

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.8975 of 6th November, 2020 and No.8976
of 6th November, 2020)*

Thursday, 12th November, 2020

*Parliament met at forty minutes past two 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 forty minutes past two 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 were 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 240(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, pursuant to Article 132(1)(b) and (c)(i) and (ii) of the Constitution and Senate Standing Order No.22(1) and (2), upon a request by the presidency vide a letter reference No. SH/1/5 dated 23rd October, 2020, I gave notice of today's Special Sitting to the hon. Senators by Gazette Notice No.8976 which was published in the *Kenya Gazette* on Friday, 6th November, 2020.

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

I thank you.

(Applause)

The Speaker of the National Assembly (Hon. Justin Muturi): Your Excellency, Hon. Uhuru Kenyatta, C.G.H. 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)(b) of the Constitution of Kenya requires the President to address a Special Sitting of Parliament 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 realisation of our national values. Additionally, the same Article provides that the President shall submit a report for debate to the National Assembly on the progress made in fulfilling international obligations of the Republic.

In this regard, and pursuant to the same Article 132(1)(b), 132(c), (i) (ii) and (iii) of the Constitution and the provisions of Standing Order No.22 of the National Assembly Standing Orders, by Gazette Notice No. 8975 which was published in the *Kenya Gazette* on 6th November, 2020, 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, allow me, in the usual parliamentary practice, to recognise some key invited guests with us here today.

Seated at the Speaker's Row, I wish to recognise the Hon. Deputy President of the Republic of Kenya, His Excellency (Dr.) William Ruto, the former Prime Minister of the Republic of Kenya and the African Union's (AU) High Representative for Infrastructure Development in Africa, Rt. Hon. Amollo Odinga and the former Vice-Presidents of the Republic of Kenya, the Hon. Stephen Kalonzo Musyoka and the Hon. Musalia Mudavadi.

(Applause)

May I also accord special recognition to the following other distinguished guests seated at the Speaker's Gallery-

(1) Hon. (Dr.) Wycliffe Oparanya, E.G.H, the Governor of Kakamega County and Chairperson of the Council of Governors (CoG) and,

(2) Hon. Mike Sonko, the Governor of Nairobi City County.

They are all welcome to Parliament today.

(Applause)

Your Excellency, I take note and I am grateful for your acceptance to preside over the launch of the Kiswahili version of the National Assembly Standing Orders after today's Address. This is going to be the second major milestone towards the use of Kiswahili in parliamentary proceedings, after the first one in 1974, which was undertaken following a directive to Parliament by the founding father, His Excellency Jomo Kenyatta.

(Applause)

Towards this end, I am grateful that our public universities partnered with us in making the translation of the English version of our Standing Orders into Kiswahili. Of particular mention, in this regard, your Excellency, is the University of Nairobi (UoN), represented here today by the Vice-Chancellor, Prof. Stephen Gitahi Kiama, Kenyatta University (KU) represented by the Vice-Chancellor, Prof. Paul Wainaina and Moi University represented today by the Vice-Chancellor, Prof. Isaac Kosgey.

I acknowledge their presence.

(Applause)

Your Excellency, accompanying the Vice-Chancellors are the following Kiswahili experts who deserve special mention because they worked directly with the National Assembly to make possible the translation of our Standing Orders to Kiswahili. They are-

- (1) Prof. Mwangi Iribe;
- (2) Prof. Kitula King'ei;
- (3) Prof. Clarah Momanyi;
- (4) Dr. Robert Oduori;
- (5) Dr. Miriam Osore;
- (6) Dr. James Michira;
- (7) Mr. Vincent Magugu; and,
- (8) Mr. Nuhu Bakari.

I salute them all.

(Applause)

In the same breadth your Excellency, I also wish to thank members of staff who painstakingly worked with the experts to deliver the Kiswahili Standing Orders. A special mention goes to the Clerk of the National Assembly, Mr. Michael Sialai, EBS, and Messrs

Samuel Njoroge and Kipkemboi arap Kirui- the Director and Deputy Director of the Directorate of Legislative and Procedural Services, respectively.

(Applause)

Hon. Members, 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.

Your Excellency.

(Applause)

PRESIDENTIAL ADDRESS

EXPOSITION OF PUBLIC POLICY

His Excellency the President (Hon. Uhuru Kenyatta): *Asanteni sana.*

Hon. Speaker of the National Assembly, Hon. Speaker of the Senate, Hon. Members of Parliament, distinguished guests and fellow Kenyans it is my great pleasure today to join you as I report to the people of Kenya on the state of our nation.

I return to this esteemed Chamber to deliver my 17th State of the Nation Address in a House that I had the privilege of serving in for 11 years; five years on the Opposition benches as the Leader of the Official Opposition and six years as a Cabinet Minister. Indeed, my mixed bag of fortunes whilst in this House affirms the possibilities of our nation.

(Applause)

Hon. Speakers and Members, as a reminder of our sacred duty to our beloved nation, and in renewal of our solemn pledge to God and to one another, let us reflect on the following words-

“O God of all creation

Bless this our land and nation

Justice be our shield and defender

May we dwell in unity

Peace and liberty

Plenty be found within our borders.”

May the words of our National Anthem inspire us all to serve faithfully and with hearts filled with thanksgiving.

