



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

PRESS STATEMENT

Wednesday 16th November, 2022

ERRONEOUS REPORTING – “KENYA DEFERS KSH. 90 BILLION DEBT PAYMENTS ON EUROBOND MISS”

The National Treasury and Economic Planning ministry has noted with great concern the publication of an erroneous print and online article by the Business Daily Newspaper, a Nation Media Group Publication dated 10th November 2022 titled: **“Kenya defers Sh90 billion debt payments on Eurobond miss”**. The article is not only misleading but grossly inaccurate and sensational.

The said article reported that “The Treasury deferred debt payments amounting to nearly Sh 90 billion to this financial year after it cancelled plans to float a \$1.1 billion (Sh133 billion) Eurobond last June because of high-interest costs, the International Monetary Fund (IMF) has revealed”.

A review of the Press Release issued by the IMF after the conclusion of the Fourth Review of the Extended Fund Facility/Extended Credit Facility on 8th November 2022, did not mention of **“deferred debt payments”**, **“Eurobond”**, and the **“high interest costs”**.

The IMF Press Release indicated as follows: ***“However, a constrained borrowing environment meant that planned external commercial financing did not materialize. The lack of funds contributed to 0.7 percent of GDP in unpaid obligations that were carried over to FY2022/23.*”**

The message in the IMF Press Release is very different from that of the Business Daily news story. The Business Daily story was written with an intention to create a perception that the Republic of Kenya defaulted in honouring her debt obligations.

The National Treasury and Economic Planning ministry wishes to state that the Republic of Kenya has never at any time delayed or failed to pay any of its debt obligations as and when they fall due.

In the IMF Press Release, the 0.7 percent of GDP in unpaid obligations that were carried over to FY2022/23 related to normal Government budget expenditures. These obligations do not relate to debt payments and it is apparent that the author of the Article deliberately twisted the facts and reported contrary to what was contained in the IMF Press Release.

The correct and factual position as stated by the IMF in a press release issued on November 8 2022 is available on its website as follows:

<https://www.imf.org/en/News/Articles/2022/11/08/pr22376-kenya-imf-reaches-sla-on-the-fourth-reviews-of-the-eff-and-ecf-for-kenya>

We wish to urge media houses to strive at all times to publish factual information and seek clarification where necessary.

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PLANNING

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