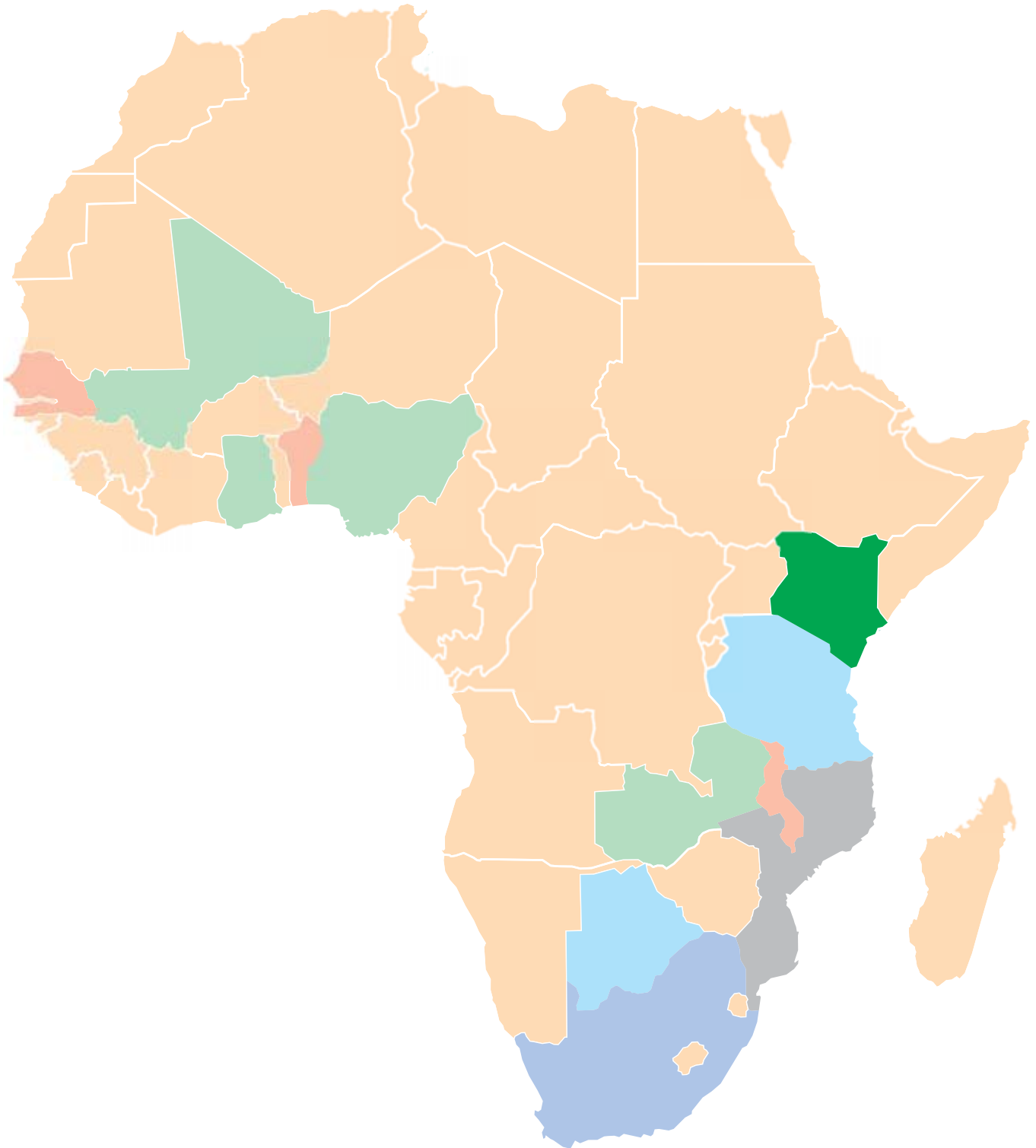


# KENYA

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**Speech by His Excellency  
Mwai Kibaki, CGH, MP, President and  
Commander in Chief of the Armed  
Forces of the Republic of Kenya,  
During Jamhuri Day Celebrations  
at Nyayo National Stadium  
12 December 2004  
Nairobi**



We have gathered to celebrate Jamhuri Day and forty-one years of our independence. We are also celebrating a very successful second year of the NARC [National Rainbow Coalition] government. I salute all Kenyans in the country and in every corner of the world. I also thank our well-wishers for joining us in this celebration.

Jamhuri Day is an occasion when we take stock of how we are performing as a country. Two years ago, my government embarked on a comprehensive reform agenda to restore this country to the glory we once enjoyed. We pledged to renew the fight against poverty and disease and to restore the economy to high levels of growth so as to improve the quality of life of Kenyans. We have been faithful to the promises that we made.

One area to which the government and the Kenyan people have accorded high priority is improvement of governance. The reforms in this area are focused on strengthening the institutions of democracy, public service, and the fight against corruption.

