



REPUBLIC OF KENYA

STATEMENT BY HON. (AMB.) UKUR YATANI, EGH, CABINET SECRETARY, THE NATIONAL TREASURY AND PLANNING DURING THE 2021 FINANCING FOR DEVELOPMENT FORUM SPECIAL SEGMENT ON FINANCING THE RECOVERY FROM COVID-19

**Your Excellency President of the United Nations Economic and Social
Council (ECOSOC),
Excellencies Heads of State and Government,
Ladies and Gentlemen.**

1. The Covid-19 pandemic has created the most severe health and economic crisis in many decades with the global economy estimated to have contracted by 3.5 percent in 2020. It is estimated that the Kenyan economy grew by only 0.6% in 2020.
2. The pandemic adversely affected key sectors of economies globally including tourism, MSMEs, manufacturing, transport and storage, education, creative industry as well as domestic and external trade. It overstretched the capacity of health care systems and led to their near collapse.

Mr. President

3. The measures put in place to contain the virus resulted in loss of jobs and closure of businesses. This negatively impacted the performance of key macroeconomic variables including Government revenue, the fiscal deficit and exchange rate.
4. In response, the Government of Kenya rolled out an eight-point Economic Stimulus Programme (ESP) and a range of fiscal measures to cushion citizens and businesses from the effects of the pandemic.

5. Currently, Kenya is implementing a Post-COVID-19 Economic Recovery Strategy (2021-2022) which builds on government initiatives aimed at protecting lives while also supporting jobs and the economy.

Mr. President

6. Recovery from the pandemic calls for prudent debt portfolio management in order to reduce re-financing and settlement risks, and lower the overall cost of debt service. This is necessary to guarantee developing countries fiscal space to provide the much-needed resources to fund recovery efforts.
7. We continue to encourage creditor nations and multi-lateral institutions to consider debt servicing moratorium, debt swaps and debt cancellation for vulnerable economies. Kenya lauds the Debt Service Suspension Initiatives (DSSI).

Mr. President

8. The Government of Kenya has set aside resources to support the health care system in responding to the pandemic. We have stepped up measures to increase domestic revenue collection, enhance the role of private sector in development finance and adopt new forms of financing such as green climate finance.

Mr. President

9. Effective management of the pandemic requires access to affordable vaccines by all. We therefore call for equitable and affordable access to vaccines and therapeutics globally. This will allow countries benefiting from the COVAX initiative to get sufficient vaccines for targeted populations.
10. In addition, we encourage the waiver of patent rights to enable the manufacture of more vaccines and increase global supply. This will help to ensure that everyone anywhere is safe from COVID 19.

I thank you.