Park Special Economic Zone in Mombasa. In addition is the modernization of RIVTEX.

Further, recently, the Government has moved to reduce the electricity tariff rate by 15 Percent through supporting Kenya Power and Lighting Company undertake reforms to increase its efficiency. This has not only brought immediate relief to the consumers but also led to the realization of broad benefits including reductions of prizes of goods by



manufacturers and the overall enhancement in the ease of doing business in the country through reduction in costs.

Additionally, **Ladies and Gentlemen**, in a bid to ensure sustained power generation in the country, the Government has tripled power generation from 1,300 megawatts to the current 3,900 megawatts. Of this, 73 percent is from green sources thus consolidating Kenya's lead in generation of green energy in Africa. This has significantly increased the number of households connected to electricity to more than 8.3 million in 2021 compared to 2.3 million in 2013.

### **Ladies and Gentlemen,**

When it comes to the foundations supporting the Big Four Agenda, a lot has also been achieved. For example, Science, Technology and Innovation is identified as a key driver for knowledge-based economy. The ST&I Act, 2013 provides a platform to leverage ST&I in

transforming the economy. In addition, other policy frameworks have been developed, including Bioscience Policy; Atomic Energy Policy; Nanotechnology Policy; Kenya Space Science and Technology Policy and Natural Products Policy.

Various institutions have also been set up, including the Kenya National Innovation Agency; National Research Fund; National Commission for Science Technology and Innovation; Kenya Space Agency; and Nuclear Power and Energy Agency. Further, the designing of ST&I Statistics Observatory has been done for capturing, developing, sharing and storing national ST&I information. The first National Information Survey has also been carried out.

### **Ladies and Gentlemen,**

The construction of the first phase of Konza Technopolis complex was completed while construction of Konza horizontal Infrastructure is at 60 per cent completion. With the COVID-19 Pandemic, it has become clear that ICT Plays an important role in ensuring

business continuity. On that same note, the Government completed construction and rehabilitation of 2,500 Kms of National Optic Fibre Backbone Infrastructure (NOFBI) connecting 47 County Government Headquarters. This has helped to support the Government in strengthening ***Huduma Centres*** in all counties to enhance access and delivery of Government services. Currently, there are about 46 services offered at *Huduma Centres* including issuance of Identity Cards (IDs), Birth Certificates, Police Abstract, registration of Business names and Limited Companies, and Student loan application among other services.

Under land registration, processing and issuance of Title Deeds, a total of 1.8 million titles were registered and issued while 224,000 land parcels were geo-referenced. To modernize land registries, Eight (8) land registries were constructed, Seventy-Five (75) land offices

refurbished and National Land Information Management System (NLIMS) developed and launched with Nairobi Land Registry operationalized.

**Ladies and Gentlemen,**

The Government is also taking advantage of emerging opportunities. As you are aware, Kenya currently imports over 70 per cent of the Country's medical products, including vaccines and biologicals. Thus, manufacturing of highly specialized healthcare products by institutions such as the Kenya Biovax Institute will be a significant step towards self-sustenance in supply and availability of medical commodities. The Government recently signed a memorandum of Understanding (MoU) with Moderna for its first MRNA vaccine manufacturing facility in Africa. Kenya aims to have fully-fledged vaccine manufacturing capability by 2024.

In trade promotion, Kenya ratified the Kenya-United Kingdom Economic Partnership Agreement (EPA) on the 9<sup>th</sup> March 2021 to allow Kenyan goods access the UK market duty free and quota free post Brexit. Further, the ratification of agreement establishing the African Continental Free Trade Area provides a wider market access for goods and services beyond EAC and COMESA Regions.

**Ladies and Gentlemen,**

The Government is in the process of preparing the Fourth MTP covering the period 2023 - 2027. The theme of MTPIV is **“Accelerating Socio-economic Transformation to a more competitive, inclusive and resilient Economy”**.

In accordance with the Constitution, the preparation process of the MTP involves a wide consultation with stakeholders across the country. Following the official launch of the preparatory process for the Fourth MTP in February 2022, consultation across all the

counties were undertaken. These consultations are critical for gathering information that enable prioritizing the development agenda. Guided by the Kenya Vision 2030, the Fourth

MTP Prioritizes the foundations of economic transformation, including investments to improve infrastructure, creation of sustainable and decent employment opportunities, land reforms, investing in disaster risk management and providing world class standards in skills and knowledge necessary to thrive in the 21<sup>st</sup> century.

Of course, the Fourth Medium Term will be completed when it incorporates development priorities for the next Government following the upcoming general elections to be held in August 2022. Towards this end, the Government has secured an adequate budget to facilitate the elections and put in place measures to ensure the process is smooth and seamless.

## **Ladies and Gentlemen,**

As I finish, I want to remind us that Socio-economic development is a process and emerging issues must be prioritized. For examples, sustained economic recovery is critical to guarantee youth jobs; resources are constrained, and debt sustainability remains a priority; food and nutrition security remains a challenge in improving societal welfare; and technological advancement is becoming necessary in enhancing productivity. I believe the conference provides us an opportunity to share on emerging policy issues; dynamics in areas prioritized so far, and opportunities to exploit in maximizing the potential of what is yet to be fully implemented.

I wish therefore, to encourage your full participation in this conference as it helps in consolidating more information that will shape the development agenda of this country. The recommendations from this conference will go a long way in informing Government Plans towards building back better.

**Ladies and Gentlemen,**

It is now my distinct honour and pleasure to declare the 5<sup>th</sup> KIPPRA Annual Conference **Officially open** as I look forward to productive discussions and a successful conference.

**Thank you and May God Bless You.**