REPUBLIC OF KENYA

STATEMENT BY HIS EXCELLENCY HON. WILLIAM SAMOEI RUTO, PhD, C.G.H., PRESIDENT OF THE REPUBLIC OF KENYA AND COMMANDER-IN-CHIEF OF THE DEFENCE FORCES, DURING THE RINGING OF THE BELL FOR THE LISTING OF KENYA PIPELINE COMPANY SHARES

MARCH 10, 2026

NAIROBI SECURITIES EXCHANGE

Distinguished guests,
Ladies and gentlemen,

1. Today marks the fourth time that I have come to ring the bell here at the Nairobi Securities Exchange (NSE).

2. And this occasion comes three years and four months since I first came here to launch the enhanced Nairobi Securities Exchange marketplace on 7th October, 2022.

3. On that day, I promised that the government would be bringing the Kenya Pipeline Company to the stock exchange.

4. It may have taken longer than I had hoped, but today that moment has finally arrived.

Ladies and gentlemen,

5. The Kenya Pipeline Company IPO is the first privatisation listing in nearly two decades at this bourse, the previous one being Safaricom, which was listed in June 2008.

6. But there is a deeper significance to today's listing. If you ask many Kenyans today, few can point to a specific national asset or project that was built using the proceeds from the sale of government stakes in companies such as KCB in 1988, Kenya Airways in 1996, KenGen in 2006, or Safaricom in 2008.

7. While those transactions helped deepen our capital markets and broaden ownership of national enterprises, the connection between the resources raised and visible national investments was never clearly established.

8. We are correcting that anomaly. Unlike previous privatisation proceeds that were absorbed in the general government budget, the proceeds of this IPO, as well as future privatisation, will provide capital to the National Infrastructure Fund, which I signed into law yesterday, on Monday February 9th, 2026.

9. This is momentous because it marks a strategic shift in how Kenya finances development, moving away from a framework in which infrastructure is primarily financed by debt to one in which infrastructure becomes an investable asset capable of attracting both domestic and international long-term capital.

Ladies and gentlemen,

10. Some have suggested that, rather than sell these public assets, we should keep leveraging the dividends they generate. Others argue that if we must pursue privatisation, then the funds raised should be used primarily to reduce public debt.

11. While these views are legitimate, they do not answer the fundamental question before us: How do we deploy our public assets in a way that delivers the greatest and most enduring value for the people of Kenya, both today and for generations to come?

12. Allow me to demonstrate how the approach we are adopting enables us not only to finance critical infrastructure but also manage our national debt more responsibly.

13. First, without the proceeds of privatisation, we would be faced with two difficult choices: Either to slow down investment in critical infrastructure or to continue financing commercially viable projects through additional government borrowing. Neither option serves our long-term interests, and both are sub-optimal and ultimately counter-productive.

14. Let us assume that we borrowed an amount equivalent to the proceeds of this IPO at, say, 12.5% interest rate. We would pay an annual interest of KShh13.5 billion a year, which is nearly four times the KSh3b to KSh4b dividend that the 65% Kenya Pipeline government shareholding would have continued earning the Exchequer.

15. In other words, while the annual dividends provide a steady stream of revenue, they are far too modest to finance the transformative projects our country requires.

16. Additionally, our goal is to leverage every shilling that we put in the National Infrastructure Fund at least 12 times. In other words, the KSh106 billion from the Kenya Pipeline IPO will enable us to finance KSh1.2 trillion infrastructure in one cycle - this for instance, is the capital we need to irrigate one million acres of land.

Ladies and gentlemen,

17. As we rely more on capital markets to finance our infrastructure, the NSE will be a critical partner. Indeed, I was here two years ago to launch the trading of the KSh3 billion Sukuk bond, a first in Kenya, for the military housing project under our Affordable Housing Programme. In June 2025, I came back to launch the trading of the KSh44 billion Talanta Stadium infrastructure bond.

18. In the course of this year, we will be bringing to the market the Road Maintenance Levy Fund (RMLF) securisation bonds that have enabled us to solve the pending bills crisis that had stalled road projects all over the country.

19. Put together, these transactions add up to a total of KSh335 billion off-budget infrastructure finance.

20. Therefore, ladies and gentlemen, today’s listing is a powerful signal of the growing strength, confidence, and maturity of our economy.

21. It further represents the continuation of the economic reforms we have undertaken to stabilise our economy and restore fiscal discipline. Over the past few years, we have deliberately worked to bring down inflation, stabilise our currency, moderate interest rates, and sustain economic growth.

22. I am particularly encouraged by several milestones achieved through this IPO. This has been Kenya’s first fully electronic public offering with all applications submitted digitally, making it a truly paperless and modern IPO.

23. It attracted more than 70,000 ordinary Kenyan investors, achieving one of its most important objectives: Broadening ownership and giving more citizens the opportunity to participate directly in the growth of our national enterprises.

24. Equally significant is the participation of the Governments of Uganda and Rwanda, investments that strengthen Kenya Pipeline Company as a strategic regional enterprise and reflect the deepening economic integration within the East African Community.

25. This transaction was also the first government-led IPO undertaken under the new legal framework established by the Privatisation Act, 2025.

26. The process has been conducted with full Cabinet and Parliamentary oversight, public participation, and strict compliance with capital markets, sectoral, and competition regulations. In doing so, we have strengthened transparency, accountability, and public confidence in the management and strategic divestiture of government assets.

Ladies and gentlemen,

27. This is, indeed, a very significant moment for our country. With this listing, we are taking charge of our own economic destiny and laying a firm foundation for accelerated national transformation. We are demonstrating that Kenya has the confidence, the institutions, and the capital markets to mobilise its own resources and invest boldly in its future.

28. By unlocking the value of our national assets and directing it toward transformative infrastructure, we are building a stronger, more resilient economy, one driven by our own ingenuity, our own enterprise, and our own determination to secure prosperity for generations to come.

I thank you.

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