

PARLIAMENT OF KENYA
JOINT SITTING OF THE NATIONAL
ASSEMBLY AND THE SENATE

THE HANSARD

Twelfth Parliament - Third Session

*(Special Sitting of Parliament convened via Kenya Gazette Notices
No.2920 of 20th March, 2019 and No.2921
of 26th March, 2019)*

Thursday, 4th April, 2019

*Parliament met at five minutes to three o'clock in
the National Assembly Chamber
at Parliament Buildings*

ARRIVAL OF HIS EXCELLENCY THE PRESIDENT

*[His Excellency the President (Hon. Uhuru Kenyatta) escorted by
the Speaker of the Senate (Hon. Kenneth Lusaka) and the
Speaker of the National Assembly (Hon. Justin Muturi)
entered the Chamber at three o'clock
accompanied by the Maces of both Houses]*

*[His Excellency the President (Hon. Uhuru Kenyatta)
took the Chair of State]*

*(The National Anthem of Kenya and the Anthem
of the East African Community were played)*

(The two Maces was placed on the Table)

PRAYERS

CONVOCATION**CONVENING OF SPECIAL SITTING OF PARLIAMENT FOR THE
ANNUAL STATE OF THE NATION ADDRESS BY
H.E. THE PRESIDENT**

The Speaker of the Senate (Hon. Kenneth Lusaka): Your Excellency, Hon. Uhuru Kenyatta, President of the Republic of Kenya and Commander-in-Chief of the Kenya Defence Forces, the Rt. Hon. Speaker of the National Assembly, Hon. Justin Muturi, Hon. Members of Parliament, Article 132(1)(b) of the Constitution of Kenya requires the President to address a Special Sitting of the Parliament of Kenya once every year and at any other time.

Further, Article 132(1)(c) requires the President to, among others, once every year report, in an address to the Nation, all the measures taken and the progress achieved in the realization of the national values set out in Article 10 of the Constitution.

In addition, Article 247 of the Constitution requires the President, in his capacity as the Chairperson of the National Security Council (NSC), to report to Parliament annually on the State of the security of the Republic.

In this regard, pursuant to Article 132(1)(b) and (c)(i) and (b) of the Constitution and Senate Standing Order No.22(1) and (2), upon a request by His Excellency the President vide letter reference No. SH/5/22/Vol.208 dated 7th March, 2019, I gave notice of today's Special Sitting to the hon. Senators by Gazette Notice No.2921 which was published in the Kenya Gazette on 26th March, 2019.

Accordingly, Hon. Members, this Special Sitting is properly convened.

I thank you.

The Speaker of the National Assembly (Hon. Justin Muturi): Your Excellency, Hon. Uhuru Kenyatta, President of the Republic of Kenya and Commander-in-Chief of the Kenya Defence Forces, Rt. Hon. Speaker of the Senate, Sen. Kenneth Lusaka, Hon. Members of Parliament, Article 132(1) of the Constitution of Kenya requires the President to address the nation once every year and at any other time.

In this regard, pursuant to Article 132(1)(b) and (c) (i) and (ii) of the Constitution and the provisions of Standing Order No.22 of the National Assembly Standing Orders, by Gazette Notice No. 2920 which was published in the Kenya Gazette on 26th March, 2019, I gave notice of this Special Sitting to the Members of the National Assembly.

Accordingly, Hon. Members, this Special Sitting is properly convened.

(Applause)

Your Excellency, it is the custom of Parliament to recognize invited guests seated at the Speaker's Row. I therefore, wish to recognize the following guests in this order-

The Hon. His Excellency the Deputy President of the Republic of Kenya, Hon. (Dr.) William Ruto; the Chief Justice of the Republic of Kenya and the President of the Supreme Court, Hon. Justice David Maraga; the former Prime Minister of the Republic of Kenya and

the African Union High Representative for Infrastructure Development in Africa, the Rt. Hon. Raila Amolo Odinga; the former Vice-Presidents of the Republic of Kenya, Hon. (Dr.) Stephen Kalonzo Musyoka and Hon. Wycliffe Musalia Mudavadi; the Governor of Nairobi City County, Hon. Mike Mbuvi Sonko and the former Speakers of the Houses of Parliament: Rt. Hon. Francis Xavier ole Kaparo and Rt. Hon. David Ekwee Ethuro. They are all welcome to Parliament during this momentous occasion of the Address by His Excellency the President.

Hon. Members of Parliament, invited guests, ladies and gentlemen, it is now my singular honour and privilege to invite His Excellency the President of the Republic of Kenya and Commander-in-Chief of the Kenya Defence Forces to address this Special Sitting of Parliament.

(Applause)

PRESIDENTIAL ADDRESS

EXPOSITION OF PUBLIC POLICY

His Excellency the President (Hon. Uhuru Kenyatta): The Hon. Speaker of the National Assembly, the Hon. Speaker of the Senate, Hon. Members of Parliament, fellow Kenyans, in accordance with Article 132 of the Constitution, I am honoured to report to Parliament the measures taken and progress achieved in the realization of the national values set out in Article 10 of our Constitution as well as the progress made in fulfilling our international obligations.

