

**SPEECH BY HIS EXCELLENCY THE PRESIDENT  
HON. MWAI KIBAKI, C.G.H., M.P., DURING  
MADARAKA DAY CELEBRATIONS  
ON TUESDAY, 1ST JUNE, 2004**

**DISTINGUISHED GUESTS,**

**FELLOW KENYANS,**

We have gathered here today, to celebrate the 41st Anniversary of Madaraka Day. We commemorate this occasion because it marks an important turning point in the history of our nation. On this memorable occasion, I send warm greetings and best wishes to all Kenyans in the country and abroad.

I also convey, on behalf of the people of Kenya, our appreciation to our friends who have sent us messages of goodwill and expressions of solidarity with us on this important occasion.

On 1st June, 1963, we took the first step towards self-rule. After a long and hard struggle, Kenyans took charge of the affairs of this nation through their popularly elected leaders.

This occasion, therefore, has great historical importance for all of us. It reminds us of our great responsibility to build a united and prosperous country.

We have come a long way since we attained self-government. Over the years, the role of Government has continued to change to accommodate new realities.

The experience in many other countries demonstrates that Governments work best and achieve more results as facilitators, rather than active participants in matters of business and investment. We have, therefore, substantially reduced direct Government involvement in the economic sector. We want the

private sector to play its role as the engine of growth of the economy.

On this Madaraka day, therefore, I wish to lay emphasis on what my Government has done in order to empower the people in their effort to fashion their desired destiny.

Kenyans will recall that when I took over the leadership of this country, I affirmed our commitment to build a Working Nation.

We have also initiated ambitious programmes to decentralise the process of decision-making and to ensure that national resources reach the widest cross-section of our society. For example, the allocation of bursary funds has been decentralised to the Constituency Committees. Close to 800 million shillings has been disbursed to benefit students from poor families. This, together with our policy of free primary education, will ensure that all Kenyan children have a fair chance in life.

We are also providing funds to each constituency for roads maintenance. In addition, close to 4 billion shillings has been channelled through the Local Authorities Transfer Fund this financial year for development programmes identified and agreed upon by the people themselves. Further, I signed into law the Constituency Development Fund, through which we shall avail 1.2 billion shillings to the Constituency Development Committees this financial year. In the coming financial year, these funds will be increased to 4.2 billion shillings. These initiatives are intended to take the process of decision-making to the people at the grassroots.

I urge Kenyans to ensure that all resources earmarked for development are utilised efficiently and for the intended purposes. In empowering our people, reform of local authorities is being accorded high priority by my Government.

Fellow Kenyans,

The development of our urban areas as growth centres is crucial to the success of our efforts to generate more wealth for employment creation. We are, therefore, reviewing the management of our local authorities and their service delivery mechanisms to make them responsive to the needs of the people. We expect local authorities to serve as agents of development and to play a more active role in promoting investments and business across the country.

Furthermore, the Government is intensifying its support for rural electrification in order to enhance productivity and job-creation in the rural areas. Towards this end, the Government is currently implementing 223 rural electrification schemes in different parts of the country with support from our Development Partners. These projects are at different stages of implementation, and include a programme for electrification of coffee factories countrywide.

The transport sector has witnessed dramatic changes. The Government has now restored order and sanity in the sector. The measures taken to control the speed of passenger transport vehicles have resulted in a 21 per cent decrease in motor vehicle accidents. As a result, insurance premiums for passenger transport vehicles have been reduced by about 15 per cent.

Despite the initial fears, the measures taken by my Government have brought benefits to everyone. Passengers in Public Service Vehicles are now assured of safety and comfort. In addition, vehicle owners are enjoying better profits. This should encourage more people to venture into the transport business.

I want to thank all players in the public transport sector for co-operating with the Government in its efforts to reform the sector. However, we must not relent in the road safety crusade.

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Both passengers and Police must remain vigilant against those who may be tempted to violate the road safety regulations for their own selfish ends. I also wish to appeal to all motorists, especially young Kenyans, to desist from driving while under the influence of alcohol.

Another area of concern to my Government is the management of our land sector. The Government has taken measures to eradicate the widespread grabbing of public land.

The Government is also working on a national land policy to guide the management and utilisation of land in the future. In the meantime, we will continue to ensure that the laws relating to land are observed, especially with regard to development of idle land. We need to bring an end to price speculation in land, which has hampered investment in industrial and housing development due to the artificially high cost of land.

Fellow Kenyans,

In the last one year, we have worked hard to ensure that our farmers and workers earn a reasonable return from their labour. In this respect, we have sought to empower our farmers through better prices for their produce. For instance, dairy farmers have an assured market for their milk following revitalisation of Kenya Co-operative Creameries. It is gratifying to note that milk production has increased tremendously as a result of this intervention by the Government.

Cereal farmers, previously subjected to low prices, are now receiving payments that match their production costs. I am glad to note that the National Cereals and Produce Board and the Kenya Farmers Association have both purchased inputs, which they are making available to farmers at competitive prices.

