

REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT

JOINT SITTING OF THE NATIONAL ASSEMBLY AND THE SENATE

THE HANSARD

9th November 2023

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THE HANSARD

JOINT SITTING OF THE NATIONAL ASSEMBLY AND THE SENATE

(Convened vide Gazette Notices No.14715 and No.14716 of 3rd November 2023)

Thursday, 9th November 2023

(Parliament met at 2.52 p.m. in the National Assembly Chamber)

ARRIVAL OF HIS EXCELLENCY THE PRESIDENT

(*His Excellency President William Ruto entered the Chamber escorted by the Speaker of the National Assembly and the Speaker of the Senate*)

(The Mace of the National Assembly and the Mace of the Senate were placed on the Table)

(The National Anthem and the EAC Anthem were played)

PRAYERS

COMMUNICATION FROM THE CHAIR

CONVENING OF JOINT SITTING FOR PRESIDENTIAL ADDRESS TO PARLIAMENT

The Speaker of the Senate (Hon. Amason Kingi): You may be seated. Order, Hon. Members.

Your Excellency, the Hon. (Dr) William Samoei Ruto, CGH, President of the Republic of Kenya and Commander-in- Chief of the Kenya Defence Forces; the Rt. Hon. Speaker of the National Assembly, Hon. Moses Wetangula, E.G.H, MP; Hon. Members of Parliament, Article 132(1) of the Constitution of Kenya requires the President to address the Special Sitting of Parliament of Kenya once every year and 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 value set out in Article 10 of the Constitution.

In addition, Article 240 Sub-Section 7 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, therefore, pursuant to Article 132(1)(b) and (c)(i) (ii) of the Constitution, the Presidency, vide the letter referenced No. OP/ CAP.26/4a Vol.2/52 informed the speakers of the Houses of Parliament of the intention of His Excellency the President to deliver his address to Parliament.

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Consequently, pursuant to Standing Order No.25(i) and (ii) of the Senate, I gave notice of today's Special Sitting to the Hon. Senators by Gazette Notice No.14716, which was published in the *Kenya Gazette* on Friday, 3rd November 2023.

Accordingly, Hon. Members, this Special Sitting is properly convened. I thank you.

(Applause)

The Speaker of the National Assembly (Hon. Moses Wetang'ula): Your Excellency, Hon. (Dr) William Samoei Ruto, C.G.H, President of the Republic of Kenya and the Commander-in-Chief of the Kenya Defence Forces; the Rt. Hon. Amason King, E.G.H, MP, Hon. Speaker of the Senate; Hon. Members of Parliament; Members of the Diplomatic Corps; distinguished guests; ladies and gentlemen, Article 132(1)(b) of the Constitution of Kenya requires the President to address the nation once every year and at any other time.

Further, Article 132(1)(c) requires the President to once every year, report, in an address to the nation on measures taken and progress achieved in the realization of our national values.

Additionally, Article 132(1)(c)(iii) of the Constitution provides that the President shall submit a report for debate to the National Assembly, on the progress made in fulfilling the international obligations of the Republic.

In this regard, Hon. Members, by way of a Message to the House dated 26th September 2023, His Excellency the President conveyed his desire to address a Joint Sitting of the Houses of Parliament today, 9th November 2023.

Therefore, pursuant to the provisions of Standing Order 22 of the National Assembly Standing Orders and by Gazette Notice No.14715, which was published in the *Kenya Gazette* on 3rd November 2023, I gave notice of this Special Sitting of Parliament to the Members of the National Assembly.

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

Your Excellency, in the custom of Parliament, we recognise invited guests seated in our galleries. I, therefore, wish to recognise the following guests who are seated in the Speaker's Row:

- 1. Her Excellency Rachel Ruto, E.G.H, First Lady of the Republic of Kenya and other members of the First Family;
- 2. His Excellency Hon. Rigathi Gachagua, E.G.H, the Deputy President of the Republic of Kenya and the Spouse of the Deputy President, Her Excellency Pastor (Dr) Dorcas Rigathi; and,
- 3. Hon. Musalia Mudavadi, E.G.H, the Prime Cabinet Secretary and Ministry of Foreign and Diaspora Affairs.

(Applause)

Your Excellency, Hon. Members, also present in the Speaker's Row this afternoon are: Hon. Lady Justice Martha Koome, E.G.H, Chief Justice and President of the Supreme Court; and Hon. Lady Justice Philomena Mbete Mwilu, M.G.H, Deputy Chief Justice and Vice-President of the Supreme Court. They are accompanied by Hon. Justice Eric Ogola, Principal Judge, High Court; Hon. Justice Oscar Angote, Presiding Judge, Environment and Land Court, and Hon. Justice Byram Ongaya, MBS, Principal Judge, Employment and Labour Relations Court.

(Applause)

We are similarly pleased to host the former Vice-President of the Republic, Hon. Stephen Kalonzo Musyoka, E.G.H, who is also the Co-Chair of the National Dialogue Committee. We are also honoured to have in our midst the immediate former Speakers of the Houses of Parliament, the Hon. Justin B.N. Muturi, E.G.H, the Attorney-General of the Republic of Kenya; and the Hon. Kenneth Lusaka, E.G.H, the Governor for Bungoma County.

