

SPEECH FOR MR. HENRY ROTICH THE CABINET SECRETARY, DURING THE SIGNING OF THE EXCHANGE OF NOTES AND THE LOAN AGREEMENT FOR THE OLKARIA V GEOTHERMAL POWER DEVELOPMENT PROJECT ON 9th MARCH, 2016

H.E. Mr. Tatsushi Terada
Ambassador of Japan to Kenya
Ms. Keiko Sano, JICA Chief Representative
Members of the Japanese Delegation
Government Officials Present
Distinguished Ladies And Gentlemen,

1. **Let me** welcome Your Excellency and your delegation to the National Treasury for the signing of the Exchange of Notes and subsequent Loan Agreement for the Olkaria V Geothermal Power Project. Let me assure you that the Government is committed to increase power generation to 5,000 MW to drive our economic growth. The signing of the Exchange of Notes and the Loan Agreement today for this project will contribute towards achieving this objective.

2. **Your Excellency,** allow me to record our Government's appreciation for the development assistance that the Government of Japan has continued to extend to Kenya since the beginning of our bilateral cooperation in 1964. We are grateful for this valuable support to our development agenda. With your support, we have delivered many projects to Kenyans and that way accelerate the economic growth rate of our economy for the benefit of Kenyans. To date, we have received on a cumulative basis from your Government financial support amounting to approximately **¥ 552.4 billion** or **Ksh. 472.7 billion** making Japan one of our major bilateral partners.

3. **Over the years,** Some of the projects that have benefitted from the Japanese development assistance include the Jomo Kenyatta University of Science and Technology, the Kenya Medical Research Institute, Construction of bridges in Nyali, Kilifi, Mtwapa and Sabaki, the Construction of the Nairobi Missing Links Project and Embu Water Supply project, and I am also aware that the dualling of the Ngong Road is about to start among others.

4. **Projects currently under** construction through funding from your Government are; Olkaria IV Geothermal Power Station, Expansion of Mwea Irrigation, Mombasa Port Area Road Development project (Dongo Kundu Bypass), Olkaria – Lessos – Kisumu Power Transmission Lines, Development of Mombasa Port Project Phase II and III and Health Sector Support Program for Universal Health Coverage Program among others.

5. **Once complete,** these projects will contribute to the realization of the Vision 2030 which aims at transforming Kenya into a middle income country providing high quality of life in a clean and secure environment, to our people.

6. **Ladies and Gentlemen,** to deepen our cooperation further we have today signed Exchange of Notes and the corresponding Loan Agreement for the Olkaria V Geothermal Power Project amounting to **¥ 45.69 billion (Appro. Ksh 40.61 billion)**. On behalf of the Government and the people of Kenya let me indicate our appreciation for this support which will add clean power to our National grid.

7. **The Credit** we have received today will fund the construction of power generation plant to tap on the vast geothermal steam at Olkaria Geothermal field for generation of additional 140MW electricity to be put to national grid. This will result to reduction of hydro power generation as well as thermal generation bringing further down the cost of power, especially energy sector. The project is consistent with the Government program that targets to develop at least 5,000MW of new power generation within a period of four years. It is also consistent with the Government determination to reduce overreliance on hydropower as well as addressing the climate change through promotion of environmentally friendly energy production to ensure clean environment.

8. Your Excellency, allow me to acknowledge specifically the support of the Government of Japan to our development in the country. The ongoing Olkaria 1 Unit 4 and 5 Geothermal Power Project and the construction of Olkaria-Lessos-Kisumu Power Transmission Lines project through concessional loans extended by your Government is a clear testimony of your Government's support to support our energy sector. We therefore wish to thank the Government of Japan for the commitment to support the energy sector which contributes directly to the country's economic growth and eventual realization of the Vision 2030.

9. Finally Your Excellency, Ladies and Gentlemen, turning on the international scene, Kenya is grateful to be the first country in Africa to host TICAD VI that will be held in August, 2016. The offer by Kenya to host TICAD VI was driven by the need to build on the strong bilateral relations and development cooperation with Japan. The Summit will enhance Kenya's prominent position as the model of Japan's development cooperation with Sub-Saharan Africa. Kenya's strategic geo-political position, governance, social reforms and economic performance, increasing role as a regional economic power enhanced by linkages within and beyond the East Africa show-cases the positive impact of the TICAD process in Africa.

10. Once again Your Excellency, let me assure you that the Government is fully committed to hosting a successful TICAD VI and to promoting our bilateral cooperation.

I thank you for your kind attention.

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