

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

### Ninth Parliament - Fifth Session

*(Ninth Parliament established by Proclamation -  
Legal Notice No.8 of 24th January, 2003)*

**Tuesday, 21st March, 2006**

### STATE OPENING OF A NEW SESSION

*The National Assembly met at Thirty minutes  
past Two o'clock at Parliament Buildings  
on Tuesday, 21st March, 2006, it being  
the first day of the Fifth Session.*

### ARRIVAL OF HIS EXCELLENCY THE PRESIDENT

*[His Excellency the President (Mr. Mwai Kibaki),  
escorted by the Speaker and accompanied  
by the Mace of the National Assembly,  
entered the Chamber Forty-five  
minutes past Two o'clock]*

*[His Excellency the President  
(Mr. Mwai Kibaki) took the Chair]*

*(The Mace of the National Assembly  
was placed on the Table)*

### PRAYERS

**Mr. Speaker:** Your Excellency, hon. Members, may I call upon the Spiritual Leaders to offer prayers for this new Session.

*(Prayers were then said by the following:  
The Rt. Rev. Archbishop Benjamin Nzimbi;  
His Grace Archbishop Raphael Ndingi  
Mwana a'Nzeki, The Rev. Dr. David M.  
Gathii; The Chief Kadhi Sheikh Hammad  
Kassim and Mr. Siopin Lekolool)*

### COMMUNICATION FROM THE CHAIR

WELCOME TO HIS EXCELLENCY

## THE PRESIDENT

**Mr. Speaker:** Order, Order, hon. Members! Your Excellency the President of the Republic of Kenya, hon. Members, it is my honour and privilege to welcome you on this auspicious occasion of the State Opening of the Fifth Session of the Ninth Parliament. Hon. Members of this House and the whole nation are eagerly waiting to hear your Government's policies and legislative agenda for the Session.

Your Excellency, hon. Members, this is the penultimate Session of the Ninth Parliament. As we begin our business, we must remind ourselves of the stark realities facing our nation. At this very hour, millions of Kenyans are undergoing very painful pangs of hunger inflicted by the prolonged drought which has ravaged a vast area of our land. Our livestock population has almost been decimated as a result of the drought. Millions more suffer because of poverty and unemployment. Those in the drought stricken areas look to the sky for any sign of clouds formation in prayer. Those unemployed and the poor in the slums and rural areas look to the sky for divine intervention, again, in prayer. Indeed, the majority of our people are in a state of hopelessness. These are, indeed, difficult times for our people.

Your Excellency, hon. Members, in the very difficult times that our people now go through, they first look up to God and then to their leaders for solutions to their problems. The Kenyan leadership today is all gathered in this Chamber. The compulsive question must surely be: "As a leadership, are we equal to the monumental task before us?" I am hesitant to give an answer that clearly stares me on my face. I am afraid because speaking the truth has been criminalized in our times.

*(Applause)*

Take a poll, if you please, and see the results. We thrive on falsehoods, propaganda, hate, suspicion and inertia. This House must now urgently get out of this morass. We must urgently and speedily rescue our nation for what I believe to be a dangerous cascade to a state of hopelessness and division.

*(Applause)*

We can do this for the alternative is too dangerous to contemplate. This House must rise to the occasion and provide not only leadership but also hope. As I said in a previous similar occasion, let this House be an example not in disunity but in unity; not in division but in oneness; in love and not in hate; in purposefulness and not hopelessness. Let us focus our undivided attention to a better future Kenya rather than the next elections.

*(Applause)*

Our country is and will continue to be bigger than the seats and positions that we crave to hold. I truly pray that you all hear me.

Your Excellency, hon. Members, with that prayer, I now venture to beseech each one of us to approach our various national duties always having at the back of our minds the grave plight of our people. This calls for sobriety and unity of purpose. Let us dialogue with one another rather than talk at each other. Let us return respect and honour to our national leadership and in our conduct of national affairs. Let us stop being a quarrelling nation.

Your Excellency, the Parliamentary Service Commission continues to make strides in the

development of a good working environment for hon. Members and staff to ensure effective delivery of services to the people of Kenya. The Commission is in the process of completing structured cabling of all Parliamentary Buildings which will be a milestone, realising its goals of networking and computerising all our operations. Computer training for hon. Members and staff is on-going.

I need to mention here that we are still committed to renovating this Parliament. Our hope was that renovation would have been completed by June this year, but the bids we received were too high. The process will have to be repeated. We are committed to get value for money for all goods and services applied to this august House.