It is my pleasure to submit the same to this Special Sitting of the two Houses of Parliament and to the entire nation of Kenya.

Hon. Speakers, the state of our nation is strong. We remain a country, striving and ambitious, taking on our pressing challenges and not avoiding them. We do this because we know that the path to lasting cohesion and decent jobs for our people can only be achieved in an environment where fairness, integrity and the rule of law are observed by all citizens without exception.

Hon. Speakers, as President of the Republic of Kenya and Commander-in-Chief of the Kenya Defence Forces, I have heard the cries of our people and their stated hopes and aspirations for a better Kenya. When they elected me as their President, I committed to strive and unceasingly fulfil the trust and confidence that they placed in me and I will not turn back on this commitment.

(Applause)

I am well aware that the task ahead of us, no doubt, is enormous. But there can be no turning back in our quest to transform our national economy to become truly an engine for creating jobs and opportunities for Kenyans. There is no turning back on Government reforms that are intended to improve service provision to all Kenyans. There is no turning

back on fighting all enemies of Kenya, foreign or domestic so as to ensure that Kenyans and their property are safe and secure.

Hon. Speakers, there is no turning back on the obligations we have made on the Big Four Agenda, to environmental sustainability, to inter-generational equity and upholding a strong rules-based international system. There will be no turning back on the Building Bridges Initiative that assures inclusion, cohesion, unity and respect for all Kenyans. There will be no turning back on the war against corruption as it is a just war to prevent misuse of public resources for selfish interests by those who have been entrusted to manage them.

We are not turning back because we are determined to gift our children a better Kenya than the one we inherited. We want to have a prosperous Kenya where the respect for the rule of law and integrity are accepted norms.

Hon. Speakers, following the country's first General Election under the new Constitution, I took the oath of office as the first President elected under the new legal order. My first term laid the foundation for a better Kenya by building on the promise and aspirations of the new Constitution as articulated under Article 10 and, therefore, set the stage to propel our country to greater security, health, unity, prosperity, equity and justice.

The national values and principles of governance epitomize the vision that Kenyans have for their nation. The forty-three words are the promise we have made to ourselves and the generations to come. As we reflect on these values, let us ask ourselves as leaders in the public and private sectors, as well as ordinary Kenyans, how much we are paying heed to these values and principles in our personal conduct.

Across the length and breadth of this great nation, ordinary Kenyans continue to do extraordinary things that show that the flame of our national spirit burns brighter than ever before. Our men and women in various disciplines keep the flag of Kenya flying high at international events, bringing glory to our nation.

In this regard, amongst many, the nation salutes Eliud Kipchoge and his compatriots who have continued to make our national anthem echo around capitals of the world. We are proud of our Peter Tabichi who was recently voted the best teacher in the world. He has demonstrated our aspiration and potential to deliver world-class education standards.

(Applause)

Our entrepreneurs and business leaders are driving forward our economy, which I am proud to say remains one of the largest and most vibrant on this continent. Leading the string of innovators is Mr. Roy Allela who garnered global accolades for inventing smart gloves that converts sign language movement into audio speech.

Hon. Speakers, these Kenyans remind us of what we could achieve if we remain true to our national values. On behalf of our grateful nation, I thank those men and women who serve the Republic in whatever capacity, who uphold our values and way of life, who defer to what is right and show that our diversity is an asset; and all those who have paid the ultimate price to secure our freedoms and way of life.

Hon. Speakers, devolution remains one of the new innovations of our new constitutional order. Since April 2013, more than Kshs1.7 trillion has been transferred to

the counties. Devolution has received the full and firm support of my administration, and, together with an enabling and supportive Parliament, we have seen it transform lives, revive local economies and bring service delivery closer to the people. There can be no turning back on devolution. The system is sound and has proven its value and contribution to national development.

However, I believe that its potential and value will be greatly enhanced by focus on service delivery, prioritizing development expenditure, unwavering commitment to integrity and anti-corruption and strict commitment to value for money in procurement. When this is done, devolution will no doubt transform our nation.

(Applause)

Hon. Speakers, Parliament remains a strident defender of our democracy. I laud Parliament for its steady guiding hand as we implement our transformative agenda for the country and its commitment to playing its constitutionally mandated oversight role.

I wish to acclaim Parliament for its continued diligence. In the period under review, 22 Bills have been enacted into Acts of Parliament with just two currently awaiting presidential assent. Some of the ground-breaking legislations that have been enacted from Parliament over the last year include: the Kenya Coast Guard Service Act 2018 which established our nation's first Coast Guard Service; The Petroleum Act 2019, the Energy Act and the National Youth Service Act.

Hon. Speakers, to facilitate the implementation of our programmes under the Big Four Agenda, I urge both Houses of Parliament to fast-track the mediation of the Land Value Index Laws (Amendment) Bill, the Physical Planning Bill, The Irrigation Bill and the Warehouse Receipt System Bill as well as the Kenya Roads Bill.

Hon. Speakers, the consideration and approval by Parliament of various protocols, treaties as well as sessional papers continues to enhance Kenya's international standing in the community of nations, creating stability and predictability in our governance framework.

