



REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT

**JOINT SITTING OF THE NATIONAL
ASSEMBLY AND THE SENATE**

THE HANSARD

29th September 2022

VOL. I NO. 2

THE HANSARD

JOINT SITTING OF THE NATIONAL ASSEMBLY AND THE SENATE

*(Convened vide Gazette Notices No.11265 and
No.11266 of 22nd September 2022)*

Thursday, 29th September 2022

*(Parliament met at 3.05 p.m. in the
National Assembly Chamber)*

ARRIVAL OF HIS EXCELLENCY THE PRESIDENT

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

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

(The National Anthem and the EAC Anthem were played)

The Speaker of the Senate (Hon. Amason Kingi): Your Excellency, the President, Rt. Hon. Speaker of the National Assembly, Hon. Members and invited guests, at this juncture, allow me to invite our spiritual leaders to lead us in prayers.

(Prayers were said by the following spiritual leaders: Bishop Kepha Omaa, Sheikh Sukyan Hassan Omar, His Grace Bishop Philip Anyolo, Rt. (Rev.) Archbishop Jackson Ole Sapit and Mr. Mancha Ole Kupai Senteu)

COMMUNICATION FROM THE CHAIR

CONVENING OF JOINT SITTING FOR PRESIDENTIAL ADDRESS TO THE NATION

The Speaker of the Senate (Hon. Amason Kingi): The Rt. Hon. Speaker of the National Assembly, Members of Parliament, invited guests, you may now take your seats.

Your Excellency, Hon. (Dr.) William Samoei Ruto, C.G.H, President of the Republic of Kenya and Commander-in-Chief of the Kenya Defence Forces; Rt. Hon. Speaker of the National Assembly, Hon. Moses Wetang'ula, E.G.H, MP; Hon. Members of Parliament, Article 132(1)(a) of the Constitution of Kenya requires the President to address the opening of each newly elected Parliament.

By a letter Reference No. OP/CAB.26/417/Vol.138 dated 21st September 2022, His Excellency the President notified the Speakers of Parliament of his intention to address the newly

elected Parliament on Thursday, 29th September 2022, in the National Assembly Chamber, Parliament Building at 2.30 p.m.

Accordingly, pursuant to Article 132(1)(a) of the Constitution and further pursuant to Standing Order No.24(1) of the Senate Standing Orders, vide Gazette Notice No.11266, which was published in the Kenya Gazette of 22nd September 2022, I gave notice of this Joint Sitting to all Senators.

Hon. Members, this Joint Sitting is therefore properly convened. I thank you.

(Applause)

The Speaker of the National Assembly (Hon. Moses Wetang'ula): Your Excellency, Hon. (Dr.) William Samoei Ruto, CGH, President of the Republic of Kenya and Commander-in-Chief of the Kenya Defence Forces; the Speaker of the Senate, Rt. Hon. Amason Kingi; the Hon. Lady Justice Martha Koome, EGH, Chief Justice and President of the Supreme Court of Kenya; Hon. Members of Parliament; members of the Diplomatic corps; distinguished guests; ladies and gentlemen.

I wish to confirm that Article 132(1)(a) of the Constitution of Kenya requires the President to address the opening of each newly elected Parliament. In this regard, pursuant to the said Article of the Constitution and further pursuant to Standing Order No.21(1) of the National Assembly Standing Orders, by Gazette Notice No.11265 which was published on 22nd September 2022, I gave notice of this Joint Sitting to all Members of the National Assembly.

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

(Applause)

Your Excellency, it is also the custom of Parliament to recognize invited guests seated at the Speaker's Row, the Public Servants Bench and the Speaker's Gallery. I, therefore, wish to recognize the following guests who are seated in the Speaker's Row:

Her Excellency Mama Rachel Ruto, the First Lady of the Republic of Kenya and members of the First Family; His Excellency, Hon. Rigathi Gachagua, the Deputy President of the Republic and Mama Pastor Dorcas.

(Applause)

We are also pleased to host the former Vice President of the Republic, Hon. Musalia Mudavadi, EGH; former speakers of the Houses of Parliament, Rt. Hon. Justine Bedan Muturi, EGH, my immediate predecessor; and Rt. Hon. Gov. Kenneth Lusaka, EGH.