Horticulture also provides expanded opportunities for our Working Nation. Kenya is now the leading flower exporter to the European Union market. The total value of horticultural

exports stood at close to 29 billion shillings last year. There are opportunities for growth in the horticultural sector. We must, therefore, encourage more of our farmers to engage in horticultural farming.

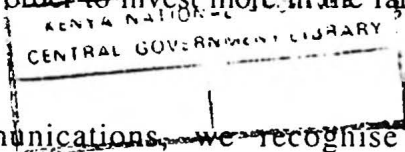
This is especially important in those areas where farm sizes are growing smaller due to population increase. Fruits and vegetable farming would be ideal for our small-scale farmers. On its part, my Government has continued to streamline and improve access to financial resources by farmers.

In this regard, the Co-operative Societies (Amendment) Bill has now been tabled in Parliament. The Bill is expected to streamline co-operative societies, which are key to mobilising savings and investments. The Agricultural Finance Corporation has also been restructured and has so far extended over one billion shillings worth of credit to farmers at an interest rate of about 10 per cent. I want to encourage Kenyans to take advantage of the lower interest rates on loans now being charged by the commercial banks in order to invest more in the farming sector.

Fellow Kenyans,

With regard to communications, we recognise that Information Communications Technology will determine the winners and losers in the new global economy. Today, over three million Kenyans have mobile phones, while the number of landlines stands at 330,000. The licensing of a third mobile operator and second national landline operator is expected to increase competition and reduce costs. It will also ensure wider access of communication services to Kenyans.

Further, the Government is implementing E-government strategy to bring greater efficiency in Government and to provide Kenyans with convenient access to Government information and services.



One of the areas that have been of great concern to Kenyans is security. I want to assure you all that my Government will continue to give priority to the protection of life and property. In this regard, we are committed to ensuring an efficient and professional Police Force. We have begun re-training the Police and equipping them with the skills and tools needed to deal with all types of crime. There are already signs that our investments in this sector are beginning to bear fruit in the form of reduction in crime.

Fellow Kenyans,

We cannot, as a nation, succeed in the new world order, unless we invest in human capital. We must, therefore, ensure that our people have access to quality health-care, decent shelter and adequate water and sanitation. My Government is committed to delivering on these needs.

We have already embarked on a major exercise of rehabilitating existing public health facilities across the country. Further, the National Social Health Insurance Scheme Bill has now been published and will be tabled in Parliament soon.

I must, however, mention that HIV/AIDS remains a serious health problem in the country. While we have made progress in fighting the epidemic, we must re-double our efforts in promoting safe sexual behaviour. This is the only sure way of containing the spread of the AIDS-causing virus. As a society, we also have a responsibility to support infected and affected persons by fighting the social stigma associated with HIV/AIDS.

Turning to the Constitution Review Process, I want to assure you all that my Government remains steadfast in its support for a speedy conclusion of the review process. We also recognise the need to have agreement and unity of minds on the new constitution. In this regard, I am encouraged by the consensus building initiative within Parliament. I call upon all Kenyans to appreciate the importance of national consensus as the way



forward in resolving all contentious issues. It is only when we reach consensus that we shall be able to produce a constitution that reflects the collective will of all Kenyans. This is a challenge that all of us must face collectively and responsibly.

On the regional front, Kenyans will recall that my Government has been spearheading peace negotiations between the Government of Sudan and the Sudan Peoples Liberation Movement (S.P.L.M.) under the umbrella of IGAD. I am happy to note that these efforts have borne positive fruits. The two sides have reached a historical agreement towards peace in Sudan.

I want to congratulate both President Omar Hassan Al-Bashir of the Republic of Sudan and Dr. John Garang, leader of the Sudan Peoples Liberation Movement for taking this bold step towards lasting peace in the Sudan. I would like to add that Sudan is an important neighbour for Kenya. Peace in that country is not only good for the people of Sudan, but also for Kenya, and indeed, for the whole region.

As I conclude my remarks, I wish to thank all those who took part in today's entertainment program. I note that our young people continue to play a lead role in creating renewed interest in our local music. This is one industry that has shown great potential in employing our young people. As Government we do support efforts by our young people to tap their talents and develop their skills during their productive years.

Finally, fellow Kenyans, I wish to remind you all of the great responsibility we assumed when we celebrated the first Madaraka Day in 1963. It was a testimony to the world that we were ready and prepared to steer the destiny of our country. Since then, the world has been watching to see how we would manage our affairs. I am glad to note that despite many difficulties, our country has overcome crucial challenges. Kenya has remained stable and peaceful over the past four decades.

As we move forward into the future, let us keep constantly in mind that hard work and unity of purpose is the foundation of our country's development. It is, therefore, the sacred duty of each one of us, and especially the leaders, to put Kenya first in everything we do. Let us all work hard to build one united and prosperous Kenya.

*Thank you and God bless you all.*