Hon. Speakers, during the period under review, various treaties and protocols have been ratified, including the African Continental Free Trade Area Agreement, the Tripartite Free Trade Area Agreement and the East Africa Community (EAC) Protocol on Cooperation in Metrological Services.

I am pleased to note that Parliament has also approved the National Housing Policy and the National Policy on Climate Financing; two Sessional Papers that will have tangible benefits on the day-to-day lives of Kenyans. I look forward to continued positive engagement with Parliament in the quest for a better Kenya.

Hon. Speakers, the state of our economy is also strong. Our broad-based economic growth averaged 5.6 per cent over the last five years, out-performing the average global growth. In 2018, our provisional estimates show that the economy grew by 6.1 per cent. This encouraging performance was supported by strong public and private sector investments as well as prudent macro-economic policies.

In 2018, economic growth was largely driven by the wholesale and retail trade, real estate, information and communication and tourism. It is worth noting that despite

the challenges facing the wholesale and retail trade, the sector has also attracted new international supermarket chains and continues to support the expansion of domestic players.

Hon. Speakers, in 2019, we expect an even stronger growth of 6.3 per cent, reflecting continued improvement in the business environment, political stability as a result of building bridges, as well as improvement in the environment associated with the execution of the Big Four Agenda and sustained macro-economic stability.

Hon. Speakers, in the same reporting period, inflation averaged 4.6 per cent, remaining within the set targets. Our official foreign exchange reserves averaged USD 8.7 billion in the review period, representing 5.8 months of import cover. These reserves provide the country with adequate buffer against shocks in the foreign exchange market.

The Kenya shilling has held steady against major currencies, with an annual average exchange rate of Kshs101 to the US Dollar. This was supported by a narrowing of the gap between our export of goods and services from 5.5 per cent of Gross Domestic Product (GDP) in February of 2018 to 4.7 per cent in February of 2019. Agricultural exports, particularly horticulture, receipts from tourism and diaspora remittances largely explain the improvement in our current account position.

In the 'World Bank Ease-of-Doing-Business Index - 2019', Kenya's ranking improved 19 places to position 61 globally. This made our nation one of the most improved countries during the review period. It is our intention to build on this success to further improve our ranking to be among the top 50 by the year 2020. Overall, our economic outlook remains positive; underpinned by the implementation of our transformative development agenda.

Hon. Speakers, we remain true to our long-term strategy, the Kenya Vision 2030. The Medium-Term Plan of 2018-2021 is centred around the Big Four Agenda. During this period, we expect the economy to grow at an annual average rate of 6.6 per cent. Our focus is on socio-economic interventions in critical sectors, that we believe will enhance the quality of life for all Kenyans, in ways that are tangible and measurable.

In manufacturing, my administration is prioritizing local motor vehicle assembly and manufacturing of spare parts. This initiative has witnessed Peugeot and Volkswagen assembly lines set up in Kenya. Since their revival, the two companies have jointly assembled 627 motor vehicles; and by the end of 2019, they will have assembled at least 1,500 vehicles. This is a positive beginning for a sector that is expected to rapidly expand and make Kenya the regional motor vehicle assembly hub. This will create various opportunities for our people, particularly, for our youth.

(Applause)

Our programme on Universal Health Coverage (UHC) is expected to ensure a healthier nation as the basis for social economic development. In this regard, we have successfully rolled out the pilot phase of the programme in Isiolo, Machakos, Nyeri and Kisumu counties. The programme has witnessed enhanced access to essential health services with an average increase across the pilot counties of 39 per cent reported. We are

on course for the full roll-out of the UHC in the year 2019/2020 in the remaining 43 counties.

Hon. Members, agriculture is the largest employer in the economy accounting for 60 per cent of total employment. In recognition of its central role, my administration earmarked the sector as a key pillar of the Big Four Agenda, as we seek to ensure food security and nutrition for all Kenyans. Our reforms are aimed at being farmer-centric and are focused on reducing the cost of food, increasing agricultural value-addition and offering incentives for farming. To enhance food production at the household level, over the last year, we have constructed 4,400 water pans under the Household Irrigation Water Projects. The pans will store six million cubic meters of water, placing an additional 6,000 acres under irrigation.

To address the perennial challenges in the sugar and maize sub-sectors, my administration commits to decisively act on the recommendations of the two sectoral taskforces that are slated to report their findings later this month. I expect that the teams will propose bold and transformative interventions to revive and substantially grow, in a sustainable way, these important sub-sectors. Additionally, my administration has prioritized reforms in the coffee sub-sector, and implemented numerous interventions emanating from the recommendations of the Coffee Task Force. These include the ambitious rehabilitation of 500 pulping stations in 31 coffee-growing counties.

Hon. Speakers, with a view to comprehensively resolve the problem of undue delays in the payment cycle, we have also set up a Kshs3 billion Cherry Advance Revolving Fund to be operational from 1st July, 2019.

(Applause)

Consequently, all coffee farmers across the country will be able to access the Cherry Advance at a modest interest rate of 3 per cent.