Over the past year, freedom of expression and [of] association have continued to be enhanced, while accountability in the public service continues to be strengthened. Kenya is developing [into] a dynamic and peaceful democracy where our differences can be resolved through dialogue. We should not be tired of talking to [one another] and expressing our views and ideas. This is the only way to unleash the ingenuity and resourcefulness of the Kenyan people.

During the past year, this government embarked on an ambitious reform programme for the public service to improve efficiency of

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service delivery. In this regard, we have introduced result-based management in the public service so that public servants are paid, retained, and promoted on [the] basis of their performance. Public servants are there to serve the people who are their employers. Therefore, the judgment of whether or not a civil servant is performing as per expectations will be made by the people.

In this respect, efforts are being made to improve our judicial system in order to remove delays in the hearing and determination of court cases. An efficient judicial system is crucial for a performing economy. We are modernising our courts and increasing the number of judges and magistrates.

Another area we have accorded high priority is the fight against corruption. In this regard, the legal and institutional arrangements for combating corruption are all in place. We are now equipped to deal effectively and systematically with cases of corruption. The institutions we have created have been empowered to fight against corruption and to ensure that corruption will no longer be tolerated in this country. Part of the war against corruption has to do with [the] honest declaration of the taxes that are due to the government. As citizens we should all feel obliged to pay our taxes in order to build this country and safeguard our independence.

With regard to the Constitution of Kenya Review Act process, Parliament has now given a clear road map for the completion of the process. I have no doubt that consensus will be achieved in Parliament, after which the draft constitution will be presented to the Kenyan people to pass their verdict through a referendum. Let us all work together to realise this important milestone so that we can have the constitution we have patiently been waiting for.

Security is of paramount importance. Crimes such as robbery with violence, [and the] rape and abuse of children are still of serious concern, especially in the urban areas. I am encouraged to note that the police have come up with innovative ways of dealing with these crimes. We should, however, be persistent in this fight.

Criminals should not get away with crime. These criminals live among us. Therefore, increased collaboration between wananchi and security agencies is crucial if we are to succeed in removing this menace from our midst.

The government is also strengthening the police force and other related security agencies to ensure that the people of this country feel secure in their daily lives. We are undertaking major police reforms to transform the police force into a service [that] is more responsive to the people. We are continuing to strengthen police mobility by providing them with more vehicles and equipping them with more communication equipment.

During my address to the nation last Jamhuri Day, I noted that my government had laid the foundation for reversing social and economic decline. I called upon Kenyans to join hands in building on this foundation to transform Kenya into a nation that works smart and one that stands tall among the global family of nations.

Looking back over the past year, we have covered considerable ground. This year, [the] gross domestic product is projected to grow by 2.3 percent, up from 1.8 percent last year. We must bear in mind, however, that our immediate target is to achieve growth rates of over 5 percent in the next two years. This is not beyond us. It can be achieved if we all unite and work with a common purpose.

Despite external setbacks, such as the high oil prices and drought, the economic indicators are positive. For example, in the first ten months of this year, cement consumption increased by 10 percent, [and] energy consumption went up by 8 percent, while oil consumption rose by 9 percent. Private-sector borrowing also increased by 18 percent. These are good signs that the economy is growing.

In the agricultural sector, the government has implemented a wide range of reforms. These include empowering farmers by making credit more accessible, reviving agricultural institutions, streamlining the cooperative movement, and improving extension services.

We are now reaping the benefits of the bold actions we have taken. Sugar production has

increased to 500,000 metric tonnes, from about 400,000 metric tonnes. Milk processing by the Kenya Cooperative Creameries has also increased from 50,000 to 300,000 litres. Furthermore, export earnings from tea grew by 25 percent to Kshs. 34 billion.

In spite of this improved performance, we should now invest more in agricultural processing to expand job opportunities and increase the value of our exports. I recently visited several projects and witnessed firsthand the great strides some of our industrialists and cooperatives are making in this area. We must also urgently streamline our cooperatives, which are the perfect vehicle for industrialisation through agricultural processing.

However, the agricultural sector continues to be vulnerable to erratic weather conditions. The government is therefore giving priority to the rehabilitation and development of irrigation schemes in order to reduce reliance on rain-fed agriculture. We are also giving priority to the rehabilitation of existing dams and water pans to assist communities, especially in the dry areas where water is scarce.

In this connection, we have begun a project for [the] drilling and equipping of five hundred new boreholes annually. These initiatives are the beginning of a nationwide move to ensure that Kenyans have adequate water. Water is a right that all Kenyans should enjoy. Four decades after independence, Kenyans should not be trudging up and down rivers and streams in search of water. Piped water all over Kenya should not be a dream but a reality [for] all. This will lead to improvements in health, food security, and overall quality of life.

The total value of international trade rose to Kshs. 465 billion compared to Kshs. 426 billion the previous year. In addition, Kenya also attracted investments worth Kshs. 9 billion. My government has now removed all bureaucratic constraints that have in the past stood in the way of investors. We have effected a radical change in the investment law. Investors will no longer be subjected to long and tedious procedures in processing their applications to do business in Kenya.