(Applause)

Your Excellency, allow me to also recognise the Chairperson of the Council of Governors, Hon. Anne Waiguru EGH, who is the Governor of Kirinyaga County. Also present is Hon. Johnstone Sakaja, the Governor of Nairobi City County, Hon. Martin Martine Mushisho, Chairperson of the Deputy Governors' caucus, who is the Deputy Governor of Kajiado County. Also, in the Speaker's Row is Hon. David Maraga, EGH, the former Chief Justice of Kenya.

(Applause)

I equally recognize one George Luchiri Wajackoya, who was a presidential candidate in the last general election.

(Applause and laughter)

Last but not least, allow me also to give a special mention of the Chief of the General Staff, General (Dr.) Robert Kariuki Kibochi and the respective Service Commanders, the Deputy Inspector General of the National Police Service and other leaders of our disciplined forces. They are all seated at the Bar of the House. We remain grateful for their distinguished service to this nation.

(Applause)

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

Your Excellency, please, address the Joint Sitting of the Houses of Parliament.

(Applause)

*(All persons in the Chamber remained upstanding
as His Excellency the President rose to Speak)*

PRESIDENTIAL ADDRESS

EXPOSITION OF PUBLIC POLICY

His Excellency the President (Hon. (Dr.) William Ruto): *Asanteni sana, tafadhali tuketi.*

The Hon. Speakers of the National Assembly and Senate, Hon. Members of the National Assembly and the Senate, by the grace of God, it is my pleasure to address this inaugural Session of the 13th Parliament following the 9th August 2022 General Elections.

It is important to note that we have made very positive progress. This Parliament has recorded the highest number of re-elected Members of Parliament ever. In the National Assembly, a record 193 Members have been re-elected, 50 more than were re-elected in 2017, while in the Senate, 17 Senators have been re-elected. This confirms the increased confidence of the people of Kenya in their leaders and institutions, affirming the maturity of our democracy.

Another milestone is the election of women legislators elected into single Member constituencies. In this year's election, 29 women were elected Members of the National Assembly, six more than were elected in 2017. This is a manifestation of the growing confidence in the contribution of women leadership in decision making in our governance and in our political institutions. I am certain, that this positive trend will continue into the future.

It is also instructive that the same confidence in Parliament has been shown in the Executive. In 2013, the President was elected with at least 25 per cent of voters in 30 counties, 34

counties in 2017, and 39 counties in the just concluded elections. Again, further demonstrating the deepening pluralism and inclusivity of our democracy. Therefore, I take this special opportunity to congratulate you on your election in the last general election; and the subsequent nominations of our nominated Members of Parliament (MPs).

(Applause)

The confidence demonstrated by Kenyans in us and our institutions, should inspire us to raise the bar in our service to the nation and accountability to the electorate.

It is also my singular honour to congratulate our Speakers, Hon. Wetang'ula and Hon. Kingi, for the overwhelming confidence of Members in them to preside over the respective Houses of Parliament. I also congratulate Members, who have been elected to Parliamentary leadership positions. I wish each one of you wisdom, strength and success in steering our legislative affairs.

We gather here on the tranquil side of a competitive election, where we all came to grips with the turbulent energies of political competition that characterised our uniquely Kenyan brand of democracy. It is true this election was an intensely contested election. Nevertheless, it was peaceful and democratic. Again, this confirms the coming of age of our democracy.

I submit to you, that the fact that the election was so close, is an indication that what unites us is always much greater than what divides us. With the support of Kenyans, we have dislodged ethnicity as the central organising principle over our politics. Thereby, retiring for good, the ethnic mobilisation and personality cults together with their culture and practises of exclusion, discrimination, patronage, tribalism and nepotism.

We took this assignment further with a paradigm shift of issue-based political leadership, anchored in credible platforms, feasible programmes and transformative commitments; aimed at positively affecting the wellbeing of all Kenyans from the bottom, up.

In summary – and this only happens in Kenya, by the way – the sitting Deputy President became the candidate of the Opposition, and the Leader of the Opposition became the candidate of Government. As things would be, the opposition candidate won the election and became President. The President became the leader of the Opposition Party. That is the beauty of our democracy and it only happens in Kenya.

(Laughter)

In the process, we also affirmed the sovereignty of the people of Kenya, as the ultimate decision makers as envisaged in the constitution. I promise to lead an administration dedicated to the just and fair Government of all Kenyans, in order to deliver a Kenya for everybody.

