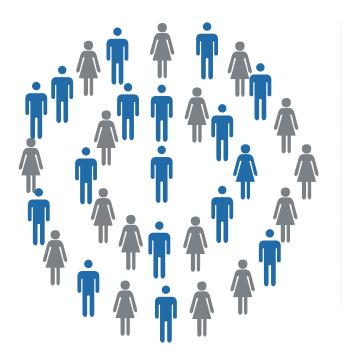


### Introduction



The world is currently going through very uncertain times. Notwithstanding the global pandemic of COVID-19 which shook every nation, sending millions of people home from the security of their jobs, we are currently faced with a crisis in Ukraine sending thousands and people into neighboring European countries as refugees fleeing from the security of their jobs and homes.

#### Introduction

The Ukraine crisis, like COVID-19, is a global crisis affecting every nation. In Kenya, for example, we stand to lose 10 billion Kenya shillings worth of exports to Russia as a result of sanctions against Russia. We export tobacco, coffee, tea, spices, live trees, plants, bulbs, roots, cut flowers, edible fruits, nuts and melons to both countries. In 2020, we imported wheat, maize and fertilizers worth Sh.40.6 billion (\$406 million) from Russia which might be equally adversely affected by the sanctions and the disruptions of war.

#### **Cost of War**

4

We in Kenya know the cost of war, and its adverse effects on our economy, as a result of the internal conflicts in our neighboring countries. Our intervention in Somalia, for example, necessary as it is, has been very expensive to us. It is estimated that we spend at least 210 million shillings per month (U.S.\$2.8 million) in personnel costs alone in a year where we have recorded Kshs. 236 Billion (U.S. \$3.1 billion) total budget deficit.

#### Infrastructure

As the African Union High Representative for Infrastructure travelling across Africa and discussing matters of infrastructure with various African leaders and technocrats, I have come to deeply appreciated the need for linking African countries through infrastructure to promote trade, development and peace. When countries are closely integrated economically and seek to develop with common and shared goals, they are more likely to value peace rather than pursue war to achieve selfish ends.





As the Fifth President of Kenya, and a champion of democratization and good governance in Africa, I will give primacy to the pursuit of conflict resolution in our continent and the institutionalization of the structures and institutions of continental peace within the framework of the African Union. In this regard, we in East Africa are proud and happy with the progress the East African Community has made to expand its membership, which now stands at seven: Kenya, Uganda, Tanzania, Rwanda, Burundi, South Sudan and the Democratic Republic of Congo (DRC)—the latest entrant.

# **Regional Economic Integration**

Successful regional economic integration is a critical pillar in the AU's economic development agenda. It is of course closely linked with infrastructure whose promotion I have been charged with as the Union's High Representative. As I have pointed at the beginning of this lecture, as we plan for the future of our nation and our region, let us always take into account the global village in which we live. The current security of this village is threatened by drums of war; the villagers are shaken by the uncertainty of their future.

### **Our Role**

Our role as leaders is to give the restoration of global peace and national coexistence top priority within the context of the United Nations Organizations and its organs. Rather than beat the drums of war, let us ring the bells of peace to summon all and sundry to the round table where all conflicts can be resolved through diplomacy and dialogue.



#### **The Handshake**



It is in this spirit that HE President Uhuru Muigai Kenyatta and I resolved, in March 2018, that Kenya's long standing conflicts and disagreements among our communities and political parties could be analyzed and resolved through dialogue among the leaders. The two of us held extensive discussions, looking deeply into the history of our country, the genesis and evolution of political disagreements and the real contradictions we needed to pay attention to.

### **Building Bridges Initiative**

Subsequent to that, we set up a committee comprising competent Kenyans to spearhead a national dialogue on what is to be done to create a political, social and economic environment in our nation in which all will feel at home. The outcome of this dialogue was a raft of proposals called The Building Bridges Initiative. The Initiative set the framework for public consultations led by a small team representative of regions, social classes, gender and professions. After almost a year of consultations around the country, the Team's Report suggested various reforms with regard to public policy, the constitution, eradicating endemic corruption and the general well being of our people. We could not proceed to implement the BBI proposals due to court challenges which are still going on.



I am convinced, however, that our Constitution still needs some reforms to make it more effective and reduce the excess administrative baggage that were created in our enthusiasm to protect the people against the harshness of authoritarian rule that had terrorized the people for many years. A candid look at the relationship between Parliament and the Executive is vital. The government must be present in Parliament to be accountable directly to the elected leaders and not through proxy civil servants.

#### **Devolution**

Our 2010 Constitution introduced a devolved system of government that has brought tremendous changes in governance and the distribution and use of public resources at the grass roots. One can now find modern health facilities in far flung counties like Mandera to the north and Tana River further south. Mombasa now boasts of a modern Referral Hospital complete with a state of the art cancer center. In Kenya devolution is not an experiment. Devolution is here with us to stay. We can only make it better by enabling it to give more services to the people.

