



REPUBLIC OF KENYA

ELEVENTH PARLIAMENT
(SECOND SESSION)

**SPEECH BY HIS EXCELLENCY HON. UHURU KENYATTA, C.G.H., PRESIDENT AND
COMMANDER IN CHIEF OF THE DEFENCE FORCES OF THE REPUBLIC OF KENYA
DURING THE STATE OF THE NATION ADDRESS AT PARLIAMENT BUILDINGS,
NAIROBI ON 27TH MARCH, 2014**

Honourable Members,

The Jubilee administration was born out of an ideal: to bring national unity following the divisions that split our country in 2007-2008. Nearly **four** years ago, in **August 2010**, Kenyans deliberately and overwhelmingly chose a new political order. We marked our verdict with a new constitution — one that wholly reorganized public life in this country. Few nations have done it peacefully; Kenyans did it with zeal. It is that constitution from which I derive my mandate, and which I swore to uphold.

Last **April**, the Kenyan people spoke again, and asked me to lead the nation. Humbled to be the first President of the republic under the new Constitution, I swore to obey, to preserve, to protect, and to defend it. I now reaffirm that oath.

Today, we fulfil a number of the constitutional requirements. Under **Article 132** of our supreme law, I am obliged to address a special sitting of Parliament once a year, and to inform the nation of our progress in achieving the national values and principles of governance outlined in **Article 10**.

I also intend to inform the Assembly of the progress we have made in fulfilling our international obligations, and to apprise you of the state of our nation's security, as is required by **Article 240 (7)** of the constitution. It is my privilege to honour these obligations.

Honourable Members,

Article 10 of our constitution affirms the values and principles that we agree to as a people. These values and principles include: national unity, the sharing of power, devolution, the rule of law and democracy, and the participation of the people. In addition, there is also social justice and inclusiveness; equity and non-discrimination; human rights; protection of the marginalised; and sustainable development. And for governance in particular, **Article 10** calls for integrity, transparency, and accountability.

Honourable members before I go into the detail of my statement, may I thank members of both houses of parliament for their overwhelming support during my administration's first year in office.

Honourable Members,

These values and principles are the lawful guide to how Kenyans wish and expect things to be done in our country.

Honourable Members,

Let me now report on the progress we have made in the realization of our national values and principles of governance, in the fulfilment of the republic's international obligations, and in national security. Our constitution radically altered our structure of governance, exemplifying the values of sharing and devolution of power. Most importantly, it shared power between the national administration and the newly created level of government. Its architects wisely demanded comity between two levels of government in the exercise of their powers; continuously, they programmed that division to proceed in steps.

My government has kept faith with our people's momentous choice by establishing a fully-fledged two-tier state: 47 counties that complement the national administration. All are now operational, disproving the doubts of the faint-hearted.

In support of the county level of government, my administration arranged a massive transfer of skilled men and women to the counties. Across Kenya, public servants with the best training are building our country from its roots. The key inter-governmental structures they need to support their labours, and align their plans with those of national government, have almost all been established.

This new system of governance did not come cheaply, but my administration has more than met the need: while the constitution allows the county-level governments a minimum of 15% of the total national tax revenue, we chose to allocate them more than double the requirement, at 32%. The framers of our new law expected the devolution of functions to proceed over three years.

Boldness proved better: ahead of time, and as a sign of my government's commitment to devolution, we have passed on nearly all the county functions, and the resources to support them.

But let us be careful: in devolving power and resources to the counties, we must remember that to infect our new county governments with the worst vices of the old is to betray the great hope of the constitution and its tenets of leadership and integrity. Such a betrayal must not happen under my watch. Nor dare we be deceived by vain competition. This is not the time for barren bickering. Leaders of neighbouring counties would do well to meet and talk through their problems, which cut across regional boundaries.

Leaders in different arms of government ought to dedicate themselves to the achievement of the constitution, not the supremacy of their branch of the public service. Professionals who have opposed the transfer of their functions and remuneration to the counties had better learn to cope with the new dispensation.

Honourable Members,

No great task is easily accomplished. Ours is no exception: the new order came with its difficulties; I have mentioned two. The constitution itself is all the answer we need. The values it enshrines, and which we make our own, spare us the temptations of corruption and despair. It also created the different institutions, and barred the unfair domination of one by another. I swore to defend and protect that constitution, and the devolution and values it established. I will.

