



REPUBLIC OF KENYA

**THE NATIONAL TREASURY AND ECONOMIC PLANNING
STATE DEPARTMENT FOR ECONOMIC PLANNING**

KEYNOTE ADDRESS BY MR. JAMES MUHATI, CBS, PRINCIPAL SECRETARY, STATE DEPARTMENT FOR ECONOMIC PLANNING, DURING THE KIPPRA DAY CELEBRATION HELD ON FRIDAY, 6TH DECEMBER 2024 AT THE KENYA INSTITUTE FOR CURRICULUM DEVELOPMENT

Prof. Paul Wachana, KIPPRA Board Chairperson;

KIPPRA Board Members present;

Dr. Eldah Onsomu, Ag. KIPPRA Executive Director,,

Chief Executive Officers present;

National Government Officials present;

County Governments Officials present;

Private Sector Representatives present;

Development Partners present;

Members of the Fourth Estate present;

Distinguished Guests;

Ladies and Gentlemen.

Good morning!

1. I am delighted to join you here today during this auspicious occasion of the **Kenya Institute for Public Policy Research and Analysis (KIP-PRA) Day**. On this day, we take time to reflect on the Institutes journey and contribution to the advancement of the national development agenda through public policy research and analysis, that continues to play a critical role in informing evidence-based policy decisions.
2. Many of you may be aware of the foundations of KIPPRA, which can be traced back to the 1991 report of the Presidential Commission on Employment, that recognized the need for a government think-tank to bolster continuous policy research and analysis. The idea was to create an institution that would undertake capacity building, policy research and analysis to inform the Country's long range economic planning thus influence long-term national development objectives and the policymaking process.
3. KIPPRA has since then, continuously built institutional capacities and provided policy advice in line with the priority areas influencing the various long and medium term economic development plans of the country; most recent being the Fourth Medium Term Plan (MTP IV) 2023 - 2027 of the Kenya Vision 2030. The MTP IV is aligned to the Bottom-up Economic Transformation Agenda (BETA), which is the Governments economic transformation Agenda geared towards economic turn-around and inclusive growth through a value chain approach.

Ladies and Gentlemen

4. It is notable then, that the theme for this year's KIPPRA Day, ***"Leveraging on Public Policy to Accelerate Achievement of the Bottom-up Economic Transformation Agenda,"*** resonates very well with the

Country's development aspirations, agenda and the collective journey in improving welfare of the citizenry, where no one is left behind as articulated in the **MTP IV of the Kenya Vision 2030**.

5. The MTP IV serves as a vital framework for steering Kenya's socio-economic transformation as its primary objective is to build on the achievements of previous MTPs while addressing pressing challenges specifically: economic shocks; rising inflation and interest rates; fiscal distress resulting from high levels of expenditure; low revenue collection; high cost of servicing debt and structural weaknesses; and climate change effects i.e. recurring droughts and floods.
6. Within the MTP IV framework, KIPPRA plays a key role in supporting evidence-based policy making through: upgrading of the KIPPRA-Treasury Macro Model (KTMM); undertaking forecasting on key macroeconomic variables; capacity building on macroeconomic modelling and forecasting; and preparation as well as dissemination of economic development progress reports and position papers.
7. The Institute's research aligns with MTP IV's key priorities and the broader National Development Agenda, focusing on fostering economic resilience through diversified and inclusive value chains, advancing green growth by promoting renewable energy and sustainable agriculture, and strengthening human capital development through enhanced education, healthcare, and social safety nets.

Ladies and gentlemen,

8. In this regard, KIPPRA has consistently delivered impactful contributions to the country through its flagship project, the Kenya Economic Report

(KER) which has been produced yearly since the year 2009. The KER serves as a critical resource for policy formulation, economic planning and budgeting. Through such comprehensive macroeconomic analysis, KIPPRA has provided actionable insights on fiscal sustainability, debt management, and revenue mobilization.

9. KIPPRA's other research outputs on various thematic areas such as: tax reforms; monitoring of economic trends and Kenya's productivity have influenced the National Treasury and Economic Planning's policy decisions, underscoring the critical role the Institute plays in informing the Country's transformation agenda.

10. The Institute's current thematic work on Job creation for sustained economic growth and development is an eye-opener and will go a long way in informing policy decisions towards tackling unemployment in the country especially among the youth. My office, the State Department for Economic Planning is looking forward to utilizing the policy recommendations in designing feasible programmes towards managing unemployment in the Country.

Ladies and gentlemen,

11. In addition, KIPPRA's collaboration with Ministries, Departments and Agencies has strengthened public policy formulation across various sectors. The Institute's work on public investment efficiency and its input into the Public-Private Partnership (PPP) framework has been instrumental in ensuring that government resources are utilized effectively to achieve national priorities.

12. The review of the KIPPRA-Treasury Macroeconomic Model (KTMM) has provided the National Treasury and Economic Planning with a reliable tool for forecasting economic outcomes, facilitating informed decision-making, and adoption of mitigation measures to potential economic shocks.
13. It is important to note that the Institute has expanded and is producing more outputs. In this regard, KIPPRA has **updated its website** to support quick access to its various products and services. Additionally, the **KIPPRA Young Professional Alumni Portal** has been set up to enhance access to information and strengthen networks to the over 300 Kenyans that have undertaken the program since inception.
14. This occasion, therefore, provides an opportunity to reaffirm our commitment to leveraging on the insights provided by KIPPRA to inform identification and realization of our national development priorities. The forum therefore, fosters a collaborative environment between government, private sector, development partners, civil society, and the academia to ensure that the evidence generated translates to improved service delivery.

Ladies and gentlemen,

15. As I conclude, I wish to laud the Institute for pioneering the capacity building programme on **Public Policy Making Processes** for the Central Planning and Project Monitoring Departments (CPPMDs) technical staff. The National Treasury and Economic Planning will continue to support the delivery of the programme both at the national and county levels.

16. Secondly, I applaud KIPPRA for hosting this important event that provides a platform to reflect on the role evidence-based policy continues to play in shaping the future of our great nation.

17. Finally, I would like to congratulate KIPPRA for recently being awarded the **“Best Think Tank in Policy Influence in Africa.”**
Congratulations!

18. It is now my humble duty to declare the 2024 KIPPRA Day celebrations officially open. I am equally honored to launch **the Reviewed KIPPRA-Treasury Macroeconomic Model, the Updated KIPPRA Website** and **the KIPPRA Young Professional Alumni Portal** on this day.

19. Once again Congratulations! I wish you all a fruitful day.

Thank You and God Bless Kenya.