



**REPUBLIC OF KENYA**  
**THE NATIONAL TREASURY AND ECONOMIC PLANNING**

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**PRESS RELEASE**  
**FOR IMMEDIATE RELEASE**

**IMF APPROVES SIXTH REVIEW OF KENYA'S EXTENDED FUND FACILITY/EXTENDED CREDIT FACILITY (EFF/ECF) PROGRAM AS WELL AS THE FIRST REVIEW OF RESILIENCE AND SUSTAINABILITY FACILITY (RSF) PROGRAM**

**JANUARY 18, 2024 - NAIROBI, KENYA**

The National Treasury and Economic Planning wishes to inform the public that the IMF Executive Board on 17<sup>th</sup> January 2024, approved the sixth review of Kenya's Extended Fund Facility/Extended Credit Facility (EFF/ECF) program. Under the sixth review, the Executive Board also approved augmentation of access (130.3 percent of quota), 2023 Article IV Consultation, and the first review of Resilience and Sustainability Facility (RSF). The RSF will help the economy to adjust to climate related shocks and help us build a green and resilient economy.

The approval of the Sixth Review signifies the IMF Executive Board recognition of Kenya's sound economic policies and that the implementation of the reform measures and commitments under the program are bearing fruit. It also underscores the recovery and resilience of the Kenya's economy which has successfully withered recent global economic shocks including the COVID-19 pandemic, biting droughts followed by floods and global supply chain disruptions due to heightened geopolitical tensions. Further, monetary policy tightening in advanced economies has elevated debt levels and increased our debt service costs by 0.9 percent of GDP putting additional pressure on already shrinking fiscal space.

As a result of this recovery and resilience, the economy grew by 5.6 percent year-on-year in the first nine months of 2023, propelled by a robust recovery in the agricultural sector. Kenya's economic outlook remains promising, with a projected growth of about 5.5 percent in 2024 and the medium term, supported by prudent fiscal and monetary policies. Our fiscal consolidation efforts continue to bear fruit with the fiscal deficit



declining to 5.3 percent in FY2022/23 and is expected to be below 4.0 percent over the medium term. This will stabilize growth in public debt as we move towards our debt anchor of 55 percent of GDP in present value terms.

This approval of the sixth review has triggered an immediate disbursement of US \$ 624.5 million under the EFF/ECF and an additional disbursement of US \$ 60.2 million under the RSF giving a total disbursement of US \$ 684.7 million. These resources will help maintain macroeconomic stability and fortify resilience against external shocks by improving our external reserves, providing essential budget support, and strengthening climate resilience efforts.

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**CABINET SECRETARY**

Notes:

- *EFF - The Extended Fund Facility provides financial assistance to help address structural weaknesses that require time to address. To implement medium-term structural reforms, the EFF offers longer program engagement and a longer repayment period.*
- *ECF - The Extended Credit Facility provides medium-term financial assistance to tackle protracted balance of payments problems.*
- *RSF - The Resilience and Sustainability Facility provides affordable long-term financing to support reforms to reduce risks to prospective balance of payments stability, including those related to climate change and pandemic preparedness.*