# **Supporting Devolution**

Hence much more could be done if there was improved budgetary allocation to counties which is currently set at not less than 15% of the national budget. Under my presidency, this will be increased to "at least 35%" to improve the developmental and service delivery potential of devolution. I have always supported devolved systems of government in modern democracies believing in the dictum that "a central government does best when it governs least at the local level."

Article 43 of our current Constitution promulgated in 2010 is indeed revolutionary. It guarantees Kenyans basic social and economic rights such as right to education, health, food, water, housing and social security. We need to re-engineer the functions of both the national and county governments in implementing this very important article in our Constitution.

# **Technical & Vocational Training**

Kenya has, over the years, expanded the frontiers of public education to more and more of her citizens. This is commendable. But illiteracy is still prevalent among 20% of our adult population, a situation we must go out of our way to change under my government.

Moreover, a skills oriented education at the basic level is necessary to prepare students for productive work when they do not pursue higher professions at college and above. My government will therefore invest heavily in technical and vocational training schools while emphasizing equal access to such institutions to students who have practically as well as academically demonstrated their potential.

# **Universal Health Coverage**

I must applaud the current government's commitment to continue implementing Universal Health Coverage that was initiated by the National Rainbow Coalition (NARC) Government of 2003-2007, and taken over by the (ODM-PNU) Coalition Government of 2008-2013. My government intends to take up from where the current Jubilee Government has reached. My commitment will be to eliminate the difference in terms of quality and cost between the public and private health facilities. Universal access must be universal access in word and deed. Hence a Kenyan insured under the National Health Insurance Fund should access private and health facilities without let or hindrance.

#### **Health Awareness**

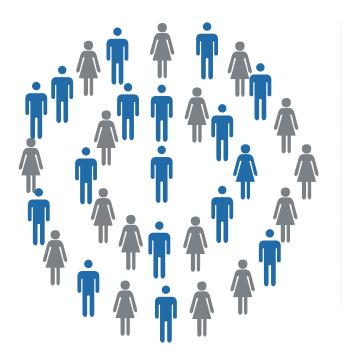
I also intend to improve health knowledge and awareness among our people so that family, community and preventive health care are inculcated in our people by community health workers as well as family clinicians. The county health delivery systems will start from the family and community level with effective integration upwards to the higher echelons of health delivery.

Finally, I intend to eliminate corruption and unnecessary bureaucracy in the delivery of health are adhered to. This is mainly with regard to management and distribution of health commodities by the Kenya Medical Supplies Agency (KEMSA) and the National Health Insurance Fund (NHIF). With regard to the latter, we shall have to make a distinction between regulation and management on the one hand, and fund management on the other. The two must not comingle.

#### **Social Protection**

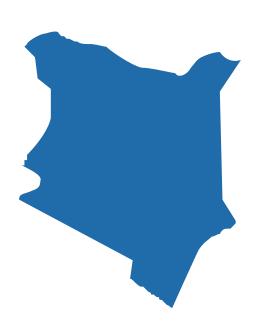
Social Protection, in general, will be central in the delivery of social services to the poor and indigents in our society. I have committed myself to Baba Care, a health protection program that will ensure that indigents are insured by public funds in the NHIF scheme. Likewise, universal access to education from kindergarten to university will eliminate the current disparity between the poor and the well to do in the education system. For accessing the daily subsistence of poor households, I intend to pay 6,000 Kenya shillings per day for each household. Single mothers will, however, be treated as a special category whose monthly stipends will be assessed according to need. The cost of all this will be adequately covered by saving money in the public service through an administrative reform program that will eliminate inefficiency and unnecessary duplication of bureaucratic functions between the county and national governments.

### **Enhancing Capacity**



Regarding Research and Innovation on the health sector as a result of the experience we have had with COVID-19, I intend to establish an Institute for Biotechnology and Genetic Engineering in Kenya so as to enhance our domestic capacity and possibility of developing our own vaccines and pharmaceuticals.

### **Capital Investments**



Much has been said about Kenya's excessive indebtedness and the fact that debt servicing is hurting our ability to finance our own development from our own resources. This is true and must be dealt with. But it should not lead us to conclude that accessing credit from external sources is itself a bad thing.

An economy is like a business enterprise: it cannot run without capital. Credit is borrowed capital which must be paid back to the lender at an interest rate agreed to and a period of time fixed for repayment. When these conditions are not met by the borrower then a business can be declared bankrupt, auctioned to recover debt or put under receivership.

# **Expanding Infrastructure**

The best thing for any government to do, therefore, