

**KEY NOTE ADDRESS BY HON. FCPA JOHN MBADI  
NG'ONGO, EGH. CABINET SECRETARY, THE NATIONAL  
TREASURY AND ECONOMIC PLANNING, DURING THE  
8TH KIPPRA ANNUAL REGIONAL CONFERENCE HELD AT  
NAIROBI, COUNTY ON 21<sup>st</sup> – 23<sup>rd</sup> MAY 2025**

Hon. Salim Mvurya, Cabinet Secretary, Ministry of Youth Affairs,  
Creative Economy and Sports

Governors Present

Senators Present

Dr Bonface Makokha, Principal Secretary, State Department for  
Economic Planning

Prof. Paul Wachana, Chairperson, KIPPRA Board

KIPPRA Board Members

Dr Eldah Onsomu, Ag. Executive Director, KIPPRA

Prof. Nura Mohamed, Director General, Kenya School of  
Government

National Government Officials present

County Government officials present

Invited Guests

Ladies and Gentlemen

## **Good Morning.**

1. It is my distinct honour and privilege to join you today in the 8<sup>th</sup> KIPPRA Annual Regional Conference, whose theme is "Shaping Pathways for Future Jobs: Unlocking Opportunities for the Youth".
2. I wish to thank, through the State Department for Economic Planning, the Kenya Institute for Public Policy Research and Analysis, for organizing this important conference that brings the youth, policy makers, researchers, academia and other key stakeholders together to deliberate on jobs for youth and the pathway to jobs which are integral in socio-economic transformation.

## **Ladies and Gentlemen,**

3. Kenya's economy continues to grow, though at a moderate pace. In 2024 the real gross domestic product (GDP) expanded by 4.7 per cent. This performance though it outpaced the sub-saharan average of 3.8 per cent, lagged behind the East African Community at 5.4 per cent. The financial and insurance activities, real estate, transportation and storage, agriculture, fisheries, and forestry demonstrated strong performance and given the country room to invest in development and youth programs. However, some sectors contracted such as construction, mining and quarrying which engage many of our youth, therefore, this underlines the need to create new opportunities for young Kenyans.

4. Job creation remains a key priority for our Country. The young people aged 15 to 24 form the bulk of the unemployed youth but actively searching for work. These are not just statistics but behind are young lives looking to realise their dreams. I observe that at least one million young people enter into the labour market without any skillset or defined profession. This demographic youth bulge is a tremendous asset if guided well but it demands urgent action in job creation.

## **Ladies and Gentlemen**

**Allow me to provide a snapshot of Kenya's current employment landscape and highlight the pressing need to create opportunities for the growing youth population in our country.**

5. The government is prioritising youth empowerment and job creation which seeks to increase job opportunities among youth through expanded funding for small businesses, vocational skills programs, and entrepreneurship support. The Fourth Medium Term Plan (2023 – 2027) reinforces this by focusing on housing, manufacturing, digital infrastructure, creative economy, renewable energy and value added agricultural sectors. This is expected to create over 5 million jobs by 2027, targeting youth, women, and persons with disabilities.
6. **Promoting Digital Transformation** is a key driver of future jobs. By equipping our youth with ICT skills and fostering innovation hubs, we can enable them to tap into opportunities in e-commerce, digital marketing, software development, and artificial intelligence. I am pleased to note that in the current fiscal cycle, the National

Treasury committed Ksh 13.2 billion to youth empowerment and employment initiatives, including Kenya Youth Employment and Opportunities (KYEOP), Ajira Digital, and the National Hygiene Programme (Kazi Mtaani). The Ajira Digital Program and Jitume labs are enabling young Kenyans to access global freelance work. Over 1.9 million youth has benefited from Ajira with youths earning sustainable incomes online.

7. **Strengthening Technical and Vocational Education and Training (TVET) is** critical in bridging the skills gap. Recognising the financial challenges faced by universities and TVETs, the government is prioritizing reforms to enhance access to education financing, especially for vulnerable students. Including committing Ksh 29.3 billion in the current fiscal year to equip TVETs with tools that will in turn ensure graduates are employable and entrepreneurial.
8. **The agricultural sector** through employing 54 per cent of the Country's workforce, remains underproductive and unattractive to youth. The National Treasury allocated Ksh 6.1 billion to cater for the national agricultural value chain development project that is focused on improving the entire agricultural value chain from production to market access. An additional Ksh 2.4 billion was allocated to youth and women in agriculture to provide financial support and training.