As I deliver the State of the Nation Address, I will also report on the measures taken and the progress achieved in the realization of our national values in line with Article 132 of our Constitution.

Finally, I will submit to the National Assembly a report on the progress made in fulfilling the international obligations of our Republic, as well as a Report on the State of our National Security.

At the outset, I assure you that the state of our nation is strong, resilient and brimming with the promise of an even brighter tomorrow. I deliver this State of the Nation Address in the midst of extraordinary global economic, social, and health disruptions, which have not spared us. These disruptions necessitated the rescheduling of this Address for about six months.

Before I embark on that solemn constitutional duty, I note with satisfaction the critical role Parliament has continued to play in facilitating and driving the realization of our national vision by appropriating resources and by overseeing the Executive at both levels, and the Judiciary of our Republic.

I particularly commend both Houses for your superlative support for the measures sought by the Executive with regard to the National Emergency Response to the Coronavirus Pandemic; and for approval of all statutory instruments issued under the Public Health Act and the Public Order Act, as part of the containment measures rolled-out to stem the spread of this deadly disease.

I also convey my gratitude to the National Assembly for the expeditious consideration of my nominees to various State offices, including Ambassadors, High Commissioners and Permanent Representatives to Kenya's missions abroad. I note with appreciation that our latest State nominee, being our nation's inaugural Data Commissioner was also duly considered by the House. *Asanteni sana.*

(Applause)

I am pleased to confirm to this House, that the roll out of the unique Personal Identification Number, *Huduma Namba*, with all its attendant benefits, is now fully on course. We are desirous of accelerating the implementation of our national transformative agenda. In this regard, I urge Parliament to prioritize the consideration of various seminal Bills that are pending before the Legislature, such as the National Aviation Management Bill, which once enacted, will anchor the turnaround of the Pride of Africa – our national carrier, Kenya Airways. Also before the House is the Statute Law (Miscellaneous Amendments) Bill, the Business (Amendment) Bill No.2 of 2020 and the proposed legislation on the administration of referenda and on enhancing governance and deepening our anti-corruption efforts.

As we ushered the third decade of the 21st Century, we were invaded by locusts threatening to decimate our food baskets and the livelihood of millions of our farmers. In the far Eastern part of the Globe, a new disease, (COVID-19) was emerging, devastating millions of people. The World Health Organization (WHO) declared the COVID-19 outbreak a public health emergency of international concern on 30th January, 2020, and further went on to declare it a Pandemic on 11th March, 2020.

The COVID-19 Pandemic has led to an unprecedented loss of life, global economic slow-down, the postponement of major cultural, religious, political and sporting events, including the 2020 Olympic Games. It also led to the shutting down of borders and airspaces, the closure of institutions of learning, disruption of production and supply-chains, a massive strain on health systems in every nation on earth and tremendous pressure on individuals, families, communities and entire nations.

On 28th February, 2020 through Executive Order No.2 of 2020, I established a framework to upscale and co-ordinate Kenya's preparedness and response to the Coronavirus threat. Kenya's first case of COVID-19 was confirmed on 13th March, 2020. In the days and weeks that followed, my Government put in place a series of public health measures to stem the spread of COVID-19. These included Kenya's first ever nationwide curfew since independence, the restriction of movement into and out of the most affected counties, the shutdown of learning institutions, a ban on public and social gatherings, restrictions on the number of passengers in public service vehicles, among other containment measures.

Our health institutions also ramped up their preparedness by training their staff on management of the disease by creating isolation areas and procuring and deploying the relevant equipment and medication. Despite these commendable efforts, as of this morning, Thursday 12th November, 2020 we have reported a total of 66,723 confirmed cases of the COVID-19 in our country and sadly also a total of 1,203 deaths since this tragedy fell upon us, out of which, we can say that 23 persons succumbed to the disease over the last 24 hours.

Our hearts go out to the families who have lost loved ones to Coronavirus. Our thoughts and prayers are with all those who are undergoing isolation or treatment with respect to this disease. We wish them a quick and complete recovery.

Hon. Speakers and Hon. Members, I would like at this juncture to request all of you to rise up on your feet and join me in observing a minute of silence in honour and in memory of the 1,203 Kenyans who have succumbed to the deadly disease.

(A moment of silence was observed)

I thank you.

Hon. Speakers, it is my plea to this House and to all Kenyans that we must not succumb to COVID-19 fatigue. We must not back track from our vigilant fight against this pandemic. On our part as leaders, our stamina for discipline must not diminish. If the people fall short of giving their best at this time, we, the leaders, have no option but to give our all. As I said recently "We must... "know the way, go the way and also show the way".

Hon. Speakers, we also once again honour and commend all our frontline health workers across the country, and we shall be forever grateful for their service under tremendous strain and challenging conditions.

(Applause)

We also recognize and honour all our other first responders, frontline staff and essential workers who have selflessly gone above and beyond the call of duty and ensured that the Kenyan flame continued to burn bright.