(Applause)

Your Excellency, allow me to also recognise the Chairperson of the Council of Governors, who is also the Governor of Kirinyaga County, the Hon. Anne Waiguru, E.G.H; and the Hon. Johnson Sakaja, Governor of Nairobi City County.

(Applause)

May I also accord special recognition to all Cabinet Secretaries present; Mr. Felix Koskei, Chief of Staff and Head of the Public Service; Principal Secretaries; members of the diplomatic corps; and Heads of Constitutional Commissions and Independent Offices present.

(Applause)

Your Excellency, I wish to make a special mention of the Chief of the Kenya Defence Forces, Gen. Francis O. Ogolla and the respective Service Commanders, the Inspector General of Police and other leaders of our disciplined forces who are seated at the Speaker's Row. We are grateful for their distinguished service to the Nation.

(Applause)

To all invited guests, karibuni sana Bunge.

Hon. Members, distinguished 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.

Welcome Your Excellency.

(Applause)

PRESIDENTIAL ADDRESS

ANNUAL PRESIDENTIAL ADDRESS TO PARLIAMENT

His Excellency the President (Hon. (Dr) William Ruto): Thank you very much, Hon. Members.

I rise before this distinguished assembly of the democratically elected representatives of the people of Kenya to discharge my constitutional functions under Article 132(1)(c). The occasion requires me to give an account to the people of Kenya, the measures taken by their government, under my leadership, and to give full expression and effect to the soul of our constitutional dispensation by implementing the national values and principles of governance set out in Article 10 of our Constitution.

(Applause)

I have a substantial report to give on the progress made in fulfilling this solemn covenant, and that the journey of transforming Kenya for the benefit of present and future generations is fully underway. Its positive effects have also begun to bear fruit across many sectors of our national endeavour from the grassroots to the Capital of Nairobi.

(Applause)

On 13th September 2022, last year, when I took office, I undertook to ensure the urgent transformation of our economy and to stop and reverse the negative trends of runaway unemployment, yawning inequality and widespread poverty which have denied Kenyans their dignity and extinguished their dreams.

The mass appeal of the Bottom-Up Economic Transformation Agenda was due, in a large part, to the fact that its development and articulation, as well as its content and implementation strategy represented our national values in action. It was inclusive, democratic, committed to social justice and the protection of the marginalised.

Our commitment to bring the national values and principles of governance to life in order to significantly enhance the well-being of every individual and promote the unity, stability, security and development of our country began long before the last election and will endure well beyond our term. It has been my manifest intention to live up to all the commitments set out in the plan. Despite enormous challenges and tremendous difficulties, we have made encouraging progress in a positive direction. This has not only vindicated our philosophy of inclusive transformation in the pursuit of shared prosperity, but it has also increased our confidence that we are on the right path and shall, in due course, deliver the transformation of our nation in full.

It is important for us to point out that we began the implementation of our mandate to transform Kenya's economy from the bottom-up under extremely difficult circumstances, not to excuse failure or justify inability or omission to do the necessary work. Not at all. Rather, we do it to emphasise the significance of our progress, underscore the possibility of transformation under daunting conditions and express well-founded confidence that when sufficient progress is made, we shall do much more and go much farther in delivering the 'Kenya We Want' for our generation and for posterity.

In our plan, we identified three primary challenges; external shocks, fiscal distress, and structural imbalances that heavily strained our economy, causing nationwide difficulty. The COVID-19 Pandemic, coupled with global supply chain disruptions and geopolitical conflicts, significantly raised inflation and interest rates, adversely affecting our economy, while low agricultural investment and a prolonged drought led to food shortages and made Kenya a net food importer in a volatile international market.

It was under conditions of such extreme difficulty that the people of Kenya entrusted us with the responsibility of simultaneously generating effective solutions to immediate problems, providing a credible pathway to stability in the medium-term, and undertaking longterm structural transformation of our economy in a manner that paid attention to the needs and aspirations of Kenyans especially those at the bottom of the pyramid

The transformation of our economy is not only desirable and important, but it is also necessary and urgent, and the people of Kenya have made this clear at every opportunity. Our duty as leaders is to listen keenly and comply with the people's wishes. Kenyans want to proceed in a new direction and demand a new conversation that puts ordinary Kenyans; the *mama mboga's* security, well-being, interests and aspirations at the front and centre of all policy and governance discourse.

Citizen freedoms and fundamental rights lie at the heart of enterprise and democracy. Accordingly, our governance system must be fit for purpose; able to protect people and their belongings, safeguard freedom, facilitate democracy and promote market efficiency. To do this, law enforcement must be robust; judicial integrity, efficiency and independence absolute; and the right to the protection of the law non-negotiable and impartial. Therefore, our Police Service and all other actors in the justice, law and order chain – including the judiciary – must be professional, independent, impartial, effective and inspired by national values and principles of governance.

In keeping with our promise to the people of Kenya, I signed important instruments on my first day on duty. Among them, the delayed appointment of six judges to the Court of Appeal as recommended by the Judicial Service Commission.