*(Applause)*

Your Excellency, our Parliament remains an active member of international parliamentary bodies such as the Commonwealth Parliamentary Association (CPA) and the Inter-Parliamentary Union (IPU) and continues to play an important role in the African Caribbean and Pacific European Union (ACPEU) forum among other regional bodies. The Tenth Session of the ACPEU Joint Assembly held in Scotland, United Kingdom (UK) in September last year, saw Kenya being successfully nominated to the Bureau; a decision making organ of the forum as a member and representative of the Eastern African bloc.

As you are aware, in January this year, Kenya successfully hosted the 18th Commonwealth Speakers' and Presiding Officers' Conference which brought together Speakers and Presiding Officers from the commonwealth countries to deliberate on issues of mutual interest. Hon. Speakers at the conference expressed special appreciation to you, your Excellency for accepting to grace the official opening ceremony. In May this year, we shall host one of the largest international gatherings of legislators from around the world, attending the IPU conference scheduled to take place at the Kenyatta International Conference Centre (KICC).

Allow me to thank your Excellency for the support the Government has extended to the National Assembly as we prepare for the conference and generally, in facilitating the work of Parliament.

In conclusion, may I call upon hon. Members to exercise patience and tolerance during debate. I also wish to appeal to political parties in this House to exercise disciplinary control over their membership and endeavour to strengthen democratic ideals in the transaction of business in this House and in the Committees. Unless this is done, parties and multi-partism may to a collective peril, become things of the past.

Hon. Members, it is now my honour and privilege to invite His Excellency the President to address this House!

*(Applause)*

### **PRESIDENTIAL ADDRESS**

**His Excellency the President** (Mr. Kibaki): Thank you, Mr. Speaker. Ladies and gentlemen, I am pleased to welcome hon. Members to the Fifth Session of the Ninth Parliament. I trust that the Christmas recess afforded us all, a good opportunity to spend time with our constituents.

We are, therefore, better equipped to articulate our people's hopes and aspirations through legislation and by providing appropriate leadership for development.

During the recess, we lost hon. Peter Owidi, the Member of Parliament for Kasipul-

Kabondo. I request hon. Members to rise up and observe a minute of silence in his memory.

*(Hon. Members rose up in  
their places and observed  
a minute's silence)*

Thank you.

Mr. Speaker, Sir, I opened the Fourth Session in March, 2005. I outlined my Government's development agenda and the Bills we proposed to present to the House to facilitate implementation of that. We have had success in many areas but there are a number of other areas where we were unable to fulfil our commitments because of failure to pass appropriate legislation.

Indeed, last year, our legislative performance did not meet the expectations of our people. Out of the 25 Bills that were presented to Parliament for debate and enactment, only seven were concluded.

As we commence this Session, therefore, I would like to appeal to hon. Members to focus more on the legislative priorities of our country. It is only by doing so, that we will succeed in improving the lives of our people and advancing our national goals of socio-economic development.

Mr. Speaker, Sir, the Kenyan people place a lot of responsibility and expectations on the institution of Parliament. As the supreme organ of the state, Parliament is looked upon by Kenyans to provide leadership in tackling the challenges that continue to confront us. Some of these challenges include revival of the economy, addressing governance issues and enhancing the social well-being of our people. The policies we are implementing are producing remarkable results in economic performance. For example, we have maintained positive economic growth rate throughout the last three years. In the year 2003, our economic growth rate was 2.8 per cent, which rose to 4.3 per cent in the year 2004.

Mr. Speaker, Sir, last year, our economy grew by more than 5 per cent and is still improving. This improved performance reflects continued recovery in most sectors of the economy. For example, in the last fiscal year, tourism grew by 15 per cent, while transport and communications grew by 9.7 per cent.

Value addition in manufacturing, trade, building and construction also recorded growth rates of 4.1 per cent, 9.5 per cent and 3.5 per cent respectively. The export sector also performed well with horticulture growing by 13.2 per cent and tea by 11 per cent. Electricity and fuel consumption expanded by 8 per cent and 14 per cent respectively. Cement consumption also expanded by 12 per cent.

In communications, rapid growth was achieved in mobile phones sub-sector with 5.5 million connections which represents a 19 per cent national penetration. The high demand for these services and utilities is, as hon. Members well know, an indication of an expanding economy. In the production sector, credit to transport and communications increased by 39 per cent, while credit to the manufacturing, building and construction sectors increased by 27 and 22 per cent respectively.