(Applause)

Hon. Speakers, the COVID-19 Pandemic began against the backdrop of a steady economic growth rate of 5.4 per cent in 2019. Our focus in implementing the Kenya

Vision 2030 and its medium term plan dubbed the “Big Four Agenda” has been bearing fruit. As result, most of the major economic sectors evidenced impressive growth last year, including manufacturing, agriculture, tourism and financial services. However, when it became apparent that the COVID-19 Pandemic threatened to erode the significant economic gains we had made in 2019 and the preceding years, on 25th March, 2020, I, announced State interventions to cushion Kenyans against the adverse economic effects of the COVID-19 Pandemic that warranted the national exchequer to forgo taxes amounting to Kshs176 billion annually. Those tax measures included-

(1) The temporary suspension of the listing with Credit Reference Bureaus (CRB) of any person, Micro, Small and Medium Enterprises (MSMES) and corporate entities whose loan account had fallen overdue or was in arrears;

(2) The immediate reduction of VAT from 16 per cent to 14 per cent;

(3) Tax Relief of 100 per cent for all persons earning up to Kshs24,000;

(4) Reduction of Pay as You Earn (PAYE) from 30 per cent to 25 per cent;

(5) Reduction of Corporation Tax from 30 per cent to 25 per cent;

(6) We also instructed that all Ministries were to pay approximately Kshs13 billion of verified pending bills, so as to improve liquidity in the economy and ensure that businesses remained afloat by enhancing their cash flows with the private sector also being encouraged to clear all outstanding payments owed within itself;

(7) The Kenya Revenue Authority (KRA) was directed to expedite the payment of all verified VAT refunds claims amounting to Kshs10 billion within three weeks or, in the alternative, allow for the offsetting of Withholding VAT, in order to improve cash flows for businesses;

(8) That Kshs6 billion from the Universal Health Coverage (UHC) kitty was to be immediately appropriated strictly towards supporting counties and the recruitment of additional health workers to support in the management of the spread of COVID-19;

(9) The lowering of the Central Bank Rate (CBR) from 8.25 per cent to 7.25 per cent, so as to prompt commercial banks to lower interest rates applicable to their borrowers, and thereby availing much needed affordable credit to MSMEs across the country;

(10) The lowering of the Cash Reserve Ratio (CRR) from 5.25 per cent to 4.25 per cent, so as to provide additional liquidity of Kshs35 billion to commercial banks in order to directly support borrowers that were distressed as a result of the economic effects of the COVID-19 pandemic; and,

(11) That the Central Bank of Kenya (CBK) was to provide flexibility to banks with regard to the requirements applicable to loan classification and provision of loans that were performing as at 2nd March, 2020.

In addition, my administration, with the support of Parliament, further initiated an Eight-Point Economic Stimulus Programme amounting to Kshs56.6 billion. The major objective of the Programme was to return the economy to the growth trajectory it was on pre-Corona by increasing demand for local goods and services, cushioning vulnerable Kenyans, securing household food security for the poor, and creating employment and incomes. More importantly, the programme sought to enhance liquidity in support of the business sector, particularly micro and small enterprises. Accordingly, we set aside a further Kshs5 billion for the operationalizing the Credit Guarantee Scheme (CGS).

The recovery programme also targets to revamp a broad spectrum of economic sectors by hiring 5,000 health workers and 11,000 interns; even as it supports our teachers as they continue to enhance the delivery of knowledge to our children. It further seeks to create 100,000 job opportunities for the youth, besides implementing a subsidized farm input scheme for vulnerable households. Part of the resources allocated will be utilized on the ongoing fabrication of 250,000 school desks crafted by local artisans.

Hon. Speakers, despite the very difficult times that we have faced as a nation, our people have remained resilient. In the face of tremendous economic challenges and the health crisis we are facing, the majority of us have truly been our brother's keeper. Not only have we stood with our family members and friends going through hard times, we have also acted responsibly by following the laid-down public health directives.

Fellow Kenyans, we are not yet out of the woods, and so, I urge all Kenyans to keep doing that which is honorable and right. As a nation, we will overcome and thereafter soar to even greater heights.

Hon. Speakers, the COVID-19 Pandemic has brought to the fore the urgent need for us to upscale our implementation of the Universal Health Coverage (UHC) pillar of the Big Four Agenda, which seeks to eradicate the 'poverty of dignity' and transition our nation into an era where no Kenyan should be forced to sell their land in order to settle their medical bills, or be forced to make a choice between buying the much needed medicine and using the money to feed their children; an impossible choice.

Last year, I informed Parliament that the national Government, in partnership with the county governments, was piloting the UHC programme in the counties of Nyeri, Machakos, Kisumu and Isiolo in preparation for a roll out nationwide. I am pleased today to report that the pilot programme for the UHC was successfully implemented, and out of it we have isolated critical learning points that have informed enhancements to my administration's health policy priorities, going forward.

As we inch closer to the national rollout of the UHC, a fortnight ago in Mombasa, I launched the biometric registration for the UHC Scheme. Similarly, my administration is instituting far-reaching reforms of the NHIF as it perfects the medical insurance scheme.

Hon. Speakers, it is notable that there has been phenomenal increase in mental illness across the country and, indeed, around the world, which has caused serious national distress and anguish in our families. As a caring Government, I have established an office in the Ministry of Health, with the full responsibility of spearheading our national response to this latest disruption to our social order and our nation's wellness. To institutionalize this seminal initiative, I, have issued an Executive Order establishing an ultra-modern National Mental Health Hospital and also elevated Mathari National Teaching and Referral Hospital (MNTRH) as a semi-autonomous specialized hospital. I shall be looking to this House to support in the funding of this facility.