Hon. Speakers, access to decent and affordable housing is a basic human right that my administration is determined and committed to honor. We are fulfilling this through the Affordable Housing Programme (AHP). To realize this vision, we have promulgated the Affordable Housing Development Framework Guidelines (AHDFG), providing the enabling policy and financing for the roll-out of this Programme. We are now on track to deliver affordable housing to Kenyans. This life-changing Programme is being undertaken in partnership with county governments as well as the private sector.

Indeed, Kenyans have already shown that they are ready for this Programme. Despite court cases and initial delays, over 175,000 Kenyans have already registered under the voluntary scheme known as “*Boma Yangu*.” These Kenyans will, undoubtedly, be the first in line for the allocation of new housing. Additionally, the Affordable Housing Programme is expected to create opportunities for the local industry. In this regard, we have ring-fenced the supply of certain components such as doors, windows and cupboards for the exclusive delivery by Micro, Small and Medium Size Enterprises (SMEs).

(Applause)

This will not only put money in the pockets of our local artisans, but also support the formalization of this industry.

Hon. Speakers, the delivery of the Big Four Agenda is on course and we expect the private sector to take advantage of the policies and incentives in place and turn the four priority areas into mighty engines of wealth and job creation. The realization of the Big Four Agenda is dependent on critical enablers, including; energy, transport, education, water, Information, Communication and Technology (ICT).

To provide reliable and cost-effective electricity that meets current and future demand, we have put in place measures to accelerate the development of the entire power generation, electricity transmission and supply infrastructure. This will also support the realization of universal access to electricity by the year 2022. I am happy to report that installed capacity has increased from 1,768 megawatts in March of 2013, to the current 2,712 megawatts, with Lake Turkana Wind, Ngong Wind and Garissa Solar Power Plants joining the grid within the last year.

In collaboration with development partners, we have made tremendous gains in scaling up connectivity over the last six years, with the number of electricity connections rising from 2.2 million in March of 2013, to 7.1 million as at March of 2019. The tangible impact on the lives and livelihoods of our people, associated with increased electricity connectivity cannot be gainsaid.

(Applause)

With respect to road infrastructure, our agencies continue to upgrade new roads to bitumen standard in addition to rehabilitating existing ones. Notable road projects completed in the last year are the 9 kilometre Dongo Kundu-Miritini-Mwache Road; the 47 kilometre Kisumu-Kakamega Road; the 38 kilometre Chebilat-Ikonge-Chabera Road; the 35 kilometre Oljo Orok-Dundori Road; the 80 kilometre Kamatira-Cheptongei Road in West Pokot and the 38 kilometre Kisima-Kibirichia-Kina-Ruiri Road in Meru County.

Within our capital city, we continue to rehabilitate major arteries, including Ngong Road Phase I; Githurai-Kimbo Road Phase II, Waiyaki-Red Hill Road, amongst others. Our intention is to position Nairobi to join the league of “First World Cities”. These interventions have facilitated faster and cheaper movement of goods and persons, connecting our people. Better still, the expansion and upgrading of our road network has mitigated traffic congestion and enhanced road safety in our major cities and municipalities.

On rail infrastructure, we are on course to completing Phase 2A of the region’s most iconic infrastructure project – the Standard Gauge Railway (SGR) Line from Nairobi to Naivasha, which is now about 90 per cent complete. I look forward to journeying with Members from both Houses in the inaugural SGR trip from Nairobi to Naivasha.

(Applause)

The Madaraka Express remains a story of remarkable success and national pride and, indeed, it has been listed among the top 13 most magnificent railway tours for 2019. Over two-and-a-half (2.5) million Kenyans have travelled by Madaraka Express since inception in May, 2018 and 3.9 million tons of cargo have been transported on the line.

Hon. Speakers, on air transport, we are seeing an upward trajectory in Kenya. To facilitate this, we continue to upgrade our airports and airstrips across the country.

Indeed, in October, 2018, Kenya was able to launch direct flights connecting Nairobi to New York. This connectivity is expected to increase the number of tourists in the country while opening a large market in the United States of America (USA) for our export produce.

Today, Hon. Speakers, our transformative agenda is visible to all. These infrastructure developments, in addition to supporting the realization of the Big Four Agenda have opened up opportunities for big and small businesses and improved the livelihoods of many Kenyans.

Hon. Speakers, my administration recognizes the role played by micro, small and medium enterprises in spurring the development of our country. The sector employs approximately 14.9 million Kenyans and contributes to an estimated 28 per cent of our Gross Domestic Product (GDP).

To unlock the latent potential resident in this sector, my administration has been working towards addressing the challenges of access to credit, training and skills development. In this regard, we will be launching a Small Medium Enterprises (SMEs) Credit Guarantee Scheme in a few weeks aimed at deepening their access to credit without being subjected to complex application procedures and collateral requirements.

(Applause)

These interventions are critical to production of competitive goods and services for the domestic, regional as well as global markets.

Indeed, in respect of the leather value chain, a Common Manufacturing Unit at Kariokor Market in Nairobi is nearing completion. Once fully equipped, this centre will provide impetus to the local shoe making industry to professionalize and standardize manufacture of shoes.

