



REPUBLIC OF KENYA  
THE NATIONAL TREASURY & PLANNING  
OFFICE OF THE CABINET SECRETARY

**In light of this, it is important to note that, The Export Import Bank of China loans due in respect to the SGR project are part of the public debt paid through the Consolidated Fund in accordance with the PFM Act 2012, and have not and cannot, therefore, be paid through any other fund or by any other entity without the approval of Parliament.**

Additionally, it is important to note that all external loans from bi-lateral lenders have *pari passu* provisions in the respective agreements requiring equal treatment in the servicing of all debts.

For this reason, **the Government of Kenya cannot and has not pledged public assets** as security for a debt, because such an action would not only violate provisions in its existing loan agreements with other bi-lateral creditors, but more importantly, because Kenya treat all its creditors, equally.

The Port of Mombasa is a strategic asset financed by the Government of Kenya with support from both multilateral and bilateral development partners. **The Port has absolutely no adverse exposure to any lender or category of lenders through existing loan agreements with the Government of Kenya.**

Furthermore, Kenya will continue to honour its debt service obligations to safeguard its credit standing among nations, attract investment and promote growth and development of its people.

A handwritten signature in black ink, appearing to be 'Ukur Yatani', written over a horizontal line.

**Hon. (Amb) Ukur Yatani, EGH**  
**CABINET SECRETARY FOR THE NATIONAL TREASURY & PLANNING**

NAIROBI, 15<sup>th</sup> March, 2021.

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