Mr. Speaker, Sir, the sound fiscal and monetary policy that my Government has continued to pursue has resulted in a favourable environment for investment. In particular, these policies have resulted in lower interest rates. As a result, credit to the private sector expanded by 21 per cent. Moreover, since the establishment of the Kenya Investments Authority in October last year, we have seen significant improvements in the flow of investments into the country.

The number of investors coming to Kenya has continued to grow with the value of new investments doubling from Kshs5.3 billion in the year 2004 to Kshs10.5 billion last year. Indeed, many of the multinational companies which relocated from Kenya in the last decade have now returned and made Nairobi their African headquarters. Nairobi is gradually reclaiming its status as

a regional hub for international investments.

Furthermore, there has been a steady increase in Kenyan traders exporting into the COMESA region, especially Southern Sudan. These investments are creating the economic expansion that I mentioned earlier. But more importantly, they are also creating high quality jobs for our young people.

Mr. Speaker, Sir, we need to sustain this momentum and we should all work together to minimize negative political activities that can create unjustified fear or uncertainty amongst investors.

*(Applause)*

Overall, there has been a significant improvement in the way of life of many Kenyans as a result of the economic and reform measures we have been implementing.

Mr. Speaker, Sir, despite the improved economic situation, there are serious challenges that remain and we must all seek more innovative ways of sharing the growth, and ensuring that more of our people enjoy the benefits of increased production. Today, about five million people throughout the country are experiencing food shortages as a result of failed rains. As of now, the Government has spent over Kshs3.8 billion from its own Budget, Kshs1.2 billion from development partners and another Kshs210 million from voluntary contributions by Kenyans and well-wishers to feed the needy. I take this opportunity to thank all those who have generously responded to our appeal for assistance.

Mr. Speaker, Sir, however, it is estimated that an additional Kshs6.3 billion is required up to the end of June to meet the increasing needs of the growing numbers of those affected by the famine. The Government will, therefore, be requesting supplementary appropriations to meet the additional requirements. I would like to add that despite the severity of the famine, we have not had to resort to massive importation of grain, as has often happened in the past. All the food being distributed so far has been sourced locally. This is a major boost to the farmers in the food-growing areas of our country. However, the available food stocks will not last beyond June this year. We are, therefore, making urgent arrangements to import additional grains to bridge the gap.

Mr. Speaker, Sir, closely related to this is the severe water shortage facing populations in the drought-stricken areas. The Government has mobilised 20 water tankers, which are currently in operation in Mandera, Garissa and Wajir districts. The Government has also organised, together with the Kenya Red Cross Society (KRCS), for an additional 50 water tankers. Twenty five of these have already arrived in the country, and will be deployed to Mandera, Wajir, Moyale and Marsabit districts. Furthermore, the Government has since last year drilled 162 bore holes and 221 pans in the drought-stricken districts to alleviate the severe water shortage. My Government has also earmarked Kshs1.5 billion this financial year that will be used to construct an additional 200 boreholes and 250 water pans by the end of this calendar year.

*(Applause)*

Mr. Speaker, Sir, 72 per cent of our population is below the age of 30 years. We, therefore, cannot expect to achieve and sustain rapid economic growth unless the youth are fully integrated in our nation's economic activities. When I launched the vision for the new Ministry of State for Youth Affairs last week, I emphasised that the youth constitute a critical mass of our population, whose contribution to the growth of this nation has not been adequately tapped. At the moment, many of our youth remain unemployed or under-employed while rapid urbanisation has led to

social strains due to the mushrooming of informal settlements.

My Government will, therefore, be tabling a sessional paper on national youth policy and legislation for consideration. I urge hon. Members to accord this a priority in the business of the House.

*(Applause)*

Mr. Speaker, Sir, challenges facing our country require a more responsive and innovative public service. It is the public service that provides services to *wananchi*. It also provides facilitation and an enabling environment for the private sector operations.

It is for this reason that my Government is according high priority to reforms in the public service, focusing on result-based management, performance contracting, e-government and restructuring of the ministerial portfolios. These reforms aim at instilling ethics and efficiency so as to ensure that the quality of service delivery meets the expectations of the people of Kenya.

When we took over the leadership of this country, we identified corruption as one of the most serious obstacles to development. We, therefore, embarked on major legislative and administrative reforms to create a system that fights corruption in a sustained way. In the last three years, we have made significant gains in the fight against graft.