In conformity with the constitutional values of national unity, human dignity, equity and social justice my government committed to bring an end to the suffering of Kenyans who have been displaced and were living in camps, by allocating adequate resources to resettle them.

In **September 2013**, the government began the implementation of a cash payment programme for all pending cases of IDPs that had not been resettled so far, a total of **8298** households. A total of **777** have received cash payments of Ksh **400,000** per household, totalling KSh **3.3 billion**. The exercise continues. This settlement was followed by a concerted effort by government that focused on peace building among communities.

Honourable Members,

The unity of the nation, the safety of our people; and the defence of its sovereignty are among my cardinal responsibilities.

It is my honour to defend the dignity of the republic. I have been fortified in that duty by the example of our forebears, who, in the early days of our founding, did not flinch in the face of imperial aggression. Half a century after our independence, we live by the ideals of our founding fathers. We will not be intimidated; threats to our sovereignty will be met with our full might.

Equity, the constitution reminds us, is expected from those who make national policy. Equity demands that we attend to our own needs and those of our neighbours, especially where the sovereignty of our neighbours is threatened by internal conflict and terror. That is why our troops are in **Somalia**, helping our troubled neighbour restore its own law and order. That is why we have been in the vanguard of the peace and mediation effort in **South Sudan**. That, also, is why we have met our international obligations of assistance to the vulnerable, hosting refugees and asylum seekers, many with their origins in the region. We recognise the need and vulnerability of our brothers across our borders, and remember the help that we ourselves received in the early years of our liberty.

As we learned last year, **insecurity anywhere** in our region is a promise of insecurity everywhere. If we do not help our neighbours to achieve the peace, freedom and prosperity they deserve, then our own freedom and prosperity is threatened.

Last year's evil terrorist attack, among the worst in Kenyan history, forcefully reminded us of these facts. I stood before the nation, and vowed that we would not be cowed or divided. Our response was firm, without threatening the bonds of brotherhood that hold between our different faiths. Under extreme provocation, the unity of the nation was preserved.

Looking inwards, our internal conflicts remain. Although reported incidents of violent crime fell by **8%** in **2013**, this is nowhere near enough, as the horrifying incident involving baby **Satrin Osinya**, will remind you all.

My government has laid a firm base for the protection of our people and their property. Already, **two** major new security programs have been launched. **One**, our new **Nyumba Kumi** initiative, is a core national value: asking communities to join their governments in providing security is as clear an example of public participation as anyone could wish for.

Our **second** program took a broader, technology-driven approach. Among its first steps is the introduction of CCTV in the streets of our major cities and towns, and broadband connectivity at

border points. My government has also invested heavily in surveillance equipment, and at least 1200 vehicles for our police.

We will also substantially increase police numbers, which have already significantly progressed from one police officer for 750 citizens to 1:535, without forgetting their welfare. Ground has been broken on a new police housing scheme at Ruai in Nairobi; this will soon be replicated across all 47 counties. An insurance scheme for our men and women in uniform will be established by July this year.

These, and more, will be underpinned by the most extensive new investment in security since independence. My government will allocate resources adequate to the needs of our security agencies, the better to modernise them, and enable them meet current and emerging threats to our safety.

But we would all do well to remember that national governments are continuing institutions. Some of the difficulties we see are the direct consequence of the under-investment of the past three decades, *[Contrary to perception, this problem is not a new one, but historical. It is not our creation, but it is our duty to confront it. In line with the constitutional values of transparency and public participation, my government has brought this debate to the forefront.]*

The challenges also arise partly from the difficulty of coordinating new and existing institutions. I must insist, then, on closer collaboration from everyone charged with the duty of protecting the public. Citizens must observe the law, as they enjoy their rights under the new and progressive Bill of Rights. Parliament can aid us by reviewing legislation that concerns our security, and closing any gaps that remain.

Across our criminal justice system – from law enforcement, to our prosecutors, the judiciary and our correctional services – there has been too little effective collaboration. Too many crimes have been improperly processed, leaving suspects and culprits at large in our communities. The public frustration and anger, that followed occasionally boiled over into mob injustice.

It serves as a stark reminder of the unacceptable lack of coordination in our handling of crime.

Honourable Members,

The values that inspire our meeting today may only recently have been enshrined in our basic law, but they have been familiar companions all this nation's life. Considering them, it is hard not to recall the householder of scripture, who displays treasures both old and new. Some among us have yet to feel the value of the senatorial treasures; rightly, they ask to be heard.