I commit to be the loyal, hardworking, devoted President of every Kenyan. My administration will serve all without regard to any distinction; real or imagined. Certainly, service delivery under my administration shall be impartial, regardless of political affiliation or voter preference. Kenya is our home and we remain united as one, strong family.

For these reasons, I persuade you that the legislative agenda I stand here to prosecute, deserves the bi-partisan support of this House. My administration is pursuing a transformational programme that offers a uniquely all-Kenyan moment, which calls for unity of purpose in the legislature. We are committed to serving all Kenyans in all wards of each constituency and all

counties in every region, throughout the Republic of Kenya. After all, we all serve the same boss. The people and their sovereign interest are our operating principle and purpose.

(Applause)

I will run an administration that is open and transparent. My administration will rely on oversight from this House, to make sure the public gets value for every cent invested in every policy, project and programme.

Consequently, I ask Parliament to consider a mechanism in the Standing Orders, to facilitate Cabinet Secretaries to articulate Government agenda, explain policy and answer questions on the Floor of the House. This is with a view to enhance Executive accountability to the people of Kenya through their elected representatives.

On this matter of oversight and holding Government accountable, my administration commits to restore the place of Parliament in our democracy. My administration commits to respect the autonomy and oversight authority of Parliament on the Executive.

Equally, I am a firm believer in democracy and the rule of law. That is why my first Executive action when I took office, was to undo a legacy of acts and omissions that had incrementally undermined the independence of the Judiciary. For avoidance of doubt, the Judiciary is an Arm of Government just like Parliament. My administration will be intentional in respecting the constitutionally mandated systems of checks and balances.

It is in this spirit, that I would be seeking additional resources to support the bottom-up scaling of justice; and empower the Judiciary to acquire capacity and develop the infrastructure needed, to more efficiently adjudicate and expeditiously conclude corruption cases, commercial disputes and all other matters that are a huge back log on the Judiciary today.

Hon. Members, to implement the pledges and commitment set out in our plan, my administration is committed to investing in the requisite enablers and infrastructure to provide a sound foundation for its execution. These are interventions intended to create a conducive environment for effective, efficient and sustainable realisation of our national transformation.

We are on a mission to dramatically scale up productivity in agriculture. Our mission will make sure every Kenyan farmer, fisherman and pastoralist; contributes to sustainable economic growth by contributing to adequate and affordable food; generating greater incomes and produce the raw material required by the agro-industrial and manufacturing value chains. This will boost Kenya's export performance and create millions of jobs.

Consequently, we have been deliberate in our efforts to restore sanity and introduce greater responsibility in the management of public resources. One significant intervention is the resolve to abandon consumption subsidies in favour of supporting and investing in production.

This is why we have made available fertiliser to our farmers at cheaper rates of Kshs3,500 per 50kg bag down from Kshs6,500. We are exploring further mechanisms to bring these prices down.

We have an obligation to redeem our pledge to our small traders; the hawkers, *mama mbogas* and the *boda bodas*, that every person who sells any good or service, gets to work, and earns a decent livelihood enough to place them on the path to wealth, through saving and investment. The Hustler Economy has to flourish and form the foundation of broader economic transformation while catalysing the widening of the national revenue base.

Our agenda here is to take necessary measures to create an enabling environment for business people to thrive and decriminalise enterprise.

Affordable credit makes a huge difference in the rate of business growth. Access to affordable credit is like a magic formula. The current Credit Reference Bureau approach of blacklisting debtors is a zero-sum, punitive and has arbitrarily locked millions of businesses out of the credit system. It is time to shift the formulae to a credit scoring system, which allows lenders to apply customer segmentation and at the same time end the stigma of blacklisting.

We have held productive conversations with operators of the Fuliza and M-Shwari platforms on the modalities of reducing their lending rates. Today, I am happy to report that yesterday, our engagement finally culminated in an undertaking by the platform operators to reduce the cost of credit by 50 per cent.

(Applause)

This is a significant step towards unlocking billions of shillings needed to spur economic activity by once again expanding financial inclusion.

My administration will allocate resources every year to the Hustlers Fund from which micro, small and medium enterprises can access affordable credit to start and expand their businesses. Yesterday, I promised that we will leverage on technology in the management and disbursement of these funds. Shortly, we will be bringing to this House the legislation and regulatory framework to operationalise this fund.