(Applause)

I enhanced allocation – through this House – to the Judiciary by Ksh3 billion, designated the Inspector-General, who is seating in this House, as the Accounting Officer of the National Police Service to enhance police independence and subsequently appointed a taskforce – led by former Chief Justice David Maraga – to review the terms and conditions of service of members of the National Police Service. Hon. Members, this was necessary so that we can cement our place as a nation on a firm foundation of the rule of law.

Together with the people of Kenya, we have changed everything. We have transformed the national political conversation from personalities to issues; from regional or ethnic largesse to opportunities for all our young people; from division to inclusion, and from the status quo to bottom-up economic transformation for shared prosperity. To date, Kenyans remain fully seized of the agenda, engaging vigorously and with unrelenting focus on expanding agricultural productivity to deal with the cost of living, affordable housing to create enterprise jobs and dignified dwellings, universal health coverage for a healthy productive nation, and digital transformation to create e-commerce and jobs and make Government efficient, effective and accessible, especially to Government services. Also, fintechs – including the Hustler Fund – have benefited from the space around technology and digital transformation.

By virtue of the internal coherence of our constitutional dispensation, national values and principles of governance set out core directive precepts whose observance imbues every decision and action with implicit constitutionality. To the extent that our plan is aligned with Article 43, the implementation of the bottom-up economic transformation agenda is a programme to intensify the actualisation of national values, with a special focus on citizens at the bottom of pyramid.

From the first day in office, we have worked hard every day to move our agenda forward – amid many challenges – to forge a path in the direction of progress. That is the essence of our commitment; to make progress despite challenges and move forward by overcoming great obstacles. We must never be defined by our problems, and Kenya's destiny cannot be derailed by our challenges.

The cost of living is not an abstract phenomenon. It is a reality experienced by all households, which can be addressed through practical action and effective measures. One of the most salient interventions in addressing the high cost of living is the strategy to support agricultural production throughout the sector's range of food and cash crops as well as livestock value chains. I am committed to put the shame of hunger behind us once and for all.

(Applause)

We rolled out a countrywide farmer registration and fertiliser subsidy programme that has made available 5.5 million bags to farmers across Kenya. We have progressively reduced the cost of fertiliser from Ksh6,500 to Ksh2,500, increased maize acreage under production by an extra 200,000 acres and enhanced maize production by an additional 18 million bags this year.

As a result of these interventions, today a 2kg packet of maize flour is selling at a low of Ksh145 and a high of Kshs175 depending on the brand you buy down from Ksh250 a few months ago. The famous *gorogoro* of maize is selling at between Ksh60 and Ksh75. Hon. Members, you know how much it cost a few months ago.

We have also established 22 new fish landing sites in nine counties in the Nyanza and Coast regions. We have funded and organised beach management units into cooperatives, set up two hatcheries in Kabonyo in Kisumu County, and in Shimoni in Kwale County. We are in the process of completing Liwatoni fish processing plant in Mombasa by end of next month and Shimoni Fish Port by the end of next year, again, to bring our blue economy resources into the realm of food production.

(Applause)

To achieve efficiency, transparency and accuracy in fertiliser distribution, we enrolled farmers on a digital register, with accurate details of the location and acreage of their agricultural landholdings. This database enabled us to implement an e-voucher system through which farmers received their fertiliser consignments for planting and top-dressing of maize, tea, coffee, rice, potatoes, cotton, edible oil crops and sugarcane across the country.

Our farmers are the best people to speak about the success of the fertiliser programme. Yesterday, I spoke to several farmers in different parts of the country. Ms Alice Nato, a single mother in a place called 'Milo' in Bungoma told me that the Ksh2,500 fertiliser had doubled the yield on her farm from 52 bags of maize last year to 120 bags this year.

Another farmer, Mr Albert Munyi from Embu appreciated the impact the fertiliser subsidy had on his farm, and asked me to work out a way that the fertiliser can be delivered closer to farmers rather than at the Kenya National Cereals and Produce Board (NCPB) depots. I assured him that I will work with the Governor of Embu and all governors to actualise his proposal for him and other farmers who believe the same. However, it was Mr Samuel Chacha of Kuria, who graphically painted the picture of the transformation the fertiliser subsidy has done in his farm with a phrase that stuck in my mind. He simply told me: "Mr President, *shamba yangu inametameta*."

(Laughter)

Further, we have made adequate arrangements, including investment in necessary infrastructure, to facilitate post-harvest management and prevent post-harvest losses. 17 certified warehouses, jointly managed by the National Cereals and Produce Board and the private sector owners, with a combined capacity of 365,000 MT, or 4 million 90kg bags, have been prepared in the maize-growing areas. The NCPB shall provide a subsidised maize drying service to farmers at a fixed cost as it was announced by the Minister of Ksh70 per bag, which is a significant improvement from the previous rate of Ksh350 per bag. Yet again, the first consignment of the 100 mobile driers, this House facilitated my administration to buy for use by our farmers, I announce to you, yesterday, the first consignment of the driers docked in the country.

(Applause)

Additionally, we are enhancing dairy productivity for better farmer returns. The Government, working closely with milk processors, and I had a long conversation with them in Nakuru... We are mapping the country to ensure coolers are supplied where needed. Soon, farmers will be paid based on milk quality the boosting incomes. They can also enjoy global market access.

