



BD LIFE
Magazine
 Kenyans who own private islands

IDEAS & DEBATE
Planning
 Fiscal consolidation, not debt, is Kenya's headache **p13**



LIFE
Man in News
 Preacher to millions, adviser to presidents **p26**



ON THE TICKER



ECONOMY & POLITICS
1,000 tourists arrive as high season ends

MS Insignia, a luxury vessel operated by Oceania Cruises, called at the Port of Mombasa yesterday with 1,066 tourists, marking a buoyant end to the current tourist season. **p5**

THE DIGIT

SH895M
LOSS

Reported by Uchumi Supermarkets in the half-year ended December, which is a 63.5 per cent increase from previous period. **p8**



NEWS IN DEPTH

Farmers key to winning war against aflatoxin

Experts advise that campaign against the toxic compounds should emphasise on behaviour change. **p16-17**

MONEY & MARKETS

Millers reduce cost of wheat flour again

The price of wheat flour has dropped for the second time in two weeks falling below that of maize flour. **p19**

Kenyans to pay Sh323bn interest on Eurobond II

FINANCE Concerns have been raised over the rate at which country is accumulating debt

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Nairobi shrugged off a ratings downgrade and loss of access to an IMF standby credit facility to raise a Sh202 billion (\$2 billion) bond that added impetus to recent concerns

over the rate at which Kenya is accumulating debt.

The Eurobond, the second in a span of four years, will cost taxpayers a total of \$3.2 billion (Sh323 billion) in interest payments during its lifetime of up to 30 years, according to early calculations and

the International Monetary Fund (IMF) said Kenya needs a credible plan to tackle its fiscal deficit, which is the main driver of borrowing.

At Sh323 billion, the interest payments, are equivalent to the cost of building **EUROBOND | PAGE 4**



NATIONAL Treasury secretary Henry Rotich—FILE



NAIROBI International Monetary Fund mission chief Ben Clements (second right), resident representative Jan Mikkelsen (second left) and senior economist Niko Hobdari with Budget and Appropriations Committee chairman Kimani Khung'u when the team met the House team in yesterday. —GUYA MUGA

IMF asks MPs to tame Treasury debt appetite

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The International Monetary Fund (IMF) yesterday reaffirmed its concern over Kenya's public debt with a call to Parliament to rein in the government's appetite for loans.

IMF resident representative Jan Mikkelsen said the Washington-based financial institution is concerned over the rate at which Kenya is contracting new debt and warned that the situation is fast cascading to unsustainable levels.

"We have raised concern over the high deficit levels now standing at nine per cent. This year we understand it will be close to eight per cent

9%

KENYA'S deficit level, according to the International Monetary Fund

if the coming budget is fully implemented. High deficit generates more debt and the burden is increasing rapidly and becoming unsustainable," he said. The IMF's warning came just one week after the Treasury submitted to parliament documents showing Kenya's annual public debt payment bill will hit a record Sh1 trillion in the financial year starting July.

The debt management **IMF | PAGE 4**

Kirubi completes buyback of Haco from South African firm



CONTROL Mr Chris Kirubi—FILE

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Businessman Chris Kirubi has taken back full control of Haco Tiger Brands East Africa after acquiring Johannesburg-based Tiger Brands' 51 per cent stake in the fast moving consumer

goods manufacturer.

Mr Kirubi in 2008 sold the stake in the firm - then trading as Haco Industries- to the multinational for more than Sh300 million.

"As previously reported, all suspensive conditions with regard to the disposal

of Haco Tiger Brands (E.A.) Limited were fulfilled and the transaction was successfully concluded in December 2017," Tiger Brands said in a trading update.

Mr Kirubi, who travelled to the United States for treatment in November, says he plans to

grow Haco as the sole owner.

"I'll just improve it (Haco) more and more," he said in a telephone interview, declining to reveal the cost of buying out Tiger Brands.

The businessman is, however, expected to have paid a major premium to take **KIRUBI | PAGE 4**

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