We are also undertaking similar initiatives in the textile value chain at Uhuru Market and developing a centre of excellence for the modern production of finished textile goods. The above interventions are intended to promote the values of social justice, inclusivity and access for all; ensuring that the benefits of our growing economy are not just limited to a few people.

To facilitate inclusivity and enable appropriate planning for the needs of all persons, we are also, this year, rolling out the 2019 National Housing and Population Census that will happen later this year. This exercise together with the National Integrated Identity Management System (NIIMS), will ensure that all persons resident in Kenya will be enumerated in order to provide accurate data that is required for proper planning at all levels of Government.

Additionally, it is expected that when fully implemented, a comprehensive one stop-shop for all population and national identity records will be in place.

Hon. Speakers, the national values are best realized through proactive reform measures in education. It is in our schools that we can best embed in our children, human dignity, equity, social justice, inclusivity and all the other values that we cherish and hold dear.

It is for this reason that my administration introduced curriculum reforms designed to better align our education system with our national values. These reforms are expected to mold a people who embody innovation and excellence. The results will be a globally competitive human capital base, having the tools for success in a fast-paced and dynamic world.

Hon. Speakers, in fulfillment of the same, in 2018, my administration adopted the policy on universal access to basic education. The policy seeks to ensure that all our children enroll in primary school and complete their secondary education with 100 per cent transition rate. This measure will go a long way to ensuring that all Kenyans have access to equal opportunities and a chance to further their passions. Our aggressive push of this agenda has this year seen us achieve a 100 per cent transition rate, the highest in the African Continent.

(Applause)

Hon. Members, to address the pressure on school facilities across the country, my administration has prioritized development of school infrastructure for the Fiscal Year 2019/2020.

I also, today, call on all Members to act in solidarity with our children and approve the education budget as per our request.

(Applause)

Secondly, I also urge Members of the National Assembly to prioritize allocation of National Government-Constituencies Development Fund (NG-CDF) towards school infrastructure.

(Applause)

Hon. Speakers, there is no turning back on the commitment to ensure that no child is left behind.

As part of the tertiary education reforms, my administration has implemented a rejuvenation of the vocational training institutions to build on the skills needed to contribute to nation building and in particular, the manufacturing pillar of the Big Four Agenda. Over the last three years, my administration has set aside an unprecedented amount of resources towards supporting students joining technical and vocational training institutions.

Hon. Speakers, we are a country blessed with natural resources which, if properly managed, will transform, in a big way, our nation and the welfare of our people. However, we must appreciate that these resources are finite. In that context, it must be our solemn duty as the State to manage these resources sustainably for the fair and equitable benefit of both present and future generations.

Mindful of this duty, my administration has developed and will be presenting before this Session of Parliament the Sovereign Wealth Fund Bill. The Bill proposes creation of a Fund and provides a legal framework to guide investment of revenues from oil, gas minerals and other qualifying natural resources.

The Fund, as proposed in this Bill, comprises of three parts, notably, (i) a Stabilization Fund, (ii) Infrastructure Development Fund and (iii) a Future Generation Fund.

It is important to underscore that other than the cost of services of those entrusted to manage the Fund, all monies in the Fund will be used to finance critical national development programmes in order to ensure sustainability.

Hon. Speakers, sustainable development is a constitutional imperative and one of the national values. Sustainable development remains a core consideration within my Government, guiding the outlook and implementation of our policy programmes and projects across the board.

As the host nation of the United Nations Environmental Programme (UNEP), Kenya remains a global leader in environmental conservation and sustainable development.

My administration has spearheaded the implementation of various environmental initiatives including interventions for the sustainable exploitation of the blue economy, sustained the ban on environmentally harmful classes of plastics and polythene carrying and packaging materials, enhanced the protection and promotion of our national forests in line with our commitment to achieve a minimum of 10 per cent forest cover by the year 2020, and interventions with regard to water and air quality.

These interventions not only protect the environment but also create business and employment opportunities through the green economy. Indeed, as a result of our interventions, Kenya is today a global leader in green energy with 85 per cent of our energy mix coming from renewable sources.

(Applause)

Hon. Speakers, I am delighted to update this House on the progress we have made in fulfilling our international obligations and positioning Kenya as a leader in the region, continent and globally. Kenya has always and will continue to fulfill her international obligations as a responsible Member of the Community of Nations. We do so, conscious of the fact that fidelity to international law and commitment to our international obligations is critical to the structured management of international and diplomatic relations and will promote our pursuit of common interests with other States.

Kenya is a party to over 280 multilateral treaties. In the past one year, we have ratified three multilateral treaties. These instruments will enhance market access for

Kenyan products in Africa, share critical information and generate wealth and jobs for Kenyans. My Government continues to lobby for and participate in senior positions within various international organisations.

Hon. Speakers, Kenya's election to the Africa Union (AU) Peace and Security Council in 2019 and our strategic decision to vie for a non-permanent seat in the United Nations (UN) Security Council for the period 2021/2022 are geared towards affirming Kenya's historical pride as a leader in regional peace and security.

