



PRESS RELEASE
(For Immediate Release)

ISSUE NO. 8 of 2024

DESPATCH FROM CABINET

HIS EXCELLENCY THE PRESIDENT has today chaired a meeting of Cabinet at State House, Nairobi. The meeting was preceded by the Head of State's highly successful engagements at international fora, which have not only fortified our nation's standing within the community of nations, but also **forged a pathway to spur the realisation** of the administration's transformative plan towards **economic renaissance** through increased foreign direct investments.

IN A bid to pivot the economy towards a sustained turnaround as set out in the **Bottom-Up Economic Transformation Agenda (BETA)**, Cabinet considered and approved a debt waiver for coffee farmers and other coffee sector reforms. Under this programme, the meeting **sanctioned the write-off** of historical debts **amounting to KSh 6.8 billion owed by coffee farmers** nationwide.

TO FACILITATE the settlement of debts accrued by farmers, coffee cooperatives, saccos, and other creditors are required to **submit to the Ministry for Cooperatives, within seven days, a list of all farmers who owe them money**, along with all supporting documents for verification and processing of payment. Any fraudulent or fictitious claims will be dealt with in accordance with the law.

CABINET ALSO called on Parliament to fast-track the enactment of **corporate governance reforms** for cooperatives to establish **institutional safeguards** that will enhance accountability and transparency, including the requirement that **the process of borrowing by cooperatives henceforth is only authorised by farmers** during annual or extraordinary general meetings.

TO FURTHER bolster **the coffee production value chain**, the **New Kenya Planters Cooperative Union (KPCU)** will undergo modernisation in accordance with international best practices. Additionally, to address the concerns on the quality of coffee parchments, **modern eco-pulpers** will be established in



all emerging coffee growing areas for primary processing, enhancing efficiency and sustainability of the sub-sector.

THESE INTERVENTIONS, which will additionally encompass **improved coffee seedlings propagation under the Coffee Research Institute (CRI)** are aimed at **enhancing the production of coffee to the 200,000 metric tonnes target by 2027**. Overall these interventions seek to **reposition Kenya's coffee** on the global stage as one of the **nation's premier exports**.

IN FURTHERANCE of the implementation of the **Universal Health Coverage (UHC)**, a key pillar of the Bottom-Up Economic Transformation Agenda, Cabinet approved the framework for a full transition from the National Health Insurance Fund (NHIF) to the **Social Health Authority (SHA) beginning 1st July, 2024**. To facilitate this transition, the **Ministry of Health will lead a mass registration exercise commencing on 21st June, 2024, across all 47 counties** and on all platforms.

CONSEQUENTLY, CABINET urged all Kenyans to register under the new scheme in the historic endeavour to usher Kenya into the **league of nations with health coverage for all**. Kenyans can register on phone, at all public hospitals, Huduma Centres, and through the 100,000 Community Health Promoters (CHPs) across the country.

AS PART of the institutional reforms aimed at fostering a sustained turnaround of the economy particularly in the management and governance of State Corporations, **Cabinet considered and approved the proposed divestiture of the State's shareholding in six listed companies**.

THE DIVESTITURE in the six companies, through the **sale of shares at the Nairobi Securities Exchange**, will optimise the contributions of these investments in the realisation of our national development aspirations. The **six companies are:**

COMPANY	GOK SHAREHOLDING
East African Portland Cement Limited	GOK - 25.3% NSSF – 27%
Nairobi Securities Exchange (NSE)	3.36%



Housing Finance Company of Kenya Limited	2.41%
Stanbic Holdings (formerly CfC Stanbic Bank Limited)	1.1%
Liberty Kenya Holdings (formerly CfC Insurance Holdings)	0.9%
Eveready East Africa PLC	17.2% (through KDC)

TO STRENGTHEN the linkages between tourism and aviation, and to further cement **Nairobi's position as an aviation hub**, Cabinet considered and approved the **National Aviation Policy**. The policy seeks to maximise the contribution of the aviation sector to Kenya's growth by enhancing connectivity at both the national and international levels.

CABINET NOTED the aviation ecosystem in Kenya is robust, but pointed out that it was imperative to enhance the capacity of **Kenya's international airports to meet existing and projected demand** which is estimated to rise to **42.1 million passengers a year by 2050**.

THE MEETING also considered and approved the **JKIA Medium Term Investment Plan** that includes the **upgrade of the passenger terminal, runway, taxiway, apron and airside facilities** in keeping with the global aviation trends.

KENYA CONTINUES to open its doors to the world, with recent efforts receiving a boost through the introduction of Visa-Free entry under the **Electronic Travel Authorization (ETA)** framework. Building on this new paradigm, Kenya continues to showcase herself as a **premier destination for international conferences, particularly in the MICE (meetings, incentives, conferences, and exhibitions)** sector. This unwavering commitment has resulted in Kenya hosting 50 Heads of State and Government, along with a record number of delegates, in the past year.

IN LINE with this strategic vision and buoyed by the **successful hosting of significant events** such as the continent's inaugural Africa Climate Summit, the Africa Heads of State Summit in support of the Twenty First (21st) Replenishment of the Resources of the International Development Association (IDA21), and



African Development Bank (AfDB) Group Annual Meeting, **Cabinet approved the hosting of the following conferences:**

- I. **Blueinvest Africa Forum** in July 2024; and
- II. **World Congress of the International Union of Forest Research Organization (IUFRO)** in August 2024.

THE HOSTING of these two conferences further advances the realisation of our nation's foreign policy objectives with **climate change adaptation and the health of oceans and seas** (blue economy) as key cornerstones of our diplomacy.

IN CELEBRATION of our heritage and splendour, as well as the significance of **language as a medium of cultural expression**, Kenya will host the **East African Community (EAC) Member States** in marking this year's **World Kiswahili Day** from July 5-7, 2024.

CABINET WILL reconvene in accordance with its calendar on **Thursday 13th June, 2024**, to receive and consider the highlights of the **Financial Year 2024/25 Budget Policy Statement** ahead of its presentation on the same day in the National Assembly. The FY 2024/25 Budget, which is the Administration's second budget, supports the overarching fiscal consolidation policy by reducing the budget deficit while simultaneously making targeted interventions towards the realisation of the **Bottom-Up Economic Transformation Agenda (BETA)**.

CABINET OFFICE
EXECUTIVE OFFICE OF THE PRESIDENT

Tuesday, 11th June, 2024