



THE SEVENTH PRESIDENTIAL ADDRESS

ON THE

CORONAVIRUS PANDEMIC

THE 8-POINT ECONOMIC STIMULUS PROGRAMME

SATURDAY 23RD MAY, 2020

My Fellow Kenyans,

- 1. Today I want **you** to **reflect** on the state of our economy with me.**
- 2. But before I invite you to do so, let me first make an observation. Whenever we talk to you about the economy, we bombard you with figures and statistics without **a human face**.**
- 3. Yet behind these figures are real lives.**

There is a hardworking farmer who mixes his **sweat with the soil in order to feed his or her family and our communities;**



a diligent mother who has the double role of **nurturing** the family and maintaining a full-time job;

an **aspiring** and driven young person, with hopes and dreams for tomorrow;

and an **impatient teen** who cannot wait to grow up and be a part of the game.

But when we give you economic figures, you never see the faces of these Kenyans.

Today, I will paint a picture of these Kenyans.

4. The Coronavirus pandemic will continue **undermining our efforts** to revitalize the economy for the unforeseeable future. The rate of infections may **SURGE** upwards if we **FAIL** to comply with the protocols issued by the Ministry of Health. It is my prayer that we heed the call and conduct ourselves with responsibility and

5. **As** of this morning, we have cumulatively tested **57,650** samples, out of which **1,192** persons have tested positive for the Coronavirus disease, with **50** of our compatriots having so far, succumbed.

6. **Because** of the effects of this pandemic on the economy,

there are Kenyans who have been stripped off their dignity,



they cannot feed their families **or** pay their rent.

7. Many of these Kenyans find themselves in a vulnerable and difficult situation.

And that is why EVERY week, my Administration, has been **dispatching** a total of **250 Million Shillings** to **vulnerable** families.

8. And you may ask WHY we have chosen to directly send the money to these vulnerable groups? **We** are MOTIVATED by two reasons.

One, in the past, if a family could not feed itself because of floods or famine, or other such natural calamities we rushed to give them FOOD RELIEF.

Government got suppliers, gave them resources to **buy the food** and arranged for the logistics of distributing the relief to those in need.

Unfortunately, with this measures we only discovered with time.

9. We noted that half the financial resources given to relief suppliers were LOST to BROKERS and logistics.

Very little of such resources reached to the targeted groups.



We had to change this method of support delivery by leveraging on technology through cash transfers **directly to the families.**

This way we have by-passed **BROKERS and CARTELS.**

10. Two, we have catalyzed the local economies by injecting **250 million shillings** each week through these families.

Money in the hands of a family, gives them power to make economic choices in their local spaces **and not depend on lining up to receive food donations.**

And these choices catalyze and build the economy from the **bottom up.**

During these unprecedented times of CORONA VIRUS, we have to cushion the economy from **below** and **not from top down.**

11. Now, I will PAINT a second PICTURE. It is about our **young people.**

Our nation is made up of over **70%** young people.

Although this gives me hope, because a young population is better equipped to fight the Corona virus, it also **WORRYING.**



12. Worrying because, during a pandemic like the one we have, the SHEER ENERGY of our young population will FIGHT the VIRUS, alright. **BUT** in the process, their energy could also be **misdirected**.

And this is why we **MUST** direct it to constructive use.

13. As we fight this VIRUS, I have started to **HARNESS** the ENERGY of our young people, engaging them in the **National Hygiene Programme - Kazi Mtaani Initiative**.

Under this programme, we will **SPEND** a total of **10 Billion** shillings engaging our youth in restoring public hygiene standards, urban civil works, and other public undertakings.

14. Currently, during the trial period the number of youth engaged is **26,000**; we intend to increase that number to **200,000** youths, across the country.

And to make it sustainable after the COVID crisis, we will regiment them into **livelihood guilds**. These are small groups of young people with a **purpose**, and a **passion for Kenya**.

15. Working with county governments, we will look for ways of generating work for them.

16. We are making this endeavor through an urban renewal programme to upgrade and to modernize our towns and cities; we want



our towns to be clean and green, just like Singapore is. **There is no reason why Kenya cannot be.**

Fellow Kenyans,

17. This COVID-19 pandemic is not only a health crisis, it is fundamentally an **economic crisis**. Jobs have been lost, businesses have closed and the economy is on a go-slow. To combat the effects of this down-turn, my Administration has had to take additional measures.

18. Today, I am happy to announce the rolling out of my **8-Point Economic Stimulus Programme**, amounting to a total of **Ksh 53.7 Billion**.

The injection of this money into the economy will stimulate growth and cushion families and companies as we navigate our way out the COVID-19 pandemic.

19. The **first** element of the **8-point** programme will focus on **infrastructure**. Following the ongoing rains, road infrastructure has been adversely affected across the entire country. To address this challenge in the short term, as a Government, we intend to **rehabilitate access roads, footbridges and other public infrastructure**.



We have set aside a total of **Ksh. 5 billion** to hire **local labour** for this undertaking.

20. **We** are convinced, with the use of local labour and local construction materials, in line with our “**Buy Kenya Build Kenya**” Policy, **we** will stimulate and support micro and small business enterprises.

21. The **second** element of the stimulus programme will be about education. **I know** the anxiety weighing on the minds of parents and their children in regard to when schools will re-open. We will in the very near future, be communicating, what plans and programmes we have for the education sector. In that regard, we have allocated an additional budget of **KSh. 6.5 Billion** to the Ministry of Education.