During the period under review, Kenya has invested in robust diplomatic engagements at a bilateral and multilateral level, in furtherance of our strategic national interests. These include engagements with regional partners such as Ethiopia, Namibia and Uganda and globally with the United States of America (USA), Canada, France, China and the United Kingdom (UK), among other peer jurisdictions.

Hon. Speakers, building a better Kenya is ultimately the desire of every Kenyan, but we must be alive to the reality that this noble goal cannot be achieved if we operate in disharmony. Every one of us must appreciate the importance of unity and cohesion in this pursuit. We all know the damage that we have suffered in the past as a result of discord amongst ourselves. Indeed, it has been and it remains an urgent agenda to bring harmony, unity and civility to the political landscape and discourse in this country. That is what informed the Building Bridges Initiative commonly known as the "Handshake".

(Applause)

Hon. Speakers, in all our cultures, a handshake is an expression of goodwill, friendship, trust and reconciliation. It is synonymous with peace. Indeed, our handshake has been followed by millions of handshakes across the length and breadth of the Republic.

Many leaders across the country and at every level of Government have opted for a renewed politics of unity. This has given Kenya a new and stable platform upon which we can rise above individual and sectarian interests, religious divide and partisan politics as we all together build a better, stronger and more prosperous Kenya.

(Applause)

We know very well that we were successful in securing our independence because, as a people, we were united. Unity was our key weapon. Therefore, Hon. Members, we cannot and we are not turning back on uniting the country. We have chosen the hard road of building unity and cohesion against the easy road of division. We are a greater people for it. Already, the Building Bridges Initiative is engaging Kenyans across the entire length and breadth of our country and soon will have an opportunity to comment on its findings and recommendations.

Against this backdrop, Hon. Speakers, I reaffirm a commitment previously made - which I hope this House will pass this year - of designating a Kshs10 billion Fund to heal the wounds of historical grievances which have long been poisoned by our politics and strained communal relations.

(Applause)

With Parliament's help, and through the affected communities, we will be applying the Fund towards establishing symbols of hope across the country through construction of heritage sites and community information centers. These will remind us, and our future generations, of the journey taken towards reconciliation and healing.

Hon. Speakers, the unity we are pursuing is not only unity between brothers and sisters within our borders, but also unity of the brothers and sisters that form the East African Community (EAC) and the greater Continent of Africa.

The path to prosperity for individual African states lies in promoting intra-African trade, integration and building bridges between our communities and nations that recognize that we have far more in common with each other than we have as differences.

(Applause)

Recently in Mombasa, His Excellency Yoweri Kaguta Museveni, the President of the Republic of Uganda remarked that "the integration of Africa is centered on three issues: Prosperity, Security and Fraternity. When we talk about integration, we are talking about the prosperity of families of Africa. We are talking about prosperity of business groups in Africa and creating space for shared prosperity.

Hon. Speakers, Kenya's Prosperity, Security and Fraternity lies in ever closer unity with our partners in the EAC at the first level and thereafter wider regional and continental alignments. My administration remains committed to maximizing the benefits for Kenya by mutually deepening economic and eventual political integration of the EAC.

In line with the spirit of Pan-Africanism, I wish to extend our gratitude to the AU for appointing one of our own to spearhead infrastructural connectivity across the Continent. This is key to actualizing the shared prosperity of the African people through promoting trade between our brothers and sisters and further strengthening our bond of unity in this great Continent.

(Applause)

Hon. Speakers, turning to security, I am proud to say that the state of our national security is equally strong. As an island of peace in a conflict-prone and fragile region, Kenya nevertheless faces challenges from transnational crimes such as money laundering, terrorism financing, smuggling of narcotics, human trafficking and the trade in illicit small arms and light weapons.

In the past year, our country continued to strengthen its alliances and partnerships for security. The skills and capabilities of our defence, security and intelligence services have grown in leaps and bounds. As a country, we are much better prepared to address the threats to our national security.

Today, we honour the brave men and women who have paid the ultimate price for our security. We thank the individual Kenyans who are willing to speak up bravely against radicalization and criminality, and for standing up to serve their fellow Kenyans. We announce again to our enemies and the world that Kenya, as a nation, cannot be stopped by their plots and evils.

(Applause)

Our will to greatness, cohesion and unity, to development and prosperity and to peace and security will never be turned back or aside. Our practical efforts reflect this spirit. Our response to external and transnational security threats has determined reforms to our immigration system's integrity and the strengthening of border security and management. Our border points are better managed and the establishment and continued expansion of the new Border Police Unit is deterring, detecting and disrupting threats to our security.

Today, we have effectively adopted a follow-the-money approach to investigations and prosecutions that will continue to be strengthened and applied across the range of serious crimes, including economic ones. We have seized and destroyed confiscated narcotics, while continuing to interdict smuggled contraband and counterfeit products.

Indeed, the brave men and women of the Kenya Defence Forces (KDF) stand tall, protecting the homeland from external threats. They also serve in foreign lands as part of a global commitment to promoting and protecting peace and security. Within our borders, our law enforcement agencies and security officers are constantly detecting, deterring, dismantling and destroying threats to the people and the State. They sacrifice selflessly so that Kenyans can live in safety and freedom.