Our reforms in the coffee sector are bearing fruit, with our farmers set to earn four times advance pay for their crop, from a low of Ksh20 to Ksh80, following the allocation of Ksh4 billion from the Coffee Cherry Fund that was ably facilitated by this House. Coffee reforms and regulations will give farmers the necessary representation and weight at the National Coffee Auction. It is my intention to make sure that the auction operates with farmers at the centre of it. These measures are expected to aid ongoing efforts, including expanding production to new counties and double coffee output in the next four years.

The Government of Kenya is currently restructuring public sugar mills, expediting the leasing of five companies for rehabilitation and expansion to boost industry competitiveness before the Common Market for Eastern and Southern Africa (COMESA) sugar safeguards expire. The objective includes creating a competitive sector, raising farmer incomes and enhancing productivity. This House agreed with my Cabinet that we waive Ksh117 billion non-performing debt for Government-owned sugar factories for which I am grateful to this House.

(Applause)

This House also approved Ksh1.7 billion that will go into paying farmer arrears and other complications that arose out of the challenges our sugar sector was facing. I want to promise this House that in the next couple of weeks we shall be disbursing that money so that farmers in the sugarcane-growing areas can go home for Christmas with their money.

(Applause)

As earlier indicated, our public borrowing had long crowded out the productive sector from the financial markets, raising the cost of credit and slowing down trade and commerce. As I told Kenyans on my first day in office, times were difficult and many people are struggling. Necessary and effective sustainable solutions were urgently needed. We must admit Hon. Members, that as a country we had been living large and way beyond our means.

The time has come, therefore, to retire the false comforts and illusory benefits of wasteful expenditure and counterproductive subsidies on consumption by which we dug ourselves deeper into the hole of avoidable debt. The new direction may not be easy, but it is ethical, responsible, prudent and, most importantly, necessary. We have had to take hard decisions and make painful choices because we owe it to Kenyans to do the right thing and confront facts as they are without flinching or equivocating.

We have worked hard, at home and abroad, to mobilise a broad coalition of bilateral development partners. Many of them I see them in this House, multilateral development banks and other agencies, which have rallied to pull our country back from the brink of debt distress and set us firmly on the path towards sustainable economic growth.

(Applause)

Our efforts to stabilise the situation have yielded such progress that next month, in December, we will be able to settle the first \$300 million or Ksh500 billion instalment of the \$2 billion Eurobond debt that falls due next year.

(Applause)

I can now state with confidence that we will and shall pay the debt that has become a source of much concern to citizens, markets and our partners.

Having said this, I further announce to the nation that our intentional, consistent and sustained efforts, here and abroad have enabled us to normalise our relations with the International Monetary Fund, World Bank, the Africa Development Bank and various development partners to such an extent that they are now working with us to implement the Bottom-Up Economic Transformation Plan.

(Applause)

As I earlier indicated, our public borrowing had long crowded our productive sector from the financial markets, raising the cost of credit and slowing down trade and commerce, especially the micro, small and medium-sized enterprises, including *mama mboga*. Consequently, many enterprises and entrepreneurs were referred for blacklisting by the Credit Reference Bureau (CRB), where 7 million borrowers were listed by last year.

We committed to provide affordable and accessible credit and restore small business owners to good standing with credit rating agencies. A deliberate, targeted strategic financial inclusion fund: The Hustler Fund, providing affordable credit and mobilising savings for individuals and small businesses was launched on 30th November 2022.

The public response to the Hustler Fund has exceeded most initial projections and surprised even the most hardened sceptics. By the end of last month, the Fund had disbursed Ksh36.6 billion, with Ksh2.3 billion in savings and 7.5 million repeat borrowers whose overall repayment rate is at an impressive 73 per cent. The top borrower of the fund has so far accessed a total Ksh4.5 million in 816 transactions, while the top voluntary saver is at Ksh631,491.

(Applause)

In the intervening period, the Hustler Fund has also launched a group product, which has attracted 50,000 active groups to the platform of which 20,000 have received Ksh151 million.

The Hustler Fund has provided us not only the huge pent-up demand for affordable credit, but also the readiness of Kenyans to embrace credit and savings and to pay their loans on time with minimum prompting. The notion that Kenyans are not credit worthy or are high-risk borrowers is nothing more than unjust financial profiling which has, in many instances, become a needless self-fulfilling prophecy.

(Applause)

Yesterday, When I called Harrison Karisa Kenga, a Tuk Tuk operator in Mombasa, who has accessed Ksh714,000 from the Hustler Fund, he suggested to me to find a way to have the Fund provide asset financing so that he can buy for himself a Tuk Tuk because the one he had was not his. I assured him that during my address today, I would ask the ministry

responsible to respond to him. Consequently, I hereby direct the Ministry of Cooperatives and MSMEs to expeditiously engage Mr Kenga. I will give you his telephone number.

(Applause)

The impact of the Hustler Fund is summarised by the story of Mr. Sospheter Ondiek from Kisii. I suggest that the Kenyan film industry should look for him to tell his full story. Mr. Ondiek has a plumbing and tiling business in Kisii and through the Hustler Fund, he has accessed a total of Ksh1.7 million in the many transactions he has undertaken.