(Applause)

The East Africa's premier mental health facility will be established to offer training and research in psychiatry, specialized psychiatric services, forensic psychiatric services, child and adolescent mental services and substance abuse, addictive disorders

treatment and rehabilitation services. Challenges to our public health notwithstanding, I am confident that in partnership with county governments, we are on course to realize the aspirations that we have of Universal Health Coverage for all.

Hon. Members, a nation's future is its children. As custodians of and trustees for future generations, it is our duty to protect, nurture and mold our young children into responsible citizens. Our children embody the only true guarantee of the continuity of this project that we call Kenya. To this end, my administration continues to institute far-reaching reforms within our education sector. In January last year, we successfully completed the roll-out of the Competency Based Curriculum (CBC), an exercise, which, while not without its challenges, is one that has nevertheless been fully embraced by all stakeholders in the education sector. As at the end of 2019 calendar year, we had been able to achieve a textbook to pupil ratio of one to one for grades one through to three.

I assure this distinguished sitting that the journey to replace the 8.4.4 system with the new fit-for-purpose curricula, is well underway, and refinements are being undertaken in the course of implementation.

Hon. Members, as a parent and also as a grandparent, I share in the pain and frustration of most parents in having our children home for nearly an entire year. However, as a responsible Government, we put the health and safety of the children as the paramount consideration.

(Applause)

The gradual and phased reopening of schools that began with the examination classes is being carefully monitored at all levels, so as to ensure that our young Kenyans are safe and secure as they continue preparing for their national examinations. The Ministry of Education will, within 14 days from the date hereof, announce the 2021 Academic Calendar, with all other classes expected to resume learning in January, 2021.

(Applause)

Still on the subject of our basic education, I made a commitment to the nation, during my last State of the Nation Address, that no child should be left behind, meaning that no child would be denied their right to access quality education.

I am pleased to report to this House that for the second year running we have been able to achieve a transition rate of 100 per cent from primary to secondary schools. Even as we prepare to reopen schools, I once again reiterate that no child will be left behind, even those who, unfortunately, have transitioned into being young parents.

Hon. Speakers, in the face of these undoubtedly impressive gains, we must guard against resting on our laurels. The next frontier in the quest to improve education for all is to improve our education in Kenya by enhancing quality of education, both in terms of physical structure as well as content.

It is evident that our public day and boarding secondary schools infrastructure is overstretched and as a result, our students are suffering congestion in their classes and dormitories. These challenges, however real, must not stop us from pursuing what we know to be the right thing for our children. Rather, they should motivate us to work even harder.

Through a combination of interventions both policy and financial involving the Ministry of Education, county governments and Members of the National Assembly through the National Government Constituency Development Fund (NG-CDF), we shall have the necessary resources to address the infrastructure gap in our education sector conclusively within the next 24 months.

In this regard, I appeal to Members of the National Assembly, that the use of funds under your oversight should be used primarily to respond to the immediate and short-term needs of our learners.

(Applause)

Currently, there is an urgent need for construction and equipping of more dormitories, classes and other amenities to further facilitate ease of learning for our children.

Indeed, conscious of the fact that significant financial resources will be deployed towards the construction of at least 12,500 new classrooms and related school facilities, in that regard, the Ministry of Education and the Ministry of Transport, Infrastructure, Housing and Urban Development have been instructed that by 1st December, 2020 to issue a new set of building guidelines for school infrastructure that allows the use of appropriate and cost effective building technologies suited to the varied geographies of our nation.

The intervention of these guidelines will achieve transparent and standardised bills of quantity that will guarantee value for taxpayers' money. For every shilling that we put into school infrastructure, we must seek to obtain more classes built to acceptable standards.

Fellow Kenyans, Hon. Members and Hon. Speakers, on the state of our economic development, at Article 132, read with Article 10 of our Constitution, I am required to report to Parliament on a wide array of economic, social and relational achievements. I call the sum total of all these achievements our economic development.

Hon. Members, economic development is not about intentions and activities; it is about results. It not about the volume of what we did; it is about the impact of what we achieved. In other words, economic development is the measure of the tangible positive transformation of the wellbeing and quality of life of our people.

During this year's reporting, I will focus on four areas of primary thrust, and situate the four areas within the broad framework of the Big Four. I must mention from the outset that the Big Four is not a project as many may think. The "Big Four" is an economic development strategy or framework, which I have used to organize Government delivery and to answer the question 'Why' in terms of the selection of the priority areas we are working on.

The philosophy of the Big Four is anchored in four intentions which we have pursued relentlessly this year, despite the problem of COVID-19. The first one is liberating our urban poor from the poverty of dignity caused by poor housing and inadequate services. The second is transitioning our young people from being 'earners of wages' to 'owners of capital'.

The third is building a holistic base of human capital that is food secure and health assured. The fourth is jump-starting the shift from being a country of net

consumption to one of production. This has been our “why” for the Big Four during this difficult year.

Let me begin my report to you by discussing the ‘poverty of dignity’ visited upon our urban poor. Indeed, it is a shame that almost 60 years after independence, a majority of our urban dwellers live in a dignity poor environment. Their sanitary conditions are inhumane, and their habitations are deplorable. Our intention is to reverse this, and the Nairobi Metropolitan Services (NMS) is a pilot project that has been successful in rolling back the frontiers of this urban indignity.