My administration has continued to encourage participation of our people in promoting national security and protecting communities. Over 15,000 *Nyumba Kumi* clusters have already been established across the country.

The unique national innovation of County Action Plans to Prevent and Counter Violent Extremism are also being rolled out across the country. Kenya is a country that believes in giving second chances to those who are genuinely seeking to return to a path of legal conduct and embrace our constitutional values. In this regard, we are undertaking initiatives to disengage, rehabilitate and reintegrate returnees, who have been members of listed terrorist groups.

(Applause)

We will continue to press the war against terrorist groups and networks as well as their facilitators. However, key to this is continuing to strengthen our legal tools against these groups, so that they are unable to take advantage of our democracy and open society to hide in plain sight, while planning to perpetrate their crimes against our people. Our nation will not turn back from the path of democracy and the rule of law

because of the actions of a few criminals. However, we remain unshakably committed to our values in this, and I truly believe that we shall prevail.

Hon. Speakers, in recognition of the fact that for law enforcement agencies to effectively discharge their duties, they need to be empowered and appropriately capacitated, we are, therefore, undertaking enhanced training and improvements in welfare, more effective use of technology, equipment and far better co-ordination between and within parties. Almost 2,000 CCTV cameras are now working in Mombasa and Nairobi counties, offering real-time 24-hour security monitoring. This has greatly assisted our police in resolving complicated crimes. To foster security, the Government has also repossessed 5,050 assorted weapons illegally held by civilians, as part of the ongoing fire arm verification process.

Hon. Speakers, Kenya leads the region in developing a vibrant digital commercial sector. In this regard, we have developed a national cyber-security strategy, enacted the Computer Misuse and Cyber Crimes Act, implemented a national cyber security training initiative and established specialized teams with defensive cyber-warfare capabilities, in an endeavour to protect our economy from cyber-crimes.

Hon. Speakers and Hon. Members, from the foregoing, it is clear that the state of our nation is strong, vibrant and I believe, beaming with promise. However, corruption and impunity endangers each and every one of these gains.

(Applause)

It compromises on the promise of devolution, our economic growth targets, the realisation of the Big Four Agenda; access to education, security, human dignity, the rule of law and by extension, the very existence of our Republic.

(Applause)

Corruption and impunity create social distortions and divisions; fuel inequality and poverty; destroy the fabric of our society and diminish the vitality of our nation's upcoming generations by setting the wrong example for them.

(Applause)

As I said earlier, there is no community, religion or moral code in Kenya that endorses stealing and abusing positions of responsibility. Africans, no matter their heritage or where they are in this continent, have ethical and moral principles as core to their cultures.

(Applause)

The magnitude of the war against corruption we are fighting today is unprecedented. It is taking place within our core institutions; Parliament, the Executive, the Judiciary, county governments and also in our religious institutions as well as the

private sector and professional bodies. While past administrations made attempts to deal with the challenge, the problem remained enormous and required more determined focus.

Hon. Speakers, following my proclamation on anti-corruption in 2015, my administration embarked on a programme to deepen the fight against corruption, through strengthening and resourcing the institutions charged with this most noble duty. Since then, we continue to witness the highest levels of engagement and action on this previously taboo subject.

For the first time in our nation's history, eight Cabinet Secretaries and eight Principal Secretaries have had to step aside to give way for investigations and prosecutions; a concept previously unknown in public sector management. Seven current and former governors and over 30 Chief Executive Officers (CEO) of State corporations, are under active investigation or prosecution for various corruption-related offences.

(Applause)

In several cases, banks and other financial institutions have been fined for breach of regulatory duty. In fidelity with the law, upon institution of any charges against the public or State officer, my administration has dutifully relieved the office holder of their public duties. Indeed, just this morning, I have exercised the legal instrument revoking the appointment of a High Court Judge recommended for removal for corruption related offences.

(Applause)

These are the outcomes of a dedicated and resolute government, undertaken within the framework of the rule of law. Therefore, Hon. Members, to safeguard these outcomes, the institutions charged with this responsibility need to be strengthened and not weakened.

(Applause)

Even with the success that we have made, we cannot as yet celebrate. The challenge is still with us and requires more concerted effort to eliminate it.

Hon. Members, Kenyans have spoken loudly and challenged us, as leaders, to do all that it takes to eradicate this cancer. They did this during the National Anti-Corruption Conference held in January this year, where they tasked me, the Speakers of Parliament, the Chief Justice and the Council of Governors (CoG) to commit to various demands that would entrench and widen the fight against corruption.

Mindful of my cardinal responsibility, which is to serve Kenyans as bestowed upon me by the Constitution, my administration has opted for an all-out assault on corruption. In this endeavour and in pursuit of this noble goal, my administration has continued to strengthen the investigative, law enforcement and prosecutorial functions of Government and embraced the multi-agency approach to encourage joint intelligence

sharing, investigation and prosecution. These measures have already reaped visible benefits.

Hon. Members, it is not enough to merely jail and fine those who have looted from our public coffers. The wealth stolen from Kenyans must be returned to its owners; the People of Kenya, with the clear message being that corruption does not pay. It is in this context that we have entered into asset recovery agreements with foreign countries in pursuit of a robust restitution strategy.