*(Prolonged applause)*

You will have your time!

*(Laughter)*

There are currently over 150 anti-corruption cases before our courts and we expect more people to be prosecuted. We are investigating both old and new cases of corruption, and also strengthening our governance structures through administrative reforms and training.

*(Applause)*

Mr. Speaker, Sir, those who seek to politicise the fight against corruption should know that it is not words that will eradicate the vice, but firm and determined actions such as we are taking.

*(Applause)*

For those who may be tempted to test our resolve, let them be warned that the institutions we have put in place are alert, and will spare no one. However, I would like to emphasise that the war against corruption should be fought from all directions. Whether we are in the public sector or the private sector, we have to shun all manifestations of corruption. That is the only way in which we will be able to win this fight and ensure a complete change in mindset.

Mr. Speaker, Sir, sustaining economic development requires a peaceful and secure environment, where people can go about their productive activities without fear of being molested by criminal elements. The reform measures being implemented by my Government in the police and other law-enforcement agencies are already producing positive results. Public perception of the level of crime in our urban areas, especially in Nairobi, has substantially improved. All this is

because of the good work of the police, some of whom have lost their lives in the course of duty.

I salute these brave heroes and send my condolences to their wives, husbands and children.

During this Session of Parliament, the Government will re-table Bills which lapsed when the House went on recess last year. We will also introduce new Bills and Sessional Papers for consideration. In this regard, the Government will re-table the Statute (Miscellaneous Amendments) Bill, 2006. This Bill seeks to, among other things amend the Public Officer Ethics Act, 2003 to make declarations of assets and liabilities open to public scrutiny.

Other amendments will also seek to increase the number of Judges from 50 to 70, and Judges of Appeal from 11 to 15. We will also increase the number of magistrates so as to ensure speedy administration of justice. In order to strengthen investigations and convictions, the Government will table the Witness Protection Bill.

Mr. Speaker, Sir, the main objective of this Bill is to ensure that witnesses who volunteer useful information to the authorities and the courts are not exposed to intimidation or danger. In addition, we will table the Proceeds of Crime and Money Laundering Bill to enable the Government to acquire funds and assets that have been obtained illegally.

Mr. Speaker, Sir, in the agricultural sector, the Government will table several Bills and Sessional Papers aimed at expanding productivity and raising income for farmers. These include: A Sessional Paper to increase the land area under irrigation from the current 110,000 hectares to 530,000 hectares.

We will also bring a Sessional Paper and a re-tabling of the Cotton Bill, 2005 to revitalise the cotton industry. A draft Bill has also been prepared to transform the Cotton Board of Kenya into a Cotton Development Authority. Also to be tabled is a proposed amendment to the Coffee Act, 2001 and a Sessional Paper on revitalisation of the sugar industry.

Mr. Speaker, Sir, in the business sector, the Government will table Bills aimed at supporting the growth of small and medium scale enterprises, and regulation of the co-operative sector. The Government will table the Small and Medium Scale Enterprises Bill, the Deposit-Taking Micro-Finance Bill (2005) and the Savings and Credit Co-operative Societies Bill. In the transport sector, the Government will table amendments to the Transport Licensing Act to make it easier for *wananchi* to obtain vehicle licences. The Act will also enable public service vehicle operators to renew their licences all year round.

The Government recognises that the use of information technology will speed up services to *wananchi* and the overall development of our country. To this end, my Government has approved the National Policy Guidelines for the development of the ICT sector. The Government will table a Sessional Paper on ICT and the Kenya Information and Communications Bill, 2006 which will replace the current Kenya Communication Act (1998).

Mr. Speaker, Sir, to entrench and institutionalise gender in development, the Sessional Paper on Gender Equality and Development has been finalised and will be submitted to Parliament for consideration. I look forward to the approval of this important Sessional Paper to facilitate the empowerment of women.

The development of local authorities is essential for provision of essential services to *wananchi* and for the development of the country as a whole. To improve the management of local authorities, the Government will propose a Bill for the establishment of a Financial Management and Control Board for local authorities experiencing financial distress. The Government will also table the Local Authorities Bill which seeks to provide for the creation of a Metropolitan City of Nairobi. It will also create the necessary legal framework that will formalise the elevation of Mombasa and Kisumu to city status.