There is tremendous opportunity for this House to fully take up its role in resolving the systemic issues that limit access to affordable homes and affordable financing. This administration will unlock housing for the nation by doing a couple of interventions. One, we will work on the provision of land for affordable housing; both public and private. Two, we will provide access to affordable and stable financing for those engaged in social, affordable housing across the country. These two measures will allow us to undertake mass housing production, and thereby shape our approach to urban development and spatial planning, which unlike before, will deliver sustainable and inclusive human settlement.

I also wish to express our intention to bring to this House legislative proposals to provide a framework for a housing off-take plan, which will create incentives for developers to invest more money into our housing strategy and on the strength of guaranteed off-take of the completed units.

To actualise the enabling infrastructure, we intend to take the following steps; a Public Private Partnership funding framework is envisaged for large capital projects. In order to achieve our target of raising access to water from the current 60 per cent to 80 per cent, Kshs500 billion is required. The Government can provide this gradually, but the private sector can mobilise it all at once. We will thus adopt a Public Private Partnership framework by entering into water purchase agreements with investors.

I have already instructed the Public Private Partnerships Unit (PPPU) at National Treasury to work on the regulations that will facilitate the mechanism like we have in our energy sector for investors to work with us on a formula under a water purchase agreement instrument. This way, we will achieve water for all in less than a decade.

Concerning electricity, we shall facilitate the development of innovative and effective modalities to provide better off-grid systems, including enabling consumers to form small cooperatives for that purpose.

In health, we are bound by duty to take measures to make Universal Health Coverage a reality and liberate Kenyans and their families from the threat of harrowing poverty that stalks them every time a family member falls seriously ill. In our plan, and through your support, we will restructure our primary healthcare system so that we put more resources into promotive, preventive and early diagnosis of diseases.

A key driver of this realisation is the National Health Insurance Fund (NHIF) whose restructuring is not only necessary for efficiency but also enables it become a fit for purpose social insurance scheme that caters for all, including those suffering from chronic diseases.

Digital technology has become a critical player in economic growth. We will capitalise on existing technology and innovation in the public and private sector to distribute the 'Hustler Fund' as promised in our plan. I call upon financial institutions and our young people in innovation to participate in the digital economy by redesigning their products to serve the goal of empowering millions armed with grand ideas and are only waiting for the funds to finance their dreams to reality.

Hon. Speakers and Hon. Members, I have news and it is not very good news. Our financial situation is not very good. For Kenya to grow to an upper income country, we need to invest at least 25 per cent of our Gross Domestic Product (GDP). Our current national savings is below 10 per cent of our GDP which translates to an investment-savings deficit of 15 per cent of our GDP.

Over the last decade, we have sought to close this gap with public borrowing. This year alone, we budgeted to borrow Ksh900 billion to finance both development and recurrent expenditure. You are all aware that our total collection is Kshs2.1 trillion which is only enough to pay debts and salaries. The Government should never borrow to finance recurrent expenditure. It is not right, prudent or sustainable. It is simply wrong. We must bring ourselves and our country to sanity.

Over the next three years, we must revise this and go back to the situation where Government contributes to the national saving efforts by keeping recurrent expenditure below revenue. To this end, I have instructed the National Treasury to work with Ministries to find at least Kshs300 billion in this year's Budget, so that we can remove it because the market cannot sustain the kind of borrowing we are doing as a Government.

(Applause)

Next year, we will bring it further down so that by the third year, we have a recurrent budget surplus. This we must do because it is the right thing for us to do. On the revenue side, I am committed and determined to ensure that our tax system is responsive to the needs of the economy. It must be equitable, efficient and customer friendly.

The economic principle of equitable taxation requires that the tax burden reflects ability to pay. This is best achieved by a hierarchy that taxes wealth, consumption, incomes, and lastly, trade, in that order of preference, so that those who are wealthy and have the capacity to pay should pay more and those at the bottom of the pyramid should pay what is proportional.

This is best achieved by our tax regime that is different from our current tax system, which falls way far short of this. We are overtaxing trade and under-taxing wealth. We will be proposing tax measures that begin to move us in the right direction.

We will also work with the Kenya Revenue Authority on a culture change to make it a people-friendly and customer-centric organization. I am of the view that we should rename it the Kenya Revenue Service, in line with the proposed transformation.

The very large Government borrowing requirements has also undermined the business sector contribution to national savings and investment efforts. These measures outlined above will also address the problem of Government crowding out the private sector from the credit market. It will encourage banks to go back to lending to businesses and bring down interest rates, so that the private sector can also contribute to reducing the savings investment deficit.