(Applause)

In the reporting period, the Asset Recovery Agency (ARA) has investigated 20 cases and preserved assets worth Kshs1.1 billion. Assets worth Kshs72 million were forfeited to the Government. Further, recovery proceedings on corruptly acquired property valued at Kshs7.5 billion were instituted. Additionally, assets worth Kshs2.5 billion were recovered while bank accounts holding Kshs264 million were frozen, pending determination of recovery proceedings. We have also introduced new accountability measures applicable at all stages of the public finance management cycle as a critical prevention strategy.

Hon. Speakers and Hon. Members, we must accept the truth, that is; one or two branches of Government cannot hope to resolve this problem on their own. That is why we look up to the Judiciary to do their part.

(Applause)

They should apply the law firmly and fairly; and for Parliament to uphold high standards, mindful of the strategic interests of the nation in the exercise of their legislative and oversight mandate. We need to ensure that corruption cases are heard and determined on a priority basis. Kenyans are waiting to see more convictions and far less cynical exploitation of court processes to protect a few.

(Applause)

I particularly urge the Judiciary not to appear to protect their own or to allow the abuse of privilege in cases where their officials are suspected of, or have been under active investigation for corruption.

In saying this, Hon. Chief Justice, I do not for one minute presume to direct the Judiciary or Parliament. That is certainly not my constitutional place; but it is my duty, as the Head of State, to remind every arm of Government of their solemn duty and the high expectations of Kenyans as espoused in our national values.

(Applause)

Hon. Speakers, I also urge the county governments to work with the national Government in this most important task of moral re-awakening.

Equally important, I urge every public and private institution in Kenya to join us in waging this war against corruption and economic crimes. If you love your country, you should reject corruption and all those who steal the sweat of your countrymen. This, Hon. Members, is one war I am certain we will win.

(Applause)

Hon. Members, I must say that I have been under pressure that: Who am I sacking?

(Laughter)

(Loud consultations)

However, I must caution that the pursuit of the corrupt will be undertaken strictly within the remits of the law. It will not be done through vigilante justice and pitchfork protest.

(Applause)

Though media narratives rally our resolve as they should, our actions will not be based on condemnation before one has been heard. The cornerstone of our democracy is the rule of law and the principle of due process is a critical anchor of that principle.

We must aspire abidingly to this ideal and ensure that we do not pursue justice in one area through injustice in another. I remain confident in our investigative and prosecutorial institutions to diligently deliver justice on the strength of the evidence and in fidelity to the law.

Hon. Speakers and Hon. Members, as I have said and done before, I once again undertake that anyone whose case goes before court, will be removed from Government and will thereafter have to answer his case before a court of law.

(Applause)

Once again, Hon. Speakers, I wish to emphasize our place in history and the national endeavor to strengthen rather than weaken our investigating and prosecuting agencies.

In conclusion, Hon. Speakers, I have spoken at length on what we have achieved in pursuit of our development agenda and the challenges that we still need to confront so as to realise the better Kenya that we all desire. But I must, once again, make it clear that we must work together; the Executive, the Judiciary, Parliament and the citizens, if we are to deal effectively with the challenges standing in our way. I count on all of you and on all Kenyans as we move ahead with this struggle.

There will be no turning back. There will be no sacred cows and no compromise. The fight must be won because it is a fight for the soul of our nation. The values of

integrity, hard work and sacrifice must be reinstated and held dear in the eyes of our children. I intend to be the President that delivers that future.

Finally, Hon. Speakers, it is now my pleasure to submit to Parliament the following three Reports as required by the Constitution-

- (a) Report on measures taken and progress achieved in the realization of national values, 2019;
- (b) Report on progress made in fulfilling the international obligations of the Republic, 2018; and,
- (c) Report on the State of Security of Kenya, 2018.

*Mungu awabariki na awalinde.
Asanteni.*

(Applause)

*(His Excellency the President handed the Reports to the
Speakers of the Senate and the National Assembly)*

ADJOURNMENT

The Speaker of the Senate (Hon. Lusaka): Order, Hon. Members. You may be upstanding.

Your Excellency the President, the Speaker of the National Assembly, Hon. Senators, Hon. Members of the National Assembly, it is now time to adjourn the Senate. The Senate stands adjourned until Tuesday, 9th April, 2019 at 2.30 p.m. in the Senate Chamber.

I thank you.

The Speaker of the National Assembly (Hon. Muturi) Your Excellency the President of the Republic of Kenya, Hon. Uhuru Kenyatta, Hon. Members of the National Assembly, the National Assembly stands adjourned until Tuesday, 23rd April, 2019 at 2.30 p.m.

(Loud consultations)

Order! Members. There will be order in the House.

(Loud consultations)

Order, Members. All Members and guests are invited to the Parliament courtyard for a reception. You are, however, requested to remain standing in your places until His Excellency the President and the Speakers' procession leave the Chamber.

**DEPARTURE OF HIS EXCELLENCY
THE PRESIDENT**

*(Hon. Members remained upstanding in their
places while His Excellency the President and the
Speakers' procession left the Chamber)*

Parliament rose at 4.17 p.m.