(Applause)

The other intervention we have engaged in is that of affordable housing under the Big Four. My administration’s pilot project at Park Road, Nairobi, is the first beacon on this journey that was delivered ahead of schedule and within budget. We have also concluded the successful incorporation and capitalization of the Kenya Mortgage Refinance Corporation (KMRC). This Corporation, will improve mortgage affordability, increase the number of qualifying borrowers, and result in the expansion of the primary mortgage market and home ownership in Kenya while also deepening the capital markets through large-scale medium to long-term refinance options.

I would also like to report that there are also ongoing reforms in the land sector to improve access to land as a factor for development. Towards further promoting and sustaining Kenya’s national development, the National Land Titling Programme continues apace. During My administration and over the last seven years, 4.5 million new titles have been issued since 2013 as compared to the six million titles issued from 1963 to 2013.

These are not merely abstract statistics. They represent very real gains for *mwanachi* and the resolution of longstanding historical land injustices. For example, just last week in Samburu County, only 2,000 group ranches were titled by the preceding administrations, but up to early this month, my Government has issued over 10,000 titles in Samburu County, and by January next year, we are on course to have issued a further 15,000 titles.

Hon. Members, just over a month ago, I also issued a further 2,000 titles here in Embakasi Ranching in Nairobi, whose combined values to the owners is approximately Kshs6 billion, in the hands of our people today.

(Applause)

To restore fully the sanctity of titles, we are also digitizing all the land records across the Republic. This national endeavour is anchored under the National Land Information Management System (NLIMS). The System is designed to enhance security of land records, improve accessibility and dramatically reduce the cost of land transactions.

I call on all stakeholders and in particular the Law Society of Kenya (LSK), to embrace and support this positive transformation that removes land information management in Kenya from its current 19th century systems and standards, to those of the 21st century. Other reforms in the sector include the formulation of the Sectional

Properties Bill to bring legal clarity to the ownership of sectional properties. This Bill is in its final stages before introduction in this esteemed House. My prayer to you, Hon. Members, is that we may pass this Bill that will allow millions of Kenyans access mortgage and credit for their apartments and smaller dwellings, and to create greater equity for all our people.

Hon. Members, let me underscore that eradicating the poverty of dignity is not just about securing tenure and dignified habitations. The poverty of youth dignity is also one of the areas we have focused on. Youth pessimism and fatalism can also be turned to patriotism, if youth are liberated from the poverty of dignity. We have worked hard to give youth self-esteem and a sense of purpose. We have done this because dignity comes from self-reliance and a sense of contributing to society. If the youth are given a sense of national importance, they will 'own' the country and guard it jealously as active 'shareholders'. Initiatives such as contracting youth artisans as suppliers to the Big Four Projects are a visible example of this successful approach.

The second intention under the Big Four during this reporting period has also been about young people. My Government's objective has been to shift our young people from being 'earners of wages' to owners of capital. We have modeled this through engaging them in collective action.

As we seek to grow our industries and create jobs in the manufacturing sector, we must of necessity have the manpower, with requisite skills, to match the needs of industry. Majority of the skills required are with respect to blue-collar jobs that need young men and women who understand the basics of the digital economy and who have the capacity to deploy both knowledge and ingenuity as they seek to solve practical problems. It has taken considerable effort on the part of my administration to educate both parents and young people that there is a viable education pathway for form four leavers who do not achieve the necessary grades to pursue university programmes. This pathway is anchored on the Technical and Vocational Training Programme. Today, I am proud to report that we have so far enrolled 430,598 students into 182 technical and vocational training colleges across the country.

The curricula for these institutions has been developed in partnership with industry stakeholders in varied sectors of our economy ranging from automotive assembly, oil and gas, maritime and shipping to agro-processing. We are also collaborating closely with technology partners to develop curricula for basic digital skills, to allow our young people to take advantage of opportunities within the digital economy.

Indeed, barely a month ago, I launched a *Boda Boda* Scheme meant to bring together 1.4 million riders in that sector, who actively support 5.2 million families across the country. What I told them is that in aggregate, these riders make a total of Kshs357 billion a year, which is more than the total disbursements that we make to the 47 counties through the national Exchequer, which presently stands at Kshs316 billion annually. With these statistics in mind, it is clear that *boda boda* riders can come together and become owners of capital and the holders of major investments. We are encouraging them to engage in saving schemes and to work together in order to create a capital base that will enable them to own petrol stations, *boda boda* assembly factories and other investments that will transform their lives.

(Applause)

Shifting our youth to become owners of capital also requires us to develop productive capabilities that move them from rudimentary to complex operations. This is partly why we have revived RIVATEX as a producer of textiles and consumer of locally produced cotton. This is in line with the Agricultural Transformation Strategy that obliges the growth of new strains of bio-technical cotton as a key area of opportunity for Kenyan farmers. The manufacturing pillar of the Big Four also aims to provide some training ground for our young people to acquire skills and replicate them in light industries.

The third intention under the Big Four during this reporting period has been to develop a holistic human capital base. Our intention here has been to expand our health infrastructure and to guarantee that the individual is free from want and free from fear. Similarly, and in support of the holistic individual, I would like to report that measures aimed at achieving food security are already in place. The implementation of the Agricultural Sector Transformation and Growth Strategy is well underway. We have also successfully reformed the Agricultural Inputs Subsidy Programme. If we can achieve this intention of developing a holistic human capital base, we will increase our national productivity and enhance our economic development.

The fourth intention of the Big Four under this year's economic development agenda is the commencement of the journey from being a country of net consumers to a country of net producers. In order to make this shift, we must admit that we cannot experience any significant progress in manufacturing and agro-processing without the building of transport systems and making significant investments in energy.

Hon Members, even as we mooted the Big Four intentions, some of us recognized then, as we still recognize now, that the task of ending the indignity of not having decent shelter; the task of enhancing access to Universal Health Coverage (UHC); the task of enabling all who are willing to live in dignity through the sweat of their brow to thrive, and the task of ensuring food and nutrition security would not be completed in a single term of office. That being the case, we give our solemn vow that by the end of 2022, we would have laid an unshakable foundation for the realization of this vision, which is a shared aspiration for millions of Kenyans.

As an enabler to the Big Four Agenda, my Government will continue to roll out seminal programmes in response to the needs of businesses both large and small. We are continuously enhancing the ease of doing business and creating an enabling environment for all our enterprises to thrive. Earlier this week, I, commissioned a Transit Shed at the Kenya Railways, Nairobi and dedicated it as the clearing point for cargo imported into the country by our small traders, saving them the agony and inconvenience of delayed clearing of their trade wares as well as saving them considerable financial cost. The dividends of our sustained reforms and investments over the last few years continue to enhance our nation's competitiveness and ranking globally.

We have recorded many milestones thus far, such as Kenya's 80-slot improvement since 2014, with our nation currently ranked at No.56 globally and ranked 3rd in Sub-Saharan Africa on the Ease of Doing Business Global Ranking Report, from a low of 136th globally in 2014. As an affirmation of our place of pride within the community of nations, Kenya now ranks No.1 globally in protecting minority investors and 4th globally in terms of getting credit. The number of companies registered daily has increased by 500 per cent from 30 in 2014 to 200 in 2020, and a daily average of 300

during the COVID-19 period. On aggregate, 400,000 companies are annually now registered in Kenya. *Watu wanafanya biashara tuu, hata nyinyi.*

(Laughter)

My Government has heeded the cries for bold and decisive actions to reduce the unnecessary regulatory burden occasioned by the multiplicity of licenses at both the national and county levels. Our initial focus in Nairobi City County has seen the waiver of single business permits for all new businesses registered in Nairobi for the first two years of their operations, effective March this year. We also have waived the presumptive tax requirement for all new businesses. These two initiatives and others within our ease of doing business programme will now be aggressively rolled-out nationwide, as we endeavor to make it even easier for both local and international investors to set-up, operate and expand their businesses. Our endeavor is to make Kenya the best country in the Continent in doing business by the year 2022. For this, I seek the support not just of this House, but also of our 47 county governments.

As we continue to create an enabling environment for our enterprises to thrive, we are also enhancing connectivity in the country through ports, road and rail. In respect to key national trunk roads, the construction of the Nairobi Expressway Project continues apace. Just last month, I witnessed the signing of Africa's largest Public-Private Partnership funded project, the Nairobi -Mau-Summit Express Way. These are milestones which will have significant positive impact on the economy, by decongesting Nairobi's gateways on the part of the Expressway Project and by opening up the economies of and increasing connectivity in Western, Rift Valley and Central Kenya on the part of the Nairobi-Mau-Summit Project.

Hon. Members, with regard to ports and bridges, the Lamu Port Berth-One is now complete, and the focus has shifted to bringing it into full operation for trans-shipment cargo. My administration is also in the final stages of installing the Likoni Floating Bridge, an 824m long bridge costing Kshs1.9 billion, that will be the first automated floating bridge in Kenya. The Likoni Floating Bridge will help to decongest ferry transport at the Likoni Channel in the context of COVID-19 safety concerns and beyond by providing a safe pedestrian connectivity from Liwatoni on Mombasa Island to Ras Bofu on the Likoni mainland side. Further, the Kisumu Port Rehabilitation works are ongoing, and the new port is now already processing fuel products to Uganda.

On our railways, two days ago, I commissioned the Nairobi Commuter Railway Upgrades, which are set to dramatically change the public transport experience in Nairobi and across the Metropolitan Area. Additionally, we are undertaking rehabilitation of the meter gauge railway line along various routes. The Nairobi to Nanyuki route is now back in service after decades of dormancy, with the Naivasha to Kisumu route currently undergoing an overhaul under a multi-agency team coordinated by the Kenya Defense Forces.

With regard to the energy sector, the last mile connectivity programme crossed the 7.2 million household connections mark and the country is proceeding well towards the aspiration of 100 per cent universal electricity access by 2022. We have also completed a National Geo-Spatial Mapping exercise that has allowed us to catalogue the

wealth of our natural resources. It will also enable us to improve the management and use of land, the essential but finite resource we share as a nation.

To protect all these undertakings, Hon. Members, I am required to submit a report on the state of our national security pursuant to Article 240 of our Constitution.

