



**REPUBLIC OF KENYA**

**THE NATIONAL TREASURY**

**REMARKS BY HON. FCPA JOHN MBADI NG'ONGO, EGH, CABINET  
SECRETARY, THE NATIONAL TREASURY, DURING THE OFFICIAL  
LAUNCH OF THE CAPACITY BUILDING PROGRAMME FOR  
COUNTY GOVERNMENTS ON ECONOMIC PLANNING AND**

**STRENGTHENING                      NATIONAL-COUNTY                      INTEGRATION  
MECHANISMS ON 7TH OCTOBER, 2025 AT LUBIRI RESORT, BUSIA  
COUNTY**

The Prime Cabinet Secretary, Hon. Musalia Mudavadi, E.G.H.,  
The Rt. Hon. Moses Masika Wetangula, E.G.H., The Speaker of the National  
Assembly,  
The Rt. Hon. Amason Jeffa Kingi, E.G.H., The Speaker of the Senate,  
H.E. FCPA Ahmed Abdullahi, E.G.H., Chairperson, Council of Governors,  
Dr. Bonface Makokha, Principal Secretary, State Department for Economic  
Planning,

H.E. Dr. Paul Nyongesa Otuoma, Governor, Busia County,  
All Governors Present,  
All Members of Parliament Present,  
County Executive Staff Members Present,  
Members of the County Assembly Present,  
Distinguished Development Partners,  
Ladies and Gentlemen.

**Good morning.**

1. Article 43 of the Constitution of Kenya 2010, can be said, outlines the social contract that the Government has with the people. The realization of this

contract requires not only the prudent management of our public resources but systematic, well thought out planning that guides the application of our scarce and precious resources.

2. This is why, Ladies and Gentlemen, it is a privilege to today, address you as we launch this vital Capacity Building Programme.
3. As the Cabinet Secretary for The National Treasury, I am here today to outline a critical pillar of our national economic strategy: the imperative to strategically and collaboratively finance our development, particularly our infrastructure even in the reality we face of constrained public finances. The National Government, and indeed our 47 County Governments, can no longer

act as the sole financiers and providers of the infrastructure programmes and projects our nation desperately needs.

4. This fiscal reality demands a fundamental policy shift. We are therefore decisively transitioning from a model of public sector dominance to one of strategic facilitation and enhanced private sector involvement. This is not an option; it is a necessity. With rapid urban growth and evident financial constraints, we must embrace alternative strategies with urgency. Infrastructure provision must now be a shared responsibility, a genuine partnership between the public and private sectors.
5. However, a consistent challenge in forging these partnerships has been the lack of standardized conditions across our counties, which creates uncertainty

and impedes the mobilization of project financing. To address this, we, the National Treasury through our able State Department for Economic Planning, are proposing concrete measures to enhance our system. This includes integrating an efficient, standardized negotiation framework into the planning approval process and actively diversifying our infrastructure delivery methods.

### **Ladies and Gentlemen**

6. We are championing win-win Public-Private Partnerships (PPP) models such as Build-Operate-Transfer (BOT), and Private Finance Initiatives (PFI), alongside innovative solutions like securitization. A key factor or driver of

these innovative approaches is the need for clarity of purpose even in the face of our diversity. The goal of our proposed Integrated Planning Approval System is to create a more predictable, transparent, and equitable framework for infrastructure cost distribution.

7. This clarity will attract private sector actors. The role of the private sector is no longer supplementary; it is central to enhancing efficiency, accelerating delivery, and ultimately improving community living standards.
8. Our key proposed solutions are clear. We must leverage the planning framework to enable the recuperation of costs from direct beneficiaries where appropriate. We need to work with county governments to seriously consider privatization schemes that bring both financial relief and operational

efficiency. And we must insist on pricing policies that reflect the full lifecycle costs of infrastructure, including environmental impacts.

9. This approach is not just about building roads and water systems; it is situated within a much larger continental context. Africa's immense potential is at serious risk because of near-term challenges that climate change will make more severe. We have the youngest and fastest-growing population in the world, which is a driver of growth but also a significant political and economic pressure if we fail to create opportunities.



## **Ladies and Gentlemen**

- 10.**Our entrepreneurial ecosystem and the power of digitalization offer pathways to innovation and sustainable development. Yet, we face a growing urgency to tackle deep-seated vulnerability and inequality. The current international financial system is failing our continent. Private capital remains inaccessible for transformative projects, our domestic financial markets are underdeveloped, and sovereign debt levels are unsustainable for many.
- 11.**In response, our strategy over the medium-term is to deploy catalytic interventions that respond to these challenges by accelerating private investment, especially in the green economy. We have identified key tools and focus areas to achieve this. We will leverage demonstration transactions to

prove viability and use de-risking instruments like blended finance and guarantees to attract commercial capital. We are focused on developing targeted investment vehicles, such as green bonds, climate funds, and SME funds, to channel capital effectively.

## **Ladies and Gentlemen**

**12.**Our strategic interventions are focused on six key areas that present the greatest opportunity for unlocking investment:

- a. **Energy Transition** as a major capital unlock for large-scale private investment.

- b. **Adaptation Finance** to build viable business models and reduce reliance on scarce public funds.
- c. **Finance for Small and Growing Businesses (SGBs)** to create jobs and stimulate innovation.
- d. **Sustainable Debt Management** to address sovereign debt distress and the high cost of capital.
- e. Developing **Carbon Markets** to build new, sustainable revenue models for our nations.
- f. Mainstreaming **Gender and Youth Empowerment** with a specific focus on climate finance.

13. On implementation, we are enhancing our delivery capabilities. We will create specialized **Centres of Expertise (COE)** to provide thought leadership and spearhead delivery in these focus areas. We will establish a **Catalytic Transactions Team** to proactively bolster our pipeline of bankable projects. Furthermore, we will enhance our existing functions and implement best-practice "ways of working" to foster collaboration and maximize synergies across government.
14. Strengthened governance is the bedrock of this entire endeavor. We are elevating our risk and internal audit functions to ensure rigorous oversight and accountability for every public shilling invested and every partnership formed.

15. The ultimate impact we seek is threefold: First, a **financial system that is fit-for-purpose** for Kenya and Africa at large, capable of overcoming the risks and inequities that threaten our sustainability. Second, **enhanced economic resilience** to protect our economies from external shocks. And third, **tangible environmental benefits** by safeguarding our ecosystems and promoting nature-positive solutions.

### **Ladies and Gentlemen**

16. This is the comprehensive framework within which this capacity-building programme sits. The skills you acquire here—in integrated planning, evidence-based analysis, and the nuances of innovative

financing—are the very skills needed to operationalize this vision at the county level. Your success in creating a stable, predictable, and attractive investment environment in your counties is fundamental to our national success.

17. Let us, therefore, use this programme as a springboard for a new era of cooperation. Let us work together to build a Kenya where strategic public investment unlocks massive private capital, where county-specific plans align with a cohesive national vision, and where our collective action builds the infrastructure that will power our prosperity for generations to come.

**Thank you. God bless you, and God bless Kenya.**