In many countries, social security and particularly pension systems contribute, significantly to the national savings. Our current social security infrastructure, both public, that is the NSSF, and private only cater for people in formal employment, thereby excluding the vast majority of working Kenyans.

There is no retired Kenyan today who is living on their NSSF retirement benefits. The meagre current contribution of Ksh200 a month adds up to Ksh72,000 over 30 years. There is no rate of return on earth that can grow this into an adequate pension. I mean, we just have to be honest with ourselves. You cannot pretend that you are saving by saving Kshs200 and it happens across board.

Not surprising, many Kenyans scramble to provide for themselves by investing in the 50 by 100 plots of land, thereby exacerbating the problem of land fragmentation, price inflation as well as land fraud.

We intend to overhaul our social security infrastructure to make it inclusive. To encourage those excluded to save, I will be proposing a national savings drive to encourage those in the informal sector to set up their retirement savings plan.

This means that for every two shillings saved in the scheme, up to a maximum of Ksh6,000 a year, the Government will contribute a shilling for every two shillings saved by the private sector; meaning that for every Kenyan who will save Ksh6,000 a year, the Government of Kenya will give them Ksh3,000.

As part of the response to the ongoing drought, we have embarked on distribution of relief supplies to 3.5million Kenyans who are affected by drought in 23 arid and semi-arid counties. The ultimate solution to the drought cycle in our country is mitigation of climate change and its adverse effects. We must act urgently to keep global heating level below 1.5 degrees centigrade, help those in need; promote the use of renewable energy and thus end addiction to fossil fuels.

Hon. Members, I know the contribution to the National Government Constituency Development Fund (NG-CDF) is making life better for our citizens. Having saved in Parliament for 15 years before and after the establishment of the NG-CDF, I know that the difference it makes is monumental. I believe there is a way CDF can be aligned to the tenets of the Constitution.

In this regard, I also hasten to add that both Houses should also be adequately resourced for oversight duties.

(Applause)

With regard to the Senate and its constitutional mandate, I believe that the two Houses should work together to set up the Senate Oversight Fund. This will be used to provide oversight of the millions of resources that are sent to counties.

Hon. Members, the people of Kenya rightly expect much of us; we have our work cut out. This is our chance to achieve real change by working together to make Kenya a land of equal

opportunity for all, where every Kenyan is proud to call home. Let us all play our part in the service of our employers, the people of Kenya.

Going into the future, I will be making other statements. Today, I will make my Statement short. May the good Lord bless you and the great people of Kenya. Thank you.

(Applause)

ADJOURNMENT

The Speaker of the Senate (Hon. Amason Kingi): Hon. Members, please, be upstanding. Your Excellency the President, Rt. Hon. Speaker of the National Assembly, Hon. Members, we have come to the conclusion of the business of the day and it is now time to adjourn. The Senate stands adjourned until Tuesday, 4th October 2022, at 2.30 p.m. in the Senate Chamber, Parliament Buildings.

The Speaker of the National Assembly (Hon. Moses Wetang'ula): Hon. Members, the National Assembly equally stands adjourned until Tuesday, 4th October 2022, at 2.30 p.m.

Before we adjourn, my apologies to the Members of the Judiciary. Those who carried my speech left out the acknowledgment of our members of the Judiciary present in the House. Apart from the Chief Justice, we have the Deputy Chief Justice, Hon. Philomena Mwilu.

Similarly, we have Justice Daniel Musinga, President of the Court of Appeal; Lady Justice Hannah Okwengu, Judge of the Court of Appeal; Hon. Mr. Justice Eric Ogola, the Principal Judge of the High Court; Lady Justice Maureen Onyango the Principal Judge of the Employment and Labour Courts of Kenya; and the Hon. Anne Amadi, the Chief Registrar of the Judiciary.

(Applause)

Your Excellency and Hon. Members, I take this opportunity to invite you and our guests to a reception at the Parliament courtyard. I also request all Hon. Members and our guests to remain standing in silence, and in your places, until the procession of His Excellency the President, the Speakers, the Supreme Court Judges and the spiritual leaders leave the House.

If Hon. Chebukati is present in the House, we also---

(Applause)

Order, Hon. Members! On your behalf, I have the distinct honour to acknowledge his presence. Thank you.

DEPARTURE OF HIS EXCELLENCY THE PRESIDENT

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

Parliament rose at 4.10 p.m.