Let me remind them that this nation will be prosperous and free only if a fitting foundation is laid. My administration believes that we need to build our national capacity to fund our development programmes.

It is for this reason that we expanded our coverage of VAT. I am aware that this may have been perceived as increasing the cost of living and hurting the poor. I want to confirm that although this may be felt as a temporary and painful jab, in the long run, it is for the wellbeing of the country.

The depth of our national foundations must bear the weight of our hopes. The first year of my Administration has been devoted to that task. It would have been wilful imprudence to do otherwise.

Recognising the need to contain the cost of living, and to improve the competitiveness of our economy, my government instituted measures and initiatives that will doubtless lead to a significant reduction in the cost of goods and services.

A key pillar of that foundation is a strong, diversified economy and, Honourable Members, expensive energy has been a major constraint to realizing our economic dream. It has made our goods and services, including food, more expensive. It denies us the productivity without, which our national values will remain mere aspirations.

Our response was to move the most ambitious energy programme in the history of the republic.

5000MW of power, bringing electricity at affordable rates to **80%** of the nation's households, will become available within the next three years. When **Olkaria** comes on stream in the next couple of months, the energy revolution will truly be underway.

Appetite for the power coming on stream continues to grow. More immediately, every primary school in the republic will be connected to the national grid by the end of the next financial year. This is in tandem with my Administration's ICT initiative.

To further enhance the efficiency and competitiveness of the country, Kenya has an identified revealed comparative advantage in ICT development.

As a government we will facilitate an ICT revolution that will serve not only ourselves but the region at large. The programs that we will implement include reforming the education system to align it with global trends by making sure computer education is introduced to learners at the entry level of their schooling life. Other programs include the digitisation of payments, the full automation of the procurement system of government, and the provision of a national master database known as the single source of truth.

Since no nation can be truly prosperous or free if its supplies of food are insecure, food security is the second initiative of our foundation.

We committed to bringing a million acres under irrigation; and the project began with the launch of a **10,000-acre** pilot farm, now in the **Galana Kulalu-Scheme**. When completed, the **one million** acres, which will encompass the Bura and Mwea schemes, will not only double our country's maize production, but will also shift our dependence from rain-fed agriculture to a more dependable form of agriculture, enhancing food security and ultimately lowering food prices for ordinary *wananchi*.

Honourable Members,

Earlier this year, we completed the most extensive soil-mapping exercise in our country's post-independence history. We now know, far better than any of our predecessors did, what riches lie under our land.

It is now far easier to advise farmers what and when to plant than it has ever been. In this regard, we shall avail this information to all our farmers.

That advice would have remained impractical if farmers had failed to find the fertilisers they needed. To which our response was a subsidized farm-inputs programme, which was distributed across the country.

Our farmers also made it clear that reliable supplies of water remained a problem. We are now building water pans and dams, radically improving our ability to store water in our homes and farms.

All this, of course, in addition to the emphasis my government has laid on other investments in rural development, agricultural productivity and food security – all aimed at growing our food supply, easing prices and opening up our fledgling agro-processing industry.

Another key initiative involves infrastructure. The seamless connection of every part of the country to the other, and of the country to its neighbours, is the path to shared prosperity for this nation, and the region. If we are alert to the costs of our food, we will be keenly interested in the roads by which that food comes to markets. If we are mindful of the unity of the nation, we will care about the roads that interconnect our communities.

If we bend our backs to the productive labour this nation demands of its citizens, we can have no interest in demeaning the fruit of that labour by hindering access to markets. The cheap and efficient movement of goods and services throughout the republic rewards the diligent, enriches the nation, and deepens the interconnection of our counties.

My administration aims to make **Kenya** the transport and logistics hub for the region. We have broken ground both for the first phase of the Standard Gauge railway line from **Mombasa** to **Nairobi**, and for the Greenfield airport hub at Jomo Kenyatta international Airport. The modernisation and improvement of our port in **Mombasa** has begun.

The pipeline from **Lamu** to **Lokichar**, and the road from **Lamu** to **Moyale**, connecting us with our northern neighbour and a major new market, **Ethiopia**, are due for completion in **2016**. We have already begun the construction of what in time will amount to **10,000** new kilometres of bitumen roads.

A **fourth** initiative is in health. Before we came to power, we had already pledged to bring free healthcare to every expectant mother in the nation. In my Madaraka day speech, I announced that maternal care was now free of charge at public health facilities across the republic. Trained medical staff in our facilities now attend **66%** of our deliveries, up from **44%** barely a year ago. The consequences for new mothers and children, and the republic, are incalculable.

Together with our partners, we are distributing millions of mosquito bed nets in various parts of our country that remain most vulnerable to malaria. **In addition, we have initiated a vector-control programme to combat the menace of mosquitoes and tsetse flies. The Ministry of Health in collaboration with the National Youth Service will implement it.** The value of these programs cannot be denied, for a considerable part of our reduction in infant mortality over the last few years has come from better control of the spread of **malaria**.

That effort is true to a constitutional value which I hold especially dear: the value of inclusion. The overlap between inclusion and protection of the marginalised is insufficiently appreciated.

The connection did not escape us, which is why, even as we expanded our health services, we also launched a social safety-net programme. The plan is essentially to transfer cash to the most vulnerable – our orphans, those with severe disabilities, the elderly, and the urban poor. Billions of shillings have been set aside, and we expect close to half a **million** households to benefit. **This intervention is also intended to cushion the poor against the high cost of living.**

In line with the values of inclusiveness, equality, non-discrimination and protection of the marginalised, a fifth initiative is affirmative action and support to special categories of our citizens. Our constitution has significantly elevated the role of our women in the leadership of our nation.

A third of my cabinet, and the memberships of our senate and county assemblies are now women. My Administration intends to work with Parliament in addressing the achievement of the gender equity rule, not only in the National Assembly but also in the rest of the public service. **In this regard, I applaud the efforts of our judiciary in enhancing gender equity within the institution.**

The young people of this nation remain its great hope, but their circumstances are also its most pressing challenge. The immediate problem is finding them dignified work; their unemployment jeopardises any hope of common prosperity. Support to them is a **further initiative** of our foundation.

Before the election, we solemnly promised our young people and our women that the money saved by avoiding a runoff, would be put towards a project for their benefit. The *Uwezo Fund*, which has suffered some delay, fulfills that pledge. It offers our young men and women capital at very low rates, removing a basic barrier to the productive use of their talents. In also setting aside **30%** of government tenders for youth, women **and persons with disabilities**, we further advanced the opportunities available to them. **This translates to a minimum Kshs. 200 billion** per year worth of business from the government to women, youth and people with disability.

The rules apply to every government agency, and I must urge Parliament to enforce them by its power of oversight.

Honourable Members,

We expect our economy to grow by about **6%** this year. Inflation remains relatively low; our shilling remains stable against the major currencies; **and** our debt remains manageable. Our management of the economy respects the precepts of prudence.

Still, laying the foundation of our prosperity has been an expensive affair. If we are to comply with the constitution's view of governance, we have no business making it more expensive than it need be.

We know too that despite the stability of our macro-economic environment, many Kenyans continue to labour under the rising costs of living. Our work in agriculture, in energy, in transport and infrastructure, and in simplifying the opening of productive business – are all aimed at reducing the cost of living. We already have some results to show: the prices of basic commodities such as fuel, sugar and cooking fats were actually lower in **February** this year than they were in **February 2013**.

If we stay the course, and we will, we may be able to achieve a significant reduction in the prices of our basic foods – a matter of importance since inflation in food prices affects deeply the life of ordinary Kenyans.

Honourable Members,

It remains a hard truth that some of our public services are rife with waste and corruption. That waste threatens the productivity we have so painfully begun to build. I have appointed a Cabinet Committee to return us to prudence and probity in public service. The team has already issued a preliminary report, and soon I will give detailed attention to the proposed measures. I also wish to highlight the over-arching theme that government spending must be brought under control.

That effort in rationalisation of recurrent expenditure requires attention to our wage bill. It is my wish to encourage public discourse on this matter. Equally importantly, some of our leaders have shown themselves willing to lead by example.

My Cabinet Secretaries and Principal Secretaries have accepted a **10%** pay cut. The Deputy President joined me in taking a **20%** pay cut.

That devotion to prudence inspired another major shift, when I presided over a historic sitting of the national executive, asking it to prioritize high development programmes the coming financial year.

Honourable Members,

The firm defence of our liberty has proven the Constitutional requirement to uphold our international obligations has been apparent in our multilateral approaches to challenges facing our people.

That has been our course since independence; its clearest evidence is our long involvement with United Nations organisations and other multilateral institutions.

This is a particularly important period for the UN system and its member states: the principles and aims that will be codified into global development goals are now under debate. Decisions made now, and in the next year or two, will deeply impact Kenya's national development efforts.

In the first meeting of world leaders of its kind, the UN Environment Assembly will meet here in **Nairobi** in **June**. That meeting encourages our desire for a stronger, upgraded UNEP.

Decisions on pressing environmental challenges and opportunities will be made; for reasons that should be evident, we await the High Level Dialogue on Illegal Wildlife Trade with the keenest interest.

As members of the international community, and in line with our national values, we espouse the principles of sustainable development. Our economic wellbeing is strongly interrelated with our natural heritage. We believe that as we pursue development today, we should ensure that we do not compromise our future potential for development. It is for this reason that I am taking stern measures to address the wildlife poaching menace. We will not allow the plunder of our natural capital, by greedy individuals, hell-bent on causing destruction.

The picture that emerges, I am proud to say, is of a country that remains profoundly connected to the multilateral system. This is why we will continue to prioritise our work with the UN by bringing our best skills to bear.

This effort already has early successes to boast. Yesterday, my government signed a new United Nations Assistance Development Framework agreement, under which United States Dollar **1.2 billion**, or 102 billion Kenya shillings, was pledged to support a number of projects in our country.

I am especially pleased by the alignment between the goals of the agreement, and our own development agenda, set in **Vision 2030**. The agreement heralds a new, stronger way of delivering development.

I would encourage our other partners – among them the **EU**, with which negotiations on an Economic Partnership Agreement are well advanced – to consider that approach.

Our relations with our international partners remain strong; we long ago discovered the distinction between sovereignty and isolation. We recognise, that is to say, that our liberty is not inconsistent with our interdependence. That truth is driven home most sharply by consideration of our immediate neighbours. We and they have joined, in the East African community, to grow our trade, to tie our common life together, and eventually to form a political federation.

The most immediate change inspired by that view of solidarity is the easing of travel restrictions between our member countries, and common visas.

But, Honourable Members, in terms of our foreign policy, we are joined at the hip with our East African Community states, and with them our solidarity extends further, to African nations spread across the continent. African voices will not be heard, and our interests will not be given their full weight, unless we gather our strength in consultation with one another. I have urged this course of action on my travels through the regions of the continent.

The visits to Nigeria, Ethiopia, Angola and South Africa, among others, have resulted in investors expressing a willingness to invest in key sectors of our economy. The outcome of these visits has been to grow business and inward investment into Kenya and our exports.

These travels have taught me that the leaders and people of this continent are now fully awake to the great potential of Africa.

Honourable Members,

The chief responsibility of Parliament under our supreme law is legislation. Parliament has kept faith with its obligation, passing **22** laws, **20** of which I have assented to.

Besides the pending Constitutional Bills a number of urgent proposals remain. I trust that Parliament will maintain the momentum in promptly disposing of its duties.

Our Constitution also requires the presentation of government's budget estimates to Parliament for approval. Encouraged by the warm support the budget committee of the National Assembly, and the entire Parliament, has accorded my Government in the past, I believe that that spirit of comity will persist when we bring this year's budget estimates to you. **In particular, I urge parliament to support the executive in the quick execution of budgetary programmes, by the first quarter of the financial year.**

I urge you to approve the budget early.

Honourable Members,

I now submit **three** reports as required by the Constitution. The **first** appraises our country's progress in realizing the national values and principles of governance outlined in **Article 10** of the Constitution; the **second report** to the Assembly, considers our progress in fulfilling our international obligations; while the **third** report examines the state of national security.

Honourable Members,

In line with the value of good governance and patriotism, members of the three Arms of Government will recall that "*utengano ni udhaifu*". I call upon you all to join me in redoubling our efforts in realizing the ideals and promises of the Constitution to the people of **Kenya: it is our conduct that will determine whether we succeed in restoring the faith of Kenyans in their government as a force for good.**

Honourable members,

The values set out in **Article 10** are neither empty statements of principle, nor mere descriptions of what we might be. Rather, they speak our destiny.

We Kenyans, in choosing our common life, described the nation we would become, not merely the nation we hoped to be.

In line with the value of patriotism, and for us to achieve the ideals and promises of our Constitution, all parties in the country – the public sector, private sector, civil society and wananchi – must take ownership of the process and must fulfil their respective duties. **Kenyans** must remain united and supportive of the initiatives of the Government to build a more prosperous nation and to bring better quality of life for all.

Before God and the nation, I now pray that we may each be granted the patience and courage we require to lead our nation to the prosperity and freedom that is its destiny.

God bless you. God bless Kenya.