9. **The Youth Enterprise Development Fund**, has been at the forefront in providing loans to youth owned enterprises, including those in agriculture. The fund offers market support, facilitates linkages with larger enterprises, and provides business development services to enhance the capacity of youth led agri-business. The fund to date has disbursed Ksh 479 million in Agri-Bizz loans to 19,631 youth beneficiaries. Therefore, I urge the youth not to complain they lack capital but take advantage of these opportunities. The Ministry is keen to support youth in agriculture and fostering an enabling environment for youth to engage in agriculture, thereby contributing to food security, economic growth, and the realisation of Kenya's Vision 2030.
10. **Micro, Small, and Medium Enterprises (MSMEs)** contributes to approximately 40 per cent of the Gross Domestic Product and particularly for youth, at least 36 per cent of MSME employees are youth who are finding employment outside the formal sector. Transforming the MSMEs is among the five pillars of the Government's Bottom-up Economic Transformation agenda (BETA). Therefore, equipping the youth with business skills, capital to start a business, overcoming market barriers, low adoption of technology will form strong linkages that will actively engage the youth who can fully participate in the Economy.
11. **Through, collaborative partnerships** with the banking sector, which has resulted in an additional Ksh 150 billion in loans for MSMEs, further demonstrating the government's commitment to

developing this essential sector. In terms of financial inclusion, we have achieved significant milestones with the Hustler Fund. So far, this innovative initiative has disbursed Ksh 60 billion, benefiting 24.6 million Kenyans and generating over Ksh 3.3 billion in savings. The fund enjoys a repeat customer base of 8.5 million beneficiaries and boasts a repayment rate of 79 per cent.

12. **Fostering creative industries** is a significant leap in ensuring the creative economy is a vital contributor to national development, job creation, and wealth generation. The Creative Economy Support Bill of 2024 establishes a legal framework for enhancing the growth of the industry. This Bill embodies the establishment of the Creative Fund which will allocate resources to promote and develop the creative sector.
13. **As part of the broader “Digital Superhighway” initiative**, the government is investing in expanding broadband connectivity across the country. Including construction of a 100,000-kilometre fiber optic network, which aims to enhance digital access to and provide a platform for creatives to distribute their work more effectively. The government is laying the groundwork for a vibrant and sustainable creative economy in Kenya, recognizing its potential to contribute to significantly to the nation’s socio-economic development.

## **Ladies and Gentlemen**

14. **The Affordable Housing Program** aims to undertake construction of housing units throughout the country at a rate of

200,000 new units every year, for 10 years. The affordable housing now accounts for 200,000 new jobs created over the past year. It is the government's desire to have a workforce of 500,000 by 2027, emphasizing the program's role in stimulating economic growth and reducing unemployment.

15. **The Jua Kali sector** has been one of the major beneficiaries of the program. The collaboration with the sector, has resulted in over Ksh 4.4 billion being paid to Jua Kali artisans nationwide, empowering local communities and promoting skill development. The government's commitment to the program underscores its potential to transform the housing sector and serve as a catalyst for youth employment. By continuing to invest in affordable housing, is a testament to the government's dedication to fostering inclusive economic growth and providing sustainable employment opportunities for the youth.
16. The green economy presents an untapped reservoir of opportunity. With the government's commitment to plant 15 billion trees by 2032, we are looking at over 300,000 green jobs in reforestation, eco-tourism, circular waste management, and clean energy areas where young people can lead the charge. Through various initiatives such as Financing Locally Led Climate Action (FLLoCA) Program, Green Growth Index, and Policy Development, Kenya Youth Development Policy initiative, and supporting youth led green enterprises, are multiple approaches, laying the groundwork for a

vibrant green economy that actively involves and benefits Kenya's youth. Young people are not only beneficiaries but also drivers of sustainable development.

**Ladies and Gentlemen,**

17. We are committed to creating an enabling environment for job creation by improving infrastructure, simplifying business processes, and fostering public-private partnerships. These measures will attract investments and spur economic growth.
18. I urge the youth to embrace a mindset of continuous learning, resilience, and innovation. The Fourth Industrial Revolution is redefining work, and adaptability will be a critical skill for success.
19. As I conclude, let me emphasize the importance of collaboration. It is only through coordinated efforts between government, private sector, development partners, and communities that we can unlock opportunities for our youth.
20. As we continue in this conference, I wish you fruitful deliberations as we chart a path toward a brighter and more inclusive future for our youth.
21. It is now my pleasure to welcome our chief guest, the Cabinet Secretary for Youth Affairs, Creative Economy, and Sports,

**Hon. Salim Mvurya** to deliver his keynote address.

**Thank you and May God Bless Kenya**