

**STATEMENT BY MR. HENRY ROTICH CABINET SECRETARY, THE NATIONAL TREASURY DURING THE OCCASION OF SIGNING OF GRANT AGREEMENTS BETWEEN THE GOVERNMENTS OF KENYA AND GERMANY ON 17<sup>TH</sup> DECEMBER 2015 AT THE NATIONAL TREASURY 14<sup>TH</sup> FLOOR CONFERENCE ROOM.**

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**H.E. Jutta Frasch, the Ambassador of the Federal Republic of Germany to Kenya  
Dr Klaus Liebig, Director KfW Office, Nairobi  
Members of the German delegation  
Fellow Cabinet Secretaries present  
Principal Secretaries present  
Ladies and Gentlemen**

1. Let me welcome you all to the National Treasury for the signing ceremony of two Grant Agreements between the Government and KfW. Allow me at the outset to use this opportunity to welcome Ambassador Frasch to the Country. We certainly look forward to working closely with you during your tour of duty in Kenya. I am aware that you already actively participated in the Pre-DPF and DPF meetings last week.

2. I wish also to take this early opportunity to express on behalf of the Government of Kenya our appreciation for the support the Government of the Federal Republic of Germany has extended to this country over the years. This assistance, from KfW and GIZ is in form of concessional Loans and Grants. We truly value this partnership.

3. To date, on a cumulative basis the Government of Germany has committed a total of **Euros 1,626.6m (equivalent to Kshs.170.8billion)**. The support has benefitted sectors that are critical to the country's development and in line with our Vision 2030. The sectors that benefit include Water, Energy, Education Health and Infrastructure.

4. The commitment of the Government of the Federal Republic of Germany to support our development Agenda is no doubt a clear testimony of the good and cordial relations that the two countries enjoy. We remain committed to enhance this partnership even higher.

5. **Ladies and Gentlemen:** - the good news is that we have today signed two Grant Agreements for a total amount of **Euros 15,950,000 (Kshs. 1,754,500,000)**. These grants will benefit two projects namely: Promotion of Solar Hybrid Mini Grids and Lake Nakuru Bio Diversity Conservation.

6. More specifically, promotion of Solar Hybrid Mini Grids Project will be financed through a grant amounting to **Euros 15,000,000 (Kshs 1,623,162,000)**. This project aims at promoting the development of new medium sized Hybrid Mini Grids(PV/Wind-Diesel) focusing on nascent small and medium sized rural growth centers with an expected load of up to 1MW. The intervention will contribute to cost effective, environmentally friendly and

reliable power supply in the rural growth centres and will no doubt foster efficient and sustainable use of power.

7. The specific areas of focus for financing are strategy development, development of mechanisms for implementation, capacity building for the private sector and support for micro pilot projects, in Kalokol in Turkana and Dukana and Ngurunit in Marsabit.

8. In addition, KfW will through a grant of **Euros 950,000 (Kshs. 102,800,260)** finance the expert services for the preparation of Lake Nakuru Bio Diversity Conservation Project. The biodiversity of Lake Nakuru National Park and its surroundings is under serious threat as a result of human activity - brought about by pollutants from the inhabitants residing in Nakuru. The funds will therefore be used for preparation of a multi-sectoral feasibility study focusing on waste water, storm water and solid waste management in Nakuru as well as on measures for the improvement of Lake Nakuru National Park management effectiveness.

9. It is noteworthy that the two sectors to benefit from these financial contributions are not only critical to this country's development but also to the achievement of vision 2030 objectives.

10. **In conclusion**, I wish to thank once again, the Government of Germany for this partnership and support. In this regard, I would like to urge all those who will be involved in the implementation of the two beneficiary projects to ensure adherence to the timelines for the implementation of the projects. I am confident that with teamwork and commitment a timely completion of these projects is achievable.

**THANK YOU**