(Applause)

To enhance our savings that have consistently been among the lowest globally, and to correct the delayed transformation of our social security architecture, fundamental reforms are underway in our savings and social security space. As promised, we committed to take deliberate measures to foster a strong culture of savings among Kenyans and enable them mobilise resources for investment and development of inter- generational capital, to eliminate old age poverty and ensure comfort in retirement. Until recently, the rate of Kenya's public pension savings stood at Ksh1.4 billion a month, which is the lowest in our region at only 12.5 per cent of our GDP.

As a result of our initial interventions, the savings situation in Kenya is changing for the better. Contributions to the National Social Security Fund have grown from Ksh1.4 billion monthly in January to Ksh6.5 billion monthly currently.

(Applause)

The implication of this growth on our national savings, is that it will significantly consolidate our nation's ability to invest in development using domestic resources as opposed to us going to borrow other people's money when they save.

(Applause)

Majority of Kenyans live in their own rural homes even though many experience land and settlement challenges, including landlessness, insecure land tenure and perennial squatter problems. Acute housing challenges are principally an urban phenomenon, and they present a serious threat to the health and safety as well as dignity of people, particularly low-income earners. The proliferation of slums in our urban areas indicate the extent of this serious problem and the urgency with which it must be addressed to enable Kenyans have greater choice in leading dignified, safe and healthy lives affordably. Low supply of affordable housing units in Kenya is acute, making rent a huge component of the cost of living for many households. The increase in affordable housing units is a strategic intervention to not only supply affordable dwellings for Kenyans, but also as a means to reduce the cost of living.

Three categories of houses will be supplied by this programme: social housing, affordable housing, and for the rest, market rate housing. Interest on financing is where we intent to make a big difference. Interest at the moment, as all of us know in this House, is at almost 18 per cent. Under this programme, all interests will be at single digit. For social housing, the interest will be at 3 per cent.

(Applause)

Hon. Members, you all know that we get mortgages at 3 per cent. The people in the social space also deserve to get 3 per cent. Those in the affordable housing space, will get at 6 per cent and 9 per cent for the market rate category.

The affordable housing programme has received tremendous support from county governments across Kenya, and I thank Governors for their partnership. The Chairperson of the Council of Governors is here, and through her, all Governors have worked with us to make sure that this programme becomes a reality.

The construction of 46,792 units in various parts of the country is already underway, while another 40,000 are ready to commence construction in a couple of weeks. Fifty thousand Kenyans who were previously unemployed, are now working and are engaged directly and indirectly in this enterprise, and the numbers will significantly increase as the project move into the next phase, and as we roll out many more units. A total of 746,795 housing units are in the pipeline as I talk to you, undergoing various stages of delivery.

More jobs are being created with the formalisation of the *Jua-Kali* clusters, providing products like doors, hinges and windows. This morning, as I visited one of the sites that I launched construction in March, with the Member of Parliament for Ruiru, I was amazed that a site that was flat in March, today, has eight 11-block units almost at 60 per cent completion. I also met the *Jua-Kali* cluster for Ruiru, and they had been given a contract of Ksh140 million to supply doors and windows.

(Applause)

Architects, engineers, quantity surveyors, masons, electricians, plumbers, transporters, steel and cement factory workers, and hardware merchants will be partakers in this transformative plan.

I spoke to Moses at the site today in Ruiru, an electrician who told me that out of the 1,700 workers who were in the site today, he was in charge of 114 electricians who are engaged in that site. He asked me to make sure the next site is ready for them because they will finish the project ahead of time.

(Applause)

We are also constructing 400 markets across Kenya to provide *mama mboga* with a dignified working environment, complete with water, electricity, and other amenities. I want to thank Members of this House for participating in various ways, and working with us and the counties in identifying the right locations for these markets.

Ladies and gentlemen, and Hon. Members, our education system must develop a formidable reservoir of skill, talent, highly competitive and innovative human capital to support our vision of an economically transformed Kenya.

Within weeks of taking office, I appointed the Presidential Working Party on Education Reform led by Prof. Raphael Munavu, my former teacher, to provide clarity on the transition to the new Competency Based Curriculum (CBC) and make further recommendations on necessary reforms in our education system, from early childhood all the way to the tertiary level.

The Working Party concluded its work and submitted a report, whose recommendations are already being implemented. The urgent and vexing question of transition to Junior School has been settled, and the Kenya Primary School Education Assessment (KPSEA) will be used for the exclusive purpose of monitoring learner progress and not for placement in the next grade. In keeping with our commitment, 56,750 new teachers have been employed, while 8,200 primary school teachers were retrained to equip them with

the capacity to effectively deliver learning and teaching at junior school levels. Hon. Omboko Milemba can confirm this. With changes to the entry requirements for Teacher Training Colleges (TTCs), admission has increased by 300 per cent to now 20,456 trainees. I was privileged to open the Kwale TTC, which had less than 100 students a few months ago. When I went there, the Principal told me that the numbers had increased four times.