From now on, an investor will need to visit a single point [to] apply for an investment certificate instead of [the] eighteen different licenses that were required before. We have also made it easier for investors to secure visas and [the] necessary immigration permits. We have continued to expand our market opportunities in the region. [The] East African Customs Union will take effect next month.

There are now good prospects for peace and stability in Somalia and Sudan, which will further open up new market opportunities. We have also successfully lobbied for the extension of the African Growth and Opportunity Act (AGOA). I urge Kenyans to [take advantage of] the benefits created by these new opportunities.

The tourism sector is experiencing significant growth. This is [the] result of successful promotional efforts by the government and the peace and stability this country is enjoying. We have also focused on nontraditional markets such as Asia and the Far East. It is gratifying that the Chinese government has accorded Kenya the approved-destination status. This opens the way for more tourists from China to visit our country. We must bear in mind that tourism is a dynamic and sensitive trade. Therefore, growth of tourism requires that we diversify and continu[ally] improve our facilities and standards to maintain our competitive edge. Above all, we need to develop local tourism. In that regard, I encourage Kenyans to travel and know their country.

With regard to education, we are now spending up to Kshs. 10 billion annually on free primary education. We have also increased bursary allocation for secondary schools. This current year, we have allocated Kshs. 770 million towards the Constituency Bursary Fund. At university level, the government has improved the terms and conditions of service for [the] academic staff. We have also appointed an inspection board to review public universities and advise on necessary reforms. As we undertake this review, I wish to emphasise that our international competitiveness depends on the quality of our education and training programmes. We want an education system that produces global citizens

who can get employment in any part of the world.

With regard to the health sector, we have, over the last year, streamlined the distribution of drugs to hospitals, health centres, and dispensaries. We are also improving infrastructure and staffing of health facilities. However, HIV/AIDS remains a major challenge. We have continued in our fight against HIV/AIDS through the prevention campaign and by making antiretroviral drugs more accessible.

The government inherited a huge portfolio of abandoned incomplete government buildings and projects. These projects include the National Youth Estate in Ruaraka, Nairobi, and the Nyanza Provincial Headquarters. We should not allow wastage of public funds through projects [that] remain uncompleted. For that reason, the government has developed a strategy for completing all these projects. This financial year alone, the government is completing one hundred of those projects and the balance of ninety-seven projects will be completed within the next two financial years.

In regard to infrastructure, the government is continuing to rehabilitate and to expand the country's road network. Currently, twenty-four road projects are being implemented at a cost of Kshs. 8.3 billion. Construction of the Northern Corridor, which is a transit route connecting [the] Mombasa port to our neighbouring countries via Busia and Malaba, has also commenced. In addition, the government has been implementing the Roads 2000 strategy with the support of development partners. The project will be implemented in thirty-seven districts at a cost of Kshs. 7.6 billion. Furthermore, in the last two years the government has increased the maintenance fleet of vehicles, graders, and loaders at a cost of Kshs. 500 million to strengthen capacity for road maintenance.

In the energy sector, we have embarked on a major expansion of our electricity generation capacity. The Olkaria II geothermal plant has been inaugurated, [and] work on Olkaria IV will begin soon. Work on Sondu-Miriu Hydropower Project I has resumed, [and] the funding for

Sondu-Miriu II has been secured. These projects are expected to yield an additional two hundred megawatts of power.

We have also supplied electricity to seventy-six trading centres at a cost of Kshs. 950 million, under our rural electrification programme.

Kenya has continued to be a venue for international peacemaking and dialogue. We have facilitated the formation of the Transitional Federal Government of Somalia. We are also optimistic that by the end of this month the Sudanese peace talks will be comprehensively concluded.

We were honoured to host the United Nations Security Council, the First Review Conference of the Antipersonnel Mine Ban Convention, and several other international conferences. We also appreciate the support and cooperation from our development partners. We value the spirit of friendship for our mutual benefit.

Indeed, the strength of our development depends on our ability to forge crucial partnerships. During the last decade, we have witnessed the formation of economic blocs in Europe, Asia, and the Americas. Within the region, the leaders of the three East African countries have held consultations on accelerating the establishment of [the] East African Federation. This will enable the people of East Africa to pursue a common vision for development. I would like to thank our brothers and sisters of Uganda, Tanzania, Rwanda, and Burundi for sharing this vision with us.

In conclusion, I would like to emphasise that Jamhuri Day is a time for us to celebrate our freedom and renew our commitment to our responsibility [for] building this nation. Kenya is a great country. I am proud to be a Kenyan. Let us all be proud of who we are and put our country first for our common good.

Finally, I am announcing today the release of 6,946 prisoners who were convicted of petty offences or were to serve sentences not exceeding six months and are of good conduct.

Thank you, and God bless you all.