

**SPEECH BY MR. HENRY ROTICH, THE CABINET SECRETARY, NATIONAL  
TREASURY, DURING THE SIGNING OF THE FINANCE CONTRACT FOR THE LAST  
MILE CONNECTIVITY PROGRAMME WITH THE EUROPEAN INVESTMENT BANK, AND  
THE GOVERNMENT OF FRANCE ON 27<sup>TH</sup> MARCH 2017 10.00 A.M.**

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**Mr. Pim Van Ballekom, EIB's Vice President for ACP operations**  
**Amb. Stefano Dejak, Head of the EU Delegation to the Republic of Kenya**  
**H. E. Mr. Antonio SIVAN, French Ambassador to Kenya**  
**Ms. Catherine Collin, Head of EIB Regional Office**  
**Fellow Cabinet Secretaries**  
**Principal Secretaries Present**  
**Distinguished Delegates**  
**Ladies and Gentlemen**

1. On behalf of the Government and the people of Kenya, let me take this opportunity to welcome you Mr. Vice President and your team to Kenya. In the same vein I also welcome to the National Treasury, **Amb. Stefano Dejak, the Head of EU Delegation and H. E. Mr. Antonio SIVAN, French Ambassador to Kenya.** From the onset, I wish to acknowledge the warm and cordial relationship that Kenya enjoys with the European Union, European Investment Bank (EIB) and the Government of France.
2. Given this support, I wish to appreciate the development assistance in support of our development agenda that the Government and the people of Kenya continue to receive from the EIB and the AFD. This has made the EIB and the AFD major donors financing the energy, infrastructure and financial sectors. As you are all aware these are critical sectors to drive growth in our country.
3. In addition, we are also happy to note that both the EIB and the AFD has financed many development projects that have impacted positively on the livelihoods of Kenyans. In particular, the support that we have received from the EIB and AFD are well aligned with our development priorities and objectives as envisioned under our Vision 2030.
4. **Your Excellencies,** as you may be aware, the current EIB portfolio for on-going projects in the public sector amounts to over **euros 350 million (Ksh. 40 billion)**. I appreciate that the funding from the EIB responds to the broad priorities outlined in the Kenya Vision 2030, through energy sector (provision of affordable power both to household and industrial use) and the financial sector (access to affordable credit). Some of the key projects that have been implemented under this strategy include:- Energy: Olkaria II Extension (2005) – USD 50M, Energy: KPLC Grid Development (2005) – EUR 43M, Energy: Mombasa – Nairobi Transmission Line Project (2009) – EUR 60M,

Communication: Jomo Kenyatta International Airport Expansion Project (2009) – EUR 63.9 M, Energy: Olkaria I & IV Geothermal Extension Project (2010) – EUR 119M

5. **Your Excellencies**, since your visit to Kenya last year, both the GoK and the EIB have been working together on a number of new programmes for which some will be finalized and signed in the coming days.

6. **Your Excellencies**, the Government is fully aware that the responsibility of providing access and affordable energy, is entirely the responsibility of Kenyans. However, we also recognize and appreciate the crucial role and support from our Development Partners. Towards this end, today we have witnessed the signing of the Finance contract for the Last Mile Connectivity Project. Under the Project, the EIB will provide a concessional loan of EUR 60 million (Ksh. 6.6 billion). In addition, the French Government will contribute Euros 90 million (Ksh. 9.9 billion) while EU will give a grant of Euro 30 million (Ksh. 3.3 billion) to be administered by the AfD.

7. With regard to the financing of the Mombasa and Mariakani Road and the Olkaria Geothermal project unit 6, we have also signed the Letters of Intent with the EIB to signify our commitment to fast-tracking the preparation of the two projects.

8. As you are aware, the project is geared towards assisting the Government of Kenya in the expansion of electrification schemes which target the connections of up to 297,000 customers to the distribution network in 32 of the 47 counties in the country. The project is in line with Vision 2030 and forms part of the Kenya National “Last Mile Connectivity Program” which aims to reach universal access to electricity for the Kenya population by 2020. The project will contribute to poverty reduction and to inclusive economic growth by facilitating access to affordable, reliable sustainable and modern energy sources.

9. **Your Excellencies**, the Government is therefore is keen to ensure that this project takes off as soon as possible. Consequently, the fulfillment of the conditions precedent for the disbursement of project funds will be given high priority.

10. **Mr. Vice President**, in conclusion, I once again wish to take this opportunity to thank the Bank for the continued support of Kenya’s development agenda. Our appreciation also goes to the Bank’s Team especially in the EIB’s Nairobi office who have continued to facilitate the preparation of our projects.

**Thank you.**

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