At the tertiary level, the working party recommended an overhaul of the existing education funding framework to a valuable scholarship and loan model to address the financing gap, which denied many Kenyans the opportunity to pursue tertiary education in our universities and Technical and Vocational Education and Training (TVET) centres. It also created many complications in our universities and institutions of higher learning. By last year, our universities had accumulated debts of close to Ksh60 billion. I sat down with all the vice-chancellors of our 41 public universities, and we came up with a proposal that we are now implementing. The new model for financial support is student-centred and deploys a rigorous and impartial means testing instrument to establish the level of need of every student, which then becomes the primary consideration in allocating scholarships and loans.

To fully democratise our education system and make higher education accessible and affordable to all, we have also chartered the Open University of Kenya following requisite Cabinet and parliamentary approvals. I want to thank this House for expediting the Open University of Kenya Charter that had been in the works for the last 10 years. I also want to announce to you that the first 1,000 students will report next month.

In the course of consulting Kenyans from all walks of life during the formulation of the Bottom-up Economic Transformation Agenda, the fundamental contribution of health to citizen wellbeing and the role of costs in driving up poverty were identified as chronic. The implications are very clear, and we cannot afford to delay the delivery of universal healthcare anymore. Consequently, we have instituted radical reforms in the provision of healthcare services in Kenya, including the enactment of four new laws that will anchor the implementation of this bottom-up approach to healthcare. I am tremendously grateful to this House and Hon. Members for enacting the Primary Health Care Act, the New Social Health Insurance Act, the Digital Health Act, and the Facility Improvement Financing Act. Hon. Members, these laws, will usher in and guarantee a new era in the provision of healthcare by covering all essential services from preventive, promotive, curative, palliative, and rehabilitative services, thus guaranteeing every Kenyan access to comprehensive and quality healthcare.

Under Afya Nyumbani, we have scaled up our investment in the healthcare workforce by employing 20,000 new healthcare workers. We have also deployed 8,429 workers whose contracts had lapsed and enrolled 3,394 interns across the country to increase the availability of human capital in our public health sector. Working with county governments – again I am grateful to them – we have taken measures to resolve the perennial challenge of human resource management in the health sector which has been the cause of many strikes. We have established the Kenya Health Human Resource Advisory Council (KHHRAC) which will be a trusted mediator between government at both the levels and our health sector workers.

Further, under the Afya Nyumbani model, we identified preventive care as an essential pillar of healthcare service delivery because it enables Kenyans to manage their conditions early enough before they cause serious harm to their wellbeing and productivity. Community health promotion is our bottom-up intervention to deliver preventive and promotive health solutions at the grassroots. Community Health Promoters (CHPs) will visit Kenyans at their homes, provide basic diagnoses for common conditions, and refer cases to appropriate medical facilities. Together with all 47 counties, we have deployed 100,000 community health promoters fully equipped with the necessary kits and an electronic community health information system.

In the last one month, CHPs have attended to 1.2 million households.

(Applause)

Yesterday, I spoke on the phone to Mr. Masud Diriye, a CHP in Garissa. He told me that he has been a Community Health Volunteer since 2011. Unlike before, now he has a full medical kit and has used it to confirm that seven people in his locality had high blood pressure. In a twist of fate, he tested himself and discovered that he too, had high blood pressure.

(Laughter)

That is what he told me. So, apart from referring others, he also had to go to hospital. Mr. Obembi Ogutu, of Homa Bay County, told me that the programme now makes primary healthcare a paperless engagement. He said that the queues in hospitals were now reducing. Through the Facility Improvement Financing Act 2023, we have established a framework that confers financial autonomy to health facilities, enabling them to retain funds generated with a mandate to improve facilities' capacity and to provide healthcare services within that locality.

In addition, the Kenya Medical Supplies Agency (KEMSA), as part of many radical reforms, will now deploy ICT to manage supply chains of essential health products and commodities. As a result of these small interventions, KEMSA improved its stocking rate from 40 per cent to 60 per cent in the last five months. We are now targeting 80 per cent by March next year.

It is clear that we cannot hope anymore to deliver services to Kenyans across the country with any measure of efficiency, integrity, transparency and accountability without ICT. From education, health, agriculture and financial inclusion, digital technologies reign supreme in transforming service delivery, governance improvements and catalysing efficiency throughout the economy. We have commenced the rollout of 100,000 km of the last-mile fibre-optic connectivity. This will ensure there is reliable and high-speed internet in Kenya. We have done this along with 25,000 free Wi-Fi hotspots in all market centres. I received the statistics, and by the end of this year, the first 2,500 will be rolled-out and another 1,450 ICT hubs in every ward.

I thank the Members of this House for changing the NG-CDF Act. You can also use those resources in the ICT space. This will enable millions of young people in your constituencies and wards access to internet and technology for digital jobs, e-commerce and the possibility of working on remote jobs.

I have engaged the Chairperson and Committee of this House in that space. We have agreed on the model of how the ICT hub will look like. I am truly grateful that Parliament came through and considered changing the law so that we can work on this together.

We have expanded digital provision of public services to encompass 13,000 services to date, and it is our commitment to ensure full digitisation by the end of next month. Our decision to enhance efficiency and integrity in the provision of Government services has gone a long way to improve revenue collection. Working with the private sector, we launched the local assembly of affordable smartphones last week in Athi River.

