



JOINT OKOA UCHUMI! COMMUNIQUE

August 23, 2024

Following the Debt and Corruption Citizen Assembly

Convened at the Kenyatta International Convention Center (KICC)

to Facilitate

**The Discourse on Kenya's Fiscal Framework and Underlying
Challenges**

We are issuing the full Communique, titled “Okoa Uchumi - Citizens’ Movement”, summarizing our deliberations to inform the deliberate actions by the government to implement key recommendations that address the fiscal impasse that Kenya faces. We recognize that some of Kenya's demands for prudent Public Finance Management (PFM) and fiscal justice have been captured in the policy framework, provided for in recommendations by non-state actors and echoed by the Voice of the People.

The highlights of the Communique are as follows:

1. **We, the Convening of Citizens joined by three elected representatives of the people, one representative from the Office of the Controller of Budget (OCOB), and friends of Kenya by Okoa Uchumi, met from the 22nd to the 23rd of August 2024 at KICC in Nairobi, Republic of Kenya, to deliberate on the fiscal state of the country and in particular the underlying challenges and way forward. Supported by various media actors and animated by several artists.**
2. **RECOGNIZING the greater effort by the citizenry in advocating for transparency and accountability in the utilization of public resources especially by the youth.** The action builds on key demands by the youth through the Gen Z movement. We join their efforts to upend the state of decadence in the country that has come with a heavy burden-the demise of 60 young people, owing to extrajudicial executions and the disappearance of another 60 via organized abductions. Despite this, their loss is not in vain.
3. **Deeply pained to be meeting at a time when Kenya is encumbered by an economic crisis evidenced by a high and burgeoning Public Debt and an increasing allocation towards servicing the public debt.** The gross public debt as at June 2024 was KES.10.6 trillion with a projected debt servicing cost of KES.1.85 trillion for FY 2024/25. Apart from external debt, the assembly identified the negative impacts of the ballooning domestic borrowing and the increasing pending bills. The Controller of Budget (OCoB) indicated that the public pending bills stand at KES.516 billion, which are figures owed to contractors, suppliers, pension arrears and unremitted statutory deductions. While the domestic debt has increased to KES.5.4 trillion, the external debt stock has hit KES.5.2 trillion. In understanding how unsustainable public debt remains, the Office of the Controller of Budget confirmed that Kenya paid KES.290.9 billion and KES.537.8 billion in principal payments for domestic and external debts, respectively in FY 2023/24. We identify the heavy financial burden imposed on a majority of Kenyans. The fallback on high taxation of citizens disregards the Social Contract that Kenyans have with the government. A surge in Increasing taxes to service public debt disproportionately burdens the most disadvantaged. It is

a double-edged sword that continues to bleed Kenyans. For how long shall citizens continue to pay for empty promises?

4. **We echo that Kenyans are allergic to thieves and corruption.** The reputation of our country is quickly acquiring a debauched image in the global realm - a country with a deeply-rooted culture of corruption. Kenya is losing over **KES 608 billion** annually to corruption. It has deprived the majority of citizens basic service delivery including water, sanitation, education and health. The fight against corruption is in a pool of dissipation despite having the requisite legislation to prosecute those accused of corruption, and the continuous resourcing of institutions mandated to deal with corruption. We are aghast that the illicit proceeds of corruption are publicly exhibited on the face of the Kenyan People. We are furnishing politicians to have lavish lives at the expense of the citizenry.
5. Whilst the government has demonstrated progressiveness by taking key steps towards the recognition and redistribution of Unpaid Care Care work as valued work through the undertaking of the Time Use Survey and National Care Policy; we are especially concerned by the government's lack of commitment to invest resources in care infrastructure and has instead gone ahead to implement budget cuts on critical care sectors like health and education which will lead to increased care responsibilities for women and girls and consequently an increase in time poverty; thereby hindering them from participating meaningfully in public life including representation in key decision making spaces.
6. **We recognize the effect of global manipulation on Kenya's political and socio economic development.** While there are calls for a new global economic order, the current financial architecture remains skewed to IMF and World Bank as the vehicles of change. We want the Constitution to be upheld but the loans are still being accumulated. The international macroeconomic police called the IMF have been in town and putting press release claiming they engage with the society, which is not true. What the international system is doing by design is to keep us in a perpetual state of dependency to continue outsourcing our governance to ensure and protect the market at any particular time.

Additionally we denounce the use of forceful fiscal consolidation policies that are driven by the IMF and other IFIs that has brought significantly confusing models in the delivery of essential services like the new Social Health Insurance Fund (SHIF) and the new higher education funding model. The government must ensure adequate and effective public participation in the design of health service delivery models.