The purpose of this is to hire **10,000** teachers and **1,000 ICT interns** to support digital learning. The programme will also support the improvement of school infrastructure, including acquisition of **250,000** locally fabricated desks. The aim is to get thousands of our graduates off the bench and into action while we support local artisans and builders businesses.

22. The **third** element of the programme will target **Small and Medium Enterprises**. During this COVID pandemic, the liquidity of these enterprises has been adversely affected.



The stimulus programme will deal with this in two ways. **First and Foremost, we** have allocated **Ksh 10 Billion** to fast-track payment of outstanding VAT refunds and other pending payments. **I** am also happy to note that just yesterday, we released **Ksh. 30 Billion** towards payment of pending bills in the roads sector.

23. In addition to this, we will inject **Ksh 3 Billion** as **seed capital** for the SME **Credit Guarantee Scheme**. The intention here is to provide affordable credit to **small** and **micro enterprises**.

And to do so in an efficient and structured manner, borrowing from the professional standards and practices of private sector credit arrangements.

24. Health is our **fourth** target of the **8-point** stimulus programme. **My** Administration intends to hire an additional **5,000** healthcare workers with diploma/certificate - level qualification for a period of one year. **This** will not only enhance our COVID-19 response capability but also enhance the implementation of the Universal Health Coverage (UHC) programme.

Further, the stimulus programme will set aside **Ksh.1.7 Billion** for the expansion of bed capacity in our public hospitals. I encourage the Ministry of Health to utilize our Jua Kali Sector in this endeavor.



25. Similarly, resources will be pumped into our medical research facilities to enhance their research capacity, which is critical to generation of new innovations in the medical field.

26. But with the extra resources, these facilities will also undergo some level of reforms to optimize their performance.

Fellow Kenyans, we will in due course announce a raft of reforms in our research institutions. **I** am persuaded that these reforms will upscale our medical research facilities to a standard that can rival the best in the world.

27. The **fifth element** of the stimulus programme will focus on agriculture. My Administration has prioritized **Ksh. 3 billion** for the **supply of farm inputs** through **e-vouchers**, targeting **200,000** small scale farmers.

28. This is meant to cushion farmers from the effects of adverse weather, and to secure food supply chains in the post COVID-19 period and into the future. Further, under this programme we have allocated **Ksh. 1.5 billion** to assist **flower** and **horticultural producers** to access international markets, in a period where we have a shortage of flights into and out of the country.



29. These interventions will support the sustenance of our farming communities and provide continued gainful employment for thousands of workers in our bread basket areas.

30. Tourism is the **sixth** area of target for the stimulus programme. This sector has suffered the most - because of restricted movements, and termination of international flights.

31. To jumpstart this important sector, and protect its players from heavy financial losses, my Administration will provide **soft loans to hotels** and related establishments through the **Tourism Finance Corporation (TFC)**, and **A** total of **Ksh 2 Billion** will be set aside to support renovation of facilities and the restructuring of business operations by actors in this industry.

32. In addition to this, funding will also be set aside to support the operations of our premier hospitality institution, Utalii College, to guarantee the steady supply of well-trained hospitality professionals.

33. The tourism component of the stimulus programme will also engage **5,500** community scouts under the Kenya Wildlife Service at a cost of **Ksh. 1 billion**. Additionally support will be made available to approximately **160** community conservancies at a cost of **Ksh. 1 billion**.



34. Fellow Kenyans, we want to green our country and hence the seventh element of the stimulus concerns the environment. To mitigate the **impact of deforestation** and **climate change**, and to enhance the provision of water facilities, my Administration will **rehabilitate wells, water pans** and **underground tanks in the Arid and Semi-Arid areas**. For this purpose, we have set aside **Ksh. 850 million**. A further **Ksh 1Billion** has also been set aside for flood control measures; and another **Ksh 540 Million** for our Greening Kenya Campaign.

35. Our Eighth and final element of the stimulus programme is **manufacturing**. As a strategy, we will enforce the policy on “**Buy Kenya Build Kenya**”.

36. To this end, my Administration will set aside an initial investment of **Ksh. 600** million to purchase locally manufactured vehicles. This is expected to sustain the operations of **local motor vehicle manufacturers, and the attendant employment of workers**.

37. I also want at this point to thank the National Assembly and Parliament as a whole for its incisive and speedy consideration and approval of the tax measures my Administration proposed to spur the economy - by ensuring that **employees have more of their earnings available to them** to spend and to **reduce the corporate tax burden** as an incentive to business enterprises.



38. I therefore take this opportunity similarly urge the August House to consider, on a priority basis the Budget Proposals to anchor my **8 - Point Economic Stimulus Programme** in order to release this money to Kenyans who are in need.

39. Finally, my Fellow Kenyans, the challenges of the moment have put us on a new road. **And** the twists and turns of this road are unknown. **Not** only to us, but to the world at large. **Every Country is struggling to find a way forward.**

40. **But** I am comforted by only one thing about Kenyans. **Throughout our history,** we are on record as a people who know how to do a good fight. **And** we have proven this over and over again. **If** we stay the course, we will overcome this challenge as we have done in the past.

41. I urge all of us to remain true to our country and confident that the endurance we are so famous for will drive us to victory.

I take this early opportunity to wish our Muslim Brothers and Sisters a Happy Idd-UI-Fitr.

God bless you, God bless our Beloved Nation.

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