



## PRESS RELEASE

(ED: 17:30 Hrs.)

ISSUE NO. 12 *of* 2024

### DESPATCH FROM CABINET

**HIS EXCELLENCY President William Ruto, C.G.H.**, has today chaired a Cabinet Meeting at State House, Nairobi.

**TODAY'S MEETING** was convened to assess the progress made in the rollout of **Universal Health Coverage (UHC)**, evaluate the **State of the Economy**, and review the progress the Administration has made in implementing its reimagined and accelerated agenda under the overarching plan - the **Bottom-Up Economic Transformation Agenda (BETA)**.

**IN PURSUIT** of the nation's elusive goal of Universal Health Coverage, Cabinet noted that the Kenyan health sector had undergone a profound transformation with the implementation of the **Social Health Assurance (SHA)**, effective from 1<sup>st</sup> October, 2024. The roll-out of this initiative is designed to make healthcare services more accessible and equitable, especially for the nation's most vulnerable populations. The meeting further observed that **over 14 million Kenyans had already enrolled in the programme**, with more than 60% of Kenyan employers having seamlessly transitioned into its framework.

**AS PART** of the transition to SHA, Cabinet was briefed on the progress made in **settling the outstanding bills accrued by NHIF**. It was noted that, over the past month, **Ksh. 5 billion had already been paid to medical facilities**, including faith-based, public, and private institutions, to clear historical pending bills. The remaining outstanding amounts will be cleared in a phased manner over the coming months.

**CABINET ACKNOWLEDGED** the challenges faced in the implementation of this groundbreaking initiative and, in response, sanctioned a series of interventions aimed at **ensuring uninterrupted access to medical services for all Kenyans**. In that regard, Cabinet urged all Kenyans who have not registered under the new scheme to do so through \*147# or [www.sha.go.ke](http://www.sha.go.ke).



**ON THE** state of the economy, Cabinet noted that the Administration's efforts over the past two years to **turnaround the economy had successfully set the country on a path to renewal**, marking the start of a new era of economic renaissance.

**THE MEETING** noted that **all macroeconomic indicators were signaling a positive turnaround of the economy**, as follows:

- I. The exchange rate** had stabilized after appreciating by nearly 20% since February, which had contributed to a reduction in external debt servicing costs;
- II. Forex reserves** had grown by \$2.4 billion, reaching the equivalent of 4.8 months of import cover the highest levels since 2017;
- III. Inflation** had declined to 2.7%, marking the lowest level in the past 17 years and significantly easing the cost of living, consistent with the objectives outlined in the Kenya Kwanza manifesto;
- IV. Interest rates** have started correcting downwards, which is expected to lower domestic borrowing costs and create additional fiscal space;
- V. Revenues** had risen considerably, with tax revenue increasing by 11.5% in the year to June; and
- VI. Overall economic growth** had remained steady and was among the highest globally.

**IN LIGHT** of this backdrop, Cabinet observed that **microeconomic indicators such as household income**, were poised to bring substantial relief to Kenyan households as the key sectors of the economy regain momentum and rebound.

**AS PART** of the Administration's commitment to building a nation founded on **intergenerational equity and a future of opportunity and empowerment for every Kenyan**, Cabinet was apprised of the progress made in implementing a key plank of its manifesto on labour migration. It was reported that, since July 2023, a **total of 105,367 Kenyans** had been placed in various job opportunities across multiple countries.



**THE MEETING** further noted that Kenya was negotiating additional bilateral labour agreements to expand its labour export market beyond the traditional destinations of the United Kingdom, Canada, Australia, Bahrain, Oman, the United Arab Emirates, Germany, Saudi Arabia, Kuwait, and Qatar. New potential markets under negotiation include Russia, Poland, and Jordan.

**THESE OPPORTUNITIES** encompass a wide range of roles, including professional, skilled, and unskilled positions, such as nurses, aged-care workers, and teachers specializing in science, mathematics, English, and physical education, as well as culinary artists and chefs, drivers and other unspecialized roles.

**CABINET ENCOURAGED** all eligible Kenyans to seize these opportunities, which would not only create pathways for employment but also facilitate skills and technology transfer to Kenya. A new wave of recruitment will take place between **18<sup>th</sup> November and 6<sup>th</sup> December 2024**, with the recruitment centers being stationed in all counties across the Republic.

**TO PREPARE** every Kenyan for the expanding opportunities both at home and abroad, Cabinet approved the upgrading of five Technical Training Institutes to National Polytechnics. These institutes are **Michuki TTI, Mitunguu TTI, Ol'lessos TTI, Nairobi TTI, and Friends College of Research and Technology in Kaimosi**. This executive action will increase the number of National Polytechnics from 23 to 28.

**FOCUSING ON** the nation's productive sector, Cabinet noted that, **buoyed by above-normal rainfall as complemented by the Fertilizer Subsidy Programme**, Kenya had, **for the first time in a decade, produced surplus crops of its staple food - maize**. This above-average rainfall had also contributed to the **country's first year of surplus sugar production, elevating Kenya to the ranks of sugar-exporting nations**.

**TO ENSURE** sustained improvements in food production as part of the broader strategy to reduce the nation's import bill, it was further noted that fertilizer for the upcoming long-rains season would be available in all outlets across the country by January 2025.

**CABINET WAS** further apprised of the remarkable turnaround within the service sector, with particular emphasis on the tourism industry. The meeting acknowledged that, propelled by the **nation's groundbreaking introduction of Visa-Free entry**, Kenya was on track to meet its ambitious target of welcoming



5 million tourists by 2027. It was projected that at least **2.5 million tourists would visit in 2024**, a significant increase from 1,483,752 in 2022.

**THIS SURGE** in tourist arrivals is attributed to these transformative reforms, as well as the introduction of another innovative initiative - **the Digital Nomad Work Permit** - which allows global digital professionals to reside and work within Kenya's borders.

**BUILDING ON** this new paradigm, our nation continues to establish herself as a premier destination for international conferences, particularly in the MICE (*Meetings, Incentives, Conferences, and Exhibitions*) sector. In this regard, Cabinet approved Kenya's hosting of:

- I. The Eastern Africa Power Pool Regional Trade Conference; and
- II. The Ninth Annual Meeting of the African Economic Zones Organization (AEZO).

**TO ENSURE** the sustainable development of the tourism sector through the preservation of our wildlife - particularly with regard to Nairobi National Park, the crowning jewel of our heritage and an iconic feature of our metropolitan landscape - Cabinet sanctioned **the fast-tracked implementation of wildlife migratory corridors and dispersal areas** within the Athi-Kapiti Corridor.

**IN KEEPING** with the Administration's commitment to sustainable development and its resolve to foster climate change adaptation across both terrestrial and aquatic ecosystems, **Cabinet endorsed the ratification of the agreement under the United Nations Convention on the Law of the Sea**. This accord, focuses on **the conservation and sustainable use of marine biological diversity in areas beyond national jurisdiction** and marks a critical step towards safeguarding the fragile balance of our planet's ecosystems for future generations.

**IN CONCLUDING** the day's meeting, the nation's foremost policy organ was apprised of the **progress made in addressing the governance challenges that had perennially plagued Moi University**. Cabinet sanctioned a series of strategic interventions designed to **restore the university's status as a pioneering institution of higher learning** and a **BEACON OF ACADEMIC EXCELLENCE**.