7. **We observe that the President has deliberately disregarded the rule of law.** The appointment of Cabinet Secretaries comes against advisories by the Ethics and Anti-Corruption Commission (EACC). Gen Zs' demand for a new cabinet was sabotaged.

Yet, Parliament was keen to remain a rubber stamp of the executive, clearing all nominees including those with pending corruption cases. Corruption must not be allowed to erode our moral fabric.

8. We note that the current economic mess and governance bad manners have had adverse effects on all Kenyans but more so on women and young people living in poverty and exclusion. The promises of economic emancipation by the Kenya Kwanza Manifesto have remained an illusion to most Kenyans. We decry and denounce the continued economic terrorism meted especially in access to social economic rights to education, health , water and housing among others.
9. Citizens at the Assembly called for putting aside the new higher education funding model because it is killing the development of the intellectual and academic potential of the country yet the funding has diminished due to continued unabated theft of funds and excessive commercialisation of the education sector. Education has remained the privilege of the rich, and the proposed new funding model will make Education inaccessible to the majority of Kenyans.
10. Women are breaking barriers and attaining leadership roles across various sectors and industries. Therefore, there is a need for scaling-up actions by all stakeholders to address the social, cultural, ideological and structural barriers to women's participation and representation in leadership at all levels and participation in governance processes at all stages. Women's voices and participation in governance and accountability remains undervalued and underrepresented, and women are often excluded from decision-making spaces. By recognizing, resourcing, and amplifying women's voices, experiences, expertise, and leadership, including in the civil society, the country will not only build more inclusive and sustainable development, but also pave the way for a future where accountability is inevitable.
11. **We are alive to the total lack of fiscal responsibility and accountability in managing public resources.** The debt figures we have discussed are more than numbers; they represent the collective burden we must address to ensure a sustainable future for all Kenyans. The growing debt, misplaced fiscal priorities, increased taxation on essential services, and the risks associated with odious debt are eroding the basic human rights of our citizens. Therefore it must be known and be clear to our leaders that transparency in Public Finance Management (PFM) is not merely a suggestion; it is a legal requirement and the foundation of trust between the government and the citizenry.
12. We contend that transparency is a core prerequisite to the needs and aspirations of Kenyans being reflected within public decision-making processes through meaningful public participation. While we recognize the efforts made to avail budget information by the National Treasury and other bodies, we call upon all state agencies to heed to

citizen calls for more comprehensive and broad information on public finance. This includes a comprehensive audit of the fidelity of our public debt management to the principles set out in the constitution and other relevant laws over the past 20 years. For the State to take advantage of the opportunities present in organized and individual civic capacity, it must be transparent; this is non-negotiable.

13. **We emphasize the need for the government to adopt a Human Rights-Based Approach in Public Finance Management (PFM).** This is a clarion call from all stakeholders including citizens, development partners, and non-state actors. Transparency and the right to information are anchored in the Constitution and these rights **MUST** be upheld. Similarly, resources must be distributed evenly and utilized responsibly to benefit all Kenyans especially the most at-risk in our society.
14. We honor the various citizens' efforts who are checking on government initiatives funded using debt and tax revenues. The citizen's efforts are increasingly having seismic effects on the lootious culture within the government . We call on all Kenyans to accelerate such actions in every space so that we rest our nation.
15. The assembly unanimously agreed that corruption and bad governance are at the heart of the deteriorating access to public services, low unemployment , reduced development, high debt and high extractive taxation and therefore we send one message to the government , arrest and jail the thieves and stop more borrowing and additional taxation!
16. **To realize the aspirations of the people of Kenya, hereby commit to the following actions;**
 - i. Okoa Uchumi and the citizen's assembly shall hold similar forums across the other 46 counties to keep the country at national and county level on the pulse of accountability and transparency .
 - ii. Petition for an elaborate forensic and performance public debt audit beginning the promulgation of the Constitution in 2010. This shall be kickstarted by a petition detailing the process and targeting 15 million Signatures. In the interim we shall demand that all debt repayment be paused pending the debt audit. We call on the Treasury and parliament to take due notice and communicate to the citizen assembly actions towards giving effect to this.
 - iii. We commit to keep up civic action for consistent accountability and transparency through social audits , scorecards, public interest litigation and occupy movements until the Kenyan dream of good governance is attained .
 - iv. Demand an end to austerity measures including imposition of odious debts and illicit financial flows to tax havens.
 - v. In recognition of the Sovereignty of the People, enforce the citizens' right of access to information through public participation and the provision of

information on demand. Transparency and emancipation begins with knowledge.

- vi. Demand full accountability for all the victims of extrajudicial killings, arbitrary arrests, and enforced disappearances especially the over 60 killed during the protests for good governance . They did not deserve to die.
- vii. Demand that the State desists from intimidating public agencies, human rights defenders, media and civil society engaged in holding public bodies and duty bearers accountable.