Hon. Members, the state of our national security is strong. Our homeland is secure from the varied threats against it. For this, on behalf of all Kenyans, and as Commander-in-Chief, I give thanks and praises to the brave men and women of our security services.

(Applause)

We have continued to root out terrorists, arrest and prosecute many. Their plots are detected and disrupted before they can cause serious harm to more innocent Kenyans. The war against crime and criminality continues apace, driven by a National Police Service (NPS), that continues to undertake technological, human resource and skills development to better serve Kenyans.

While we celebrate the state of our national security, we must also recognize that our region is increasingly unstable. We are witnessing the escalating conflicts being caused by ethnicised and regionalised competition for political power. As has always been the case, as a country, we are working hard to support peace and reconciliation processes where they are needed the most. We seek to export our peace and pragmatism to our region knowing that success in our region will further secure our nation.

Hon. Members, we must always remember that the wages of bad politics is the people's suffering and ruin. Many neighbouring countries today need a handshake.

(Applause)

They need politics in which competition is not turned into enmity and war. They need political leaders focused on including the young and desperate, not inciting them to revolt against their country and their elders. We have learned, as Kenyans, that elections alone cannot bring peace and unity to a divided people. For that, leaders must reach out to each other and build bridges over turbulent waters to allow the people to cross to safety and prosperity.

(Applause)

Our state of national security will remain strong as long as we practice inclusive and sober politics. I ask the Members of this House, all leaders, and all Kenyans to deeply ponder their role in promoting the politics that assures our security, deters our enemies, and is focused on serving the people.

My administration is also implementing the following reforms in the security sector: expansion of the National Police Service Control and Command Centre for surveillance and communication and the successful launch of the Digital Occurrence Book Pilot Project. In addition, I recently, and proudly unveiled the National Security Innovations Exhibition at the Kenya Wildlife Service (KWS) Law Enforcement Academy in Manyani, Taita/Taveta County. This was a youth-driven innovative project aimed at leveraging on technology to address problems facing citizens from cyber security, crime,

revenue collection gateways and social media communication to geospatial mapping, and resource consolidation and even the manufacture of small arms.

My Government recognizes the important role played by ICT and innovation in overall national development. Information Communication Technology has greatly improved access to Government services and enabled Kenyan youth access job opportunities outside Kenya. To ensure that Kenyans continue to enjoy these benefits, my administration has increased access to ICT infrastructure and connectivity through the roll out of the Basic Voice Infrastructure in 67 sub-locations in all un-served areas. To improve access to information and e-government services, my administration has also established 135 Constituency Innovation Hubs across the Country.

Hon. Speakers, as part of my functions as President, I am required to submit a report for debate in the National Assembly on the progress made in fulfilling international obligations of the Republic. At the end of this Address, I will submit this report to this House. However, some of the key achievements of that report are worth mentioning in this State of the Nation Address.

As we relentlessly pursue our national development agenda, we remain alive to the fact that as a respected member of the community of nations, we have obligations on the regional, continental, and global stages. We are also acutely aware that the modern world is one where a myriad of transnational, traditional as well as emerging security and ecological challenges pose grave threats to national security and development within our borders. That said, we also do not lose sight of the tremendous opportunities available regionally, continentally and globally for Kenya to deepen our shared prosperity.

The East African Community (EAC) remains Kenya's foremost trade and investment priority. We want to see a further deepening of the integration processes within the EAC. Our people will reap the benefits of shared prosperity. I look forward to working closely with all our neighbours to increase our exports within the EAC. I am happy to note that in 2019, our exports to the EAC jumped to a six-year high.

As we join ranks with our brothers within the African Continent, in March, 2018, Kenya and Ghana were the first countries to not only sign, but also ratify the landmark agreement creating the African Continental Free Trade Area. Once again, Hon. Members, I thank you for your support in making that happen.

(Applause)

This agreement brings the 54 African nations under one common market with a population of 1.2 billion and a combined Gross Domestic Product (GDP) of more than US\$3 trillion. As a champion of Africa's integration, I am elated that this agreement has officially entered into force and became operational from 1st July, 2020.

Hon. Members, Kenya is also enjoying greater diplomatic goodwill and deeper international friendships than at any other time in our history. We are engaging with the United Kingdom to evolve an arrangement that will guarantee us continued access to the United Kingdom Market, following its exit from the European Union (UK).

Similarly, we are proactively consulting with the United States of America (USA) for a solution that will ensure Kenya's continued access to the USA market beyond 2025, when the African Growth and Opportunity Act (AGOA) comes to an end without the need for that Pact's further renewal.

Apart from deepening our cooperation with our traditional partners, we have sought to unveil new frontiers for mutually beneficial cooperation with countries in Eastern Europe, the Asia-Pacific Region as well as the Caribbean.

I am pleased to report to this House that last year, Kenya assumed the Presidency of the Organization of African Caribbean and Pacific States (OAPS) for the period 2019-2023. Based on our strong conviction that we should leverage our rich experience and leadership to articulate Africa's issues in the global arena, we offered our candidature for a non-permanent seat at the United Nations Security Council (UNSC) for the period 2021-2022. We obtained the overwhelming endorsement by the African Union (AU), which was reaffirmed during the 33rd Ordinary Session of the Assembly of Heads of State and Government that took place in Addis Ababa in February, 2020.