Mr. Speaker, Sir, other Bills to be tabled include: The National Social Health Insurance Bill, the Wildlife (Conservation and Management) (Amendment) Bill, the Banking (Amendment)

Bill, 2004 the Political Parties Bill, which aims to entrench democracy by providing an appropriate registration system, democratic management and State funding; a Sessional Paper on foreign policy with a greater thrust on advancement of Kenya's economic and social interests.

Before I conclude my remarks, I am glad to announce the visit this week of the President of Tanzania, His Excellency Jakaya Kikwete. We will soon send invitations to hon. Members to a dinner on Friday, 24th March, 2006, which I will host in honour of His Excellency President Jakaya Kikwete who will come to our country on a familiarisation visit.

I would like to reiterate that my Government will continue to work closely with our partners in the East African Community towards economic and political integration of the East African region. I am glad to note that the steps we have taken so far towards integration have resulted in remarkable increase in the volume of trade.

For instance, volume of trade between Kenya and COMESA countries has increased from 28 per cent to 46 per cent over the last three years. It is important to note that the establishment of regional trading blocs has diversified Kenya's foreign trade. We are now trading more with our immediate neighbours. The prospects are even better now due to the peace that is prevailing in Southern Sudan and Somalia. Strengthening our relations with our neighbours and the countries in our region will remain an extremely important dimension of our foreign policy. Despite the outcome of the referendum last year, the Government remains committed to delivering on its promise of a new constitution.

*(Applause)*

Towards this end, I recently appointed a Committee of Eminent Persons to undertake an evaluation of the constitutional review process and to advise on the road-map for the conclusion of the process. The recommendations of the committee will be presented to Parliament for the necessary legislation that will guide the process to its conclusion.

Our country Kenya has a lot of potential for realisation of rapid social and economic development. Although we have people of diverse cultures, languages and religions, we have a common bond as Kenyans and this is what makes our country great. Indeed, we should all be proud of being Kenyans. As leaders and citizens, let us use every opportunity to highlight the virtues that have made this country unique and a beautiful home for all of us.

In the pursuit of political objectives, some leaders have attempted to exploit ethnic differences thus creating divisions among our people. This situation is most evident when one listens to the utterances of some of our leaders as reported in the media. Let the people judge leadership on the basis of positive direction and development that a leader is bringing to the people but not empty propaganda aimed at creating hatred and division amongst the people.

*(Applause)*

Kenya's phenomenal progress has been achieved through the respect of the fundamental rights of the individual and law and order. In this regard, my Government will continue to nurture and protect freedom of expression and assembly. These are important pillars of our democratic principles which my Government continues to respect and will always uphold. Nevertheless, although the freedom of the media cannot be over-emphasised, it is clear that freedom must be exercised within the bounds of responsibility.

*(Applause)*



Objective, fair and accurate reporting should be part and parcel of professional journalism. It is a right of the people to receive accurate and truthful information. The media should, therefore, seek to verify the accuracy of their reports because no matter what you do to apologise and correct what has been published, you can never undo the damage that has been done.

*(Applause)*

Finally, Mr. Speaker, Sir, I have highlighted the legislative agenda that my Government will be presenting to the House in this Session so as to enhance economic activity, improve incomes and make the lives of our people better. I therefore, urge hon. Members to focus more on the real issues that affect our people and concentrate on the legislative agenda that is before the House.

With these remarks, it is my pleasure to declare this Fifth Session of the Ninth Parliament officially open.

Thank you and may God bless you.

*(Applause)*

## NOTICE OF MOTION

### THANKS FOR THE PRESIDENTIAL ADDRESS

**The Vice-President and Minister for Home Affairs** (Mr. Awori): Mr. Speaker, Sir, I beg to give notice of the following Motion:-

THAT, the thanks of this House be recorded for the exposition of public policy contained in His Excellency's Presidential Address from the Chair on Tuesday, 21st March, 2006.

*(Applause)*

## DEPARTURE OF HIS EXCELLENCY THE PRESIDENT

**Mr. Speaker:** Hon. Members, it is now the pleasure of His Excellency the President to take his leave. I would, therefore, very kindly, ask all hon. Members to remain standing while the Presidential Procession leaves the Chamber, followed by the Judges and the Spiritual Leaders. Hon. Members will give our guests that courtesy. You may now arise.

*(Hon. Members rose in their places  
while His Excellency the President  
left the Chamber)*

## ADJOURNMENT

**Mr. Speaker:** Hon. Members, that concludes our business for today. Therefore, the House stands adjourned until tomorrow, Wednesday, 22nd March, 2006, at 9.00 a.m.

The House rose at 3.50 p.m.