

Annex IV: Human Rights Watch Letter to International Monetary Fund

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December 7, 2020

Tobias Rasmussen
Kenya Resident Representative
International Monetary Fund (IMF)
Delta Centre Building, 12th Floor
Menengai Road, Upper Hill
Nairobi
Tel: +254-20-293-4068

Re: Questions on COVID-19 Response Funds to Kenya

Dear Tobias Rasmussen,

We are writing regarding research we are conducting on the cash transfer program the Kenyan government introduced to support vulnerable households who lost income due to measures to prevent the spread of Covid-19.

Human Rights Watch is an independent nongovernmental organization that has monitored and investigated human rights issues in more than 90 countries, including Kenya, for over 40 years. Since the onset of the Covid-19 pandemic, we have urged governments and financial institutions, including the IMF, to provide adequate economic support to protect people's rights and to ensure that emergency funding is made transparent and accountable so that it reaches the people who need it most.

We appreciate the IMF's emergency lending to help countries around the world, including Kenya, cope with the economic hardship of the pandemic. In May, the IMF approved a \$739 million loan to Kenya under the Rapid Credit Facility (RCF) to support its response to Covid-19, including "cash transfers to orphans, the elderly, and the most vulnerable."¹ The Kenyan government also "strongly committed to ensuring effective and transparent use of public funds," and pledged to strengthen its capacity to "detect illicit enrichment and to address conflict of interest." Authorities also agreed to "conduct independent post-crisis auditing of COVID-19 related expenditures and publish the results."

¹ Page 22 <https://www.imf.org/en/Publications/CR/Issues/2020/05/11/Republic-of-Kenya-Request-for-Disbursement-under-the-Rapid-Credit-Facility-Press-Release-49405>



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Human Rights Watch is conducting research on the cash transfer program to better understand how it is operating and whether it is reaching all eligible beneficiaries. Based on our interviews to date, we have significant concerns that the process of selection of beneficiaries has not been above board and the cash disbursements have lacked transparency.

Human Rights Watch is committed to producing research that is fair and accurately reflects information from various sources, including Kenya's partners. As part of our research, we are writing to your office to request information.

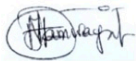
We would appreciate your written response to the questions below by December 14, 2020 so that we may reflect your responses in our report and other materials.

1. Is the IMF satisfied with Kenya's economic support to vulnerable households impacted by the Covid-19 pandemic?
2. Has the IMF reviewed, or does it intend to review, Kenya's cash transfer program? If it has reviewed the program:
 - a. Is the IMF satisfied with its implementation?
 - b. What is the total cost of the program?
 - c. How many people or households benefitted from the program, how much money did they receive, and on what time frame?
3. Is the IMF satisfied with the Kenyan government's transparency of Covid-19-related expenditures, in line with its commitment under the RCF?
4. Is the IMF aware of any steps the Kenyan government has taken to strengthen its capacity to detect illicit enrichment and address conflict of interest?
5. Has the Kenyan government scheduled or otherwise begun discussion to conduct an independent audit of COVID-19 related expenditures?

Please add any other information that you believe would be valuable to our understanding of the cash assistance program. You can contact us through Otsieno Namwaya at mattheo@hrw.org; or +254 728891575 to seek any clarifications and to send a written response to the attached questions.

Thank you for your attention to this matter.

Sincerely,



Otsieno Namwaya
East Africa Director,
Human Rights Watch
Nairobi