



PRESS RELEASE
(For Immediate Release)

DESPATCH FROM CABINET

HIS EXCELLENCY THE PRESIDENT chaired a meeting of Cabinet today at State House, Nairobi. Today's Cabinet meeting was preceded by a series of Cabinet Committee meetings led by the Deputy President.

CABINET CONSIDERED various legislative proposals in the form of Bills as well as seminal policies and programmes geared towards the implementation of the Administration's Plan - the **Bottom-Up Economic Transformation Agenda (BETA)**. The raft of interventions considered focused on National Security, the State of the Economy, Climate Change Adaptation, Education, the Digital Economy, Agriculture, Energy, and Financial Sector Regulation.

AS AN AFFIRMATION of the economic reforms the Administration is instituting, Cabinet welcomed the successful conclusion of the fifth appraisal by the International Monetary Fund (IMF). The appraisal follows the approval by the World Bank for support to Kenya under the Development Policy Operations (DPO) Programme. Under **the Kenya-IMF Programme**, Kenya will now be able to access additional support to build resilience on climate change and catalyze further private climate financing under the IMF Resilience and Sustainability Facility.

TO ADVANCE KENYA'S strong track-record of addressing climate-related challenges, Cabinet considered the **Climate Change (Amendment) Bill, 2023**. The Bills seeks to foster inter-generational equity in conservation of our natural heritage and splendour by providing a framework for **Kenya's participation in carbon markets**.

THE BILL WILL anchor the legal framework to guide both domestic and international carbon markets and investments in a manner that boosts market confidence while complying with Kenya's treaty obligations arising



out of the Paris Agreement. This legislative proposal is expected to enhance access to climate finance through Nationally Determined Contributions (NDCs) in line with Kenya's **updated goals of emission reduction**. It is also expected to spur social innovation, economic development, and strengthen the sustainable governance of our natural resources.

TO INCULCATE A national culture of environmental conservation and restoration, Cabinet approved a programme to integrate tree planting and nurturing within our education system. The programme seeks to **enhance our biodiversity by entrenching a culture of tree planting and nurturing in children and communities**. All 17 million learners across all levels of education will be required **to each plant and nurture to maturity at least one tree every week** for the 40- school going weeks out of the 52 weeks in a calendar year.

AS PART OF the Administration's programme on enhanced access to education, and in particular to steer the nation towards **equity in university education**, Cabinet considered and reinstated the provision of bridging courses to support **access to quality University Education**.

THE RE-INTRODUCTION of bridging courses offers an academic lifeline to **learners who had not met the requirement for direct entry to university** as well as to those that **had not met the cluster requirements for admission to their preferred academic course**. The bridging programme is modelled along similar programmes in the United Kingdom, Australia, and South Africa; and it shall be realized through the Bridging Certificate Programme and the Pre-University Programme.

CABINET CONSIDERED and approved the acquisition of the Kenya Petroleum Refineries Limited (KPRL) by the Kenya Pipeline Company Limited (KPC). This State intervention is expected to enhance petroleum supply chain infrastructure and thereby result **in security of supply and cost-efficiency through reduced demurrage costs and enhanced penetration of LPG usage** in the country through the development of LPG bulk import handling and storage facilities. This will enhance efficiency and also foster synergy in the petroleum value chain by optimizing the use of our existing downstream petroleum infrastructure.



AS PART OF THE reforms to enhance our nation's overall ease of doing business index while also fortifying legislative consistency in the governance framework for foreign investments, Cabinet considered and approved the **review of the minimum threshold for local shareholding for entities in the Information, Communication, and Technology (ICT) sector**. The policy shift is geared towards facilitating technology and knowledge transfer as well as to aid the expansion of the digital economy by positioning the country for increased foreign investments in technology as envisioned in the Administration's **Bottom-Up Economic Transformation Agenda (BETA)**.

TO POSITION KENYA as a technology powerhouse within the region and continent, the meeting considered and approved the partnership agreement with the **United Nations Development Programme (UNDP)** on Information, Communication and Technology. The framework will focus on Digital Skilling and Upskilling, Digital Jobs, and Digital Businesses through support for the Konza Technopolis under the *Jitume Programme*.

IN AN EFFORT to deepen transparency of our financial system while also safeguarding Kenya's global competitiveness, Cabinet ratified the **Anti-Money Laundering and Combating of Terrorism Financing Law (Amendment) Bill, 2023**. The Amendment Bill proposes legal and policy reforms to address the technical compliance deficiencies identified in Kenya's second Anti-Money Laundering and Counter Terrorist Financing Mutual Evaluation Report (MER).

STRENGTHENING THE COUNTRY'S anti-money laundering and terrorism financing regulations is in line with global standards set by the **Financial Action Task Force (FATF)**, an inter-governmental body with the mandate to set global standards to promote the effective implementation of legal, regulatory and operational measures for combating Money Laundering, Terrorist Financing, and Proliferation Financing.

IF ENACTED INTO law, the amendments will introduce an improved framework for **detecting and preventing money laundering activities within Kenya**; including the supervision and enforcement of terrorism financing prevention measures, enhanced reporting of suspicious



transactions, transparency of beneficial ownership, and combating crime financing and the flow of the proceeds of crime.

DURING THE MEETING, Cabinet recognized that Kenya has a sterling reputation for upholding human rights, constitutionalism, and the rule of law. In that regard, the nation's top policy making organ affirmed the **sacred duty of the State** to protect the lives and the livelihoods of all Kenyans. The meeting underscored the imperative of all the organs of State to guarantee all Kenyans the maximum possible enjoyment of their constitutional rights and freedoms in a manner that **does not infringe on the safety, health, and enjoyment of rights of others**.

CABINET WILL RECONVENE next week as set out in its calendar, exemplifying the Administration's commitment to open, accountable and transparent governance as espoused in the **Bottom-Up Economic Transformation Agenda (BETA)**.

CABINET OFFICE
EXECUTIVE OFFICE OF THE PRESIDENT

Tuesday, 18th July, 2023