I am pleased to report that when the elections were held in June this year, Kenya was elected as a non-permanent member of the UNSC for the period 2021-2022. Being a member of the most influential body of the United Nations (UN) gives Kenya the opportunity to play a more significant role in the pursuit of peace and security. I wish to thank the AU for its support, as well as the many friendly nations across the world who voted for us. This is, indeed, a big win for Kenya and Africa.

Hon. Members, I will conclude my remarks today by touching on the deliberate steps that we have taken to place Kenya on a path to greater national unity, inclusivity, peace and reconciliation. In March, 2018, the former Prime Minister, the Rt. Hon. Raila Odinga and I launched the Building Bridges to a New Kenyan Nation Initiative.

(Applause)

To support the same, in May, 2018, we established the Building Bridges to Unity Advisory Taskforce. This Task Force has now completed its work and submitted its Report which has elicited great public debate. The Report extensively evaluates our national challenges and makes robust and comprehensive practical recommendations to address them. As we progress to the next phase, I urge all Kenyans to constructively and objectively consider the recommendations therein.

(Applause)

More importantly, let us continue to address ourselves to these issues with a view to effecting far reaching changes that will address the perennial challenges that we have faced as a nation. These are the challenges of negative ethnicity, inclusion, equitable development and, indeed, our fight against corruption.

Hon. Speakers, Hon. Members and fellow Kenyans, like Moses in the Bible who sat at the top of Mount Nebo and saw the future that the people of Israel were about to cross into the promised land, I too have seen our future.

(Applause)

This is what our future looks like: a Kenya where no one will ascend to a high public office on account of their tribe; a Kenya where no capable person will wallow in poverty because of poor governance; a Kenya where our potential as a people will be

exploited for the greatness of our nation; and, a Kenya where we will all share equitably in the prosperity of our nation. I believe our future is bright and I believe the future is beckoning us. The future is here for us to take; and indeed, a future where truly justice will be our shield and defender.

Every journey starts with a single step, taken in faith, at times against all odds. That journey has commenced. Major changes are needed to our Constitution and other laws, so as to lay the foundation for the prosperous future that we seek. As a people, we must seize this constitutional moment, as I have said, to ensure that we deliver to future generations of Kenyans the future that they deserve.

Kofi Annan aptly reminded us, as a country, that this world is not ours to keep. We hold it in trust for future generations. This moment in time is our meeting with destiny. When generations come long after we are gone, let them say that we made the right decisions at this moment; that we chose unity over division; that we dreamt of and birthed a happier, more harmonious and prosperous nation.

(Applause)

Kenya is greater than any individual. Indeed, Kenya is greater than the sum of its citizens. We are a beacon of hope, an icon of peace and stability in a very volatile region, and we must be a role model for progressive African Social Democracy. These qualities are not inherent, and we must continuously water them from the well of our national commitment to a better, brighter, and more inclusive Kenya for all.

Hon. Speakers and Hon. Members, finally, as we seek to grow our democracy and deepen institutional synergy within Government, I challenge the leadership of our two Houses of Parliament to strive as much as possible to resolve issues of concern by consensus building.

As worldwide experience shows, there is always some level of jostling to be expected between the two chambers of national legislatures, and that happens everywhere around the world. This happens as they each seek to better exercise their institutional mandates. However, these issues should only escalate to external dispute resolution processes as a last resort, doing otherwise; hurriedly compromises the legislative authority of the House. On our part, as the Executive, we will always be at hand to aid in that consensus building and to foster internally mediated outcomes within Parliament.

Hon. Members, let me conclude by re-iterating this: The state of our nation is strong, steady and resilient. Similarly, the state of our economic development is and remains on course despite unexpected disruptions to our economy and way of life, chiefly from COVID-19. With regard to our national response to COVID-19, Kenyans must remain vigilant and by doing so, we are capable of defeating this invisible enemy.

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

- (1) Report on all Measures Taken and Progress Achieved in the Realization of National Values;
- (2) Report on Progress Made in Fulfilling the International Obligations of the Republic; and,
- (3) Report on the State of Security.

Further, and in recognition of the centrality of transparency, accountability, and good governance as the anchors of sustainable development, and while also conscious of the pivotal role played by Micro, Small and Medium Enterprises (MSME) in driving growth and creating opportunities, I have the pleasure of submitting alongside the constitutionally required Reports the following other Reports-

- (1) The Report on Ease of Doing Business, Milestones 2017-2020; and,
- (2) The Annual Report of the Office of the Director of Public Prosecutions for the Financial Years 2017/2018, 2018/2019 and 2019/2020.

Kwa hayo machache na mengi, Mungu awabariki na alilinde Taifa letu la Kenya. Asanteni sana.

(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): Hon. Members, you may be up standing. 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, 17th November, 2020 at 2.30 p.m. in the Senate Chamber.

I thank you.

The Speaker of the National Assembly (Hon. Muturi) Your Excellency the President, Hon. Members of the National Assembly, the National Assembly stands adjourned until Tuesday, 17th November, 2020 at 2.30 p.m.

DEPARTURE OF HIS EXCELLENCY THE PRESIDENT

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

Parliament rose at 4.15 p.m.