Digitisation and automation enhance service delivery and citizen satisfaction, and also assures greater accuracy, transparency, accountability and reduces opportunities for corruption in the course of transacting with Government ministries, departments and agencies.

Hon. Members, corruption, wastage, inefficiency and negligence are serious threats to our transformation agenda, and unacceptable practices that have no place in our nation. I have given my firm assurance to the people of Kenya that cases of misconduct and corruption shall be dealt with ruthlessly, with finality and expeditiously.

(Applause)

I ask this Honourable House to finalise the Assets Declaration and Conflict of Interest Bill, to further tighten our anti-corruption policy framework and eliminate space for those who want to steal our money.

The security and safety of all citizens is our foremost commitment and most fundamental obligation, without which every other endeavour is not possible. The reason why Kenya has continued on the path of steady progress is that we have maintained stability, peace and security by affirming our territorial integrity and maintaining internal tranquillity.

This is not to say our country has not had its share of security challenges. The spectre of terrorism is a continuing threat that we must remain constantly vigilant against. Pockets of banditry, cattle-rustling and armed lawlessness have besieged and devastated communities in the North Rift, North-Eastern and occasionally, parts of Eastern and the Coast regions.

We all know that insecurity disrupts lives and destroys livelihoods. Our country has lost too many people to this menace. Many children have been orphaned and missed school and many families have been displaced, because of lawless men taking up illegal arms and waging war against communities. The Government exists to ensure that those who challenge our sovereignty, territorial integrity, national security and the safety of the people of Kenya are expeditiously countered and rendered harmless.

We have, therefore, taken firm and decisive measures to deal with the challenge of banditry, armed crime, cattle rustling and other forms of impunity in all parts of our countrybeginning with, the successful security operation to restore calm in the North Rift. We have been systematic, focused, thorough, unrelenting and totally committed to removing for good, all threats to the lives and livelihoods of Kenyans. I know there are pushbacks from the criminals. I want to assure the Hon. Members of this House, that we will be unrelenting until it is done; it is not done.

(Applause)

In discharging this commitment, we have been mindful not to use security imperatives to commit impunity, including misuse of resources and extrajudicial infringements on freedoms and fundamental human rights of citizens.

(Applause)

We are conscious to provide security as a public service for the benefit of law-abiding citizens and as a guarantor of economic growth. Therefore, our security services have been committed to a citizen centric, rights-focused, inclusive and community-based security strategy.

I am, therefore, quite clear that there exists no tension between the effective delivery of security services and the upholding of human rights and fundamental freedoms. We can be and therefore must be secure, yet free and democratic.

In order to entrench our all-of-society coalition, we have resolved to enhance diversity and inclusion, by expanding enrolment into the National Youth Service (NYS), as an agency to capture young people at the bottom of the pyramid. Consequently, we are doubling enrolment to 40,000 yearly in the NYS, and have made it absolutely mandatory that every village, centre, town and city in Kenya is properly represented in the recruitment.

(Applause)

To consolidate this proposition, we have directed that 80 per cent of future recruits to all our national security services from the military, police, Kenya Wildlife Service (KWS), Kenya Forest Service (KFS) and all other security agencies will be from among the welltrained, talented and committed young men and women who have undergone training at NYS.

(Applause)

Kenya finds itself continuously summoned by its duty of care to serve as a reliable anchor to our region's security, peace and stability. We continue to answer to our historic, moral and strategic responsibilities to deploy our resources in solidarity with our region in general and our immediate neighbourhood in particular.

To prevent the imminent collapse of Goma in Eastern DRC, which would have had serious consequences for the wider East African region, we deployed our troops under the East Africa Community Regional Force. We have continued to anchor the fight against *Al Shabaab* in Somalia under the African Union Transition Mission in Somalia. The Kenya Defence Forces (KDF) continues to make Kenya proud and I salute them.

(Applause)

It is our firm position that only a democratically accountable system, that is sensitive and responsive to the diverse composition of Sudan can secure that country. Given the regional interconnectedness, together with the Kingdom of Saudi Arabia and the U.S, we have engaged the Jeddah process as IGAD, to fashion a framework that is best placed to successfully deliver peace in Sudan.

Hon. Members, our economy is firmly interconnected with regional, continental and global economic systems. Our security and stability are likewise integrated with those of our neighbours. Kenya has a fundamental, essential, legitimate and clear interest in conducting robust diplomacy in the form of bilateral and multilateral engagements.

For the last 12 months, we have continued to fulfil our international obligations through Kenya's leadership in the international arena. This is underscored by the high-level summits Kenya has hosted and participated in.

Kenya successfully hosted the inaugural, first-ever Africa Climate Summit, the 43rd Ordinary Session of the Executive Council, the 5th Mid-Year Coordination meeting of the African Union and the Regional Economic Communities and the first-ever African edition of the Berlin Climate and Security Conference in Nairobi. All these summits brought to our country over 30 Heads of State and Governments and over 30,000 delegates from different parts of the world.

The Government has made deliberate efforts to harness the immense potential of Kenyans in the Diaspora. Indeed, I established the State Department of Diaspora in the Ministry of Foreign and Diaspora Affairs so that Kenyans in the Diaspora can fully participate in the affairs of their motherland.

I have committed to work collectively, consultatively and collaboratively with counties and all Kenyans to uphold our cherished national values such as human dignity, equity, social justice, national unity, inclusiveness, integrity, good governance, transparency and accountability. I encourage all Members and Kenyans to embrace an open mindset in regard to national strategic interests, and to leverage on our rich heritage and diversity.

One of the greatest strengths of our country is our capacity to devise bold, unprecedented solutions to our threats and challenges, create imaginative strategies to avert danger and chart new paths to deliver us from adversity. There is no doubt that our nation has been confronted with immense pressure emanating from political misunderstandings and

electoral disagreements. This is because we have a robust democracy, which we are very proud of. Such pressure can disrupt lives and livelihoods and undermine our economy. Thankfully, Kenyans always find the moral strength and political imagination to reach across the political divide and engage in dialogue in the spirit of goodwill, fraternity, commitment to national interests and the welfare of the nation.

Hon. Members, it would be remiss of me not to mention the ongoing bipartisan process of national dialogue that has enabled our leaders to find common ground on many issues, whose resolution will accelerate our transformation, deepen our democracy and entrench national unity. Specifically, I thank the two Co-Chairpersons, my good brother, Hon. Stephen Kalonzo Musyoka, our former Vice-President, and the Leader of the Majority Party in the House, Hon. Kimani Ichung'wah, for doing a wonderful job. Congratulations gentlemen. I salute the courage and patriotism of my fellow leaders who have embraced national dialogue and encouraged all of us to keep up the noble work of bringing Kenyans together.

There is so much to report about the progress we have made in serving the people of Kenya and transforming our economy. I have only provided a summarised highlight of the most salient instances of transformational progress in my address. It is my pleasant duty to hand to the Speakers of the Houses of Parliament the three Reports in full as follows:

- 1. The 10th Annual Report on Measures Taken and Progress Made in the Realisation of National Values and Principles and Governance;
- 2. The 10th Annual Report on Progress Made in Fulfilling the International Obligations of the Republic of Kenya, and;
- 3. The 10th Annual Report on the State of National Security.

With profound humility, I will not hesitate to acknowledge that a lot of the successes we have achieved in delivering the Bottom-Up Economic Transformation Agenda was due to the patriotic support and solidarity from Members of Parliament, both in the Senate and the National Assembly. We are fortunate to be attempting this ambitious historic project of radical change in a bipartisan era when dialogue, consensus, collaboration and partnership have replaced dissent, contention, conflict and disarray, as the operating principles of political discourse. Issue-oriented politics is not just a democratic necessity and a pathway to sustainable transformation. It is the most effective way of mobilising diversity for collective national good.

As the world reels from destructive assaults on democracy and the relentless subversion of human dignity, freedom reigns supreme in our land and our democracy grows deeper and more robust by the day. Our collective resolve as a nation to further entrench constitutionalism, democracy, and good governance is a unique quality which confers on us an incomparable advantage – the power to face the future without fear, to imagine a transformation that extends to posterity and envision prosperity that benefits our children's offspring and beyond.

As long as we put the welfare of the people of Kenya as our central agenda and play our respective roles in ensuring that Government is effective and accountable, efficient and transparent, Kenya's best fortunes are well within our reach. I am persuaded, beyond any reasonable doubt, that we shall achieve transformation beyond our wildest dreams within this generation.

As a leadership and as a people, we have a historic opportunity to preside over the greatest transformation and progress ever witnessed in our nation. Kenya is a nation of brave, hard-working, enterprising people who are determined to prevail in the struggle for economic freedom and win the race for prosperity. Great deeds will be accomplished whenever and wherever opportunity exists in a nation like ours. This is why the hard work that we have done is already showing the promise of abundant fruit. We have laid a firm foundation for rapid development, and Kenya is no longer "on your marks". The state of our nation at this moment

in time is "prepared, all set and ready to go".

Thank you. God bless you and God bless Kenya.

(Applause)

ADJOURNMENT

The Speaker of the Senate (Hon. Amason Kingi): Hon. Members, please, be upstanding.

Your Excellency the President, Rt. Hon. Speaker of the National Assembly, Hon. Members, we have come to the conclusion of the business of the day, and it is now time to adjourn

The Senate stands adjourned until Tuesday, 14th November 2023 at 2.30 p.m. at the Senate Chamber.

The Speaker of the National Assembly (Hon. Moses Wetang'ula): Hon. Members, remain upstanding.

Hon. Members, the National Assembly now stands adjourned until Tuesday, 14th November 2023 at 2.30 p.m.

Your Excellency the President, I also take this opportunity to invite all Members and our guests to a reception at the Parliament courtyard. I also request all Members and our guests to remain standing in your places until the procession of His Excellency the President and the Speakers leaves the Chamber.

Thank you.

DEPARTURE OF HIS EXCELLENCY THE PRESIDENT

(Members of Parliament stood in their places while His Excellency the President left the Chamber)

Parliament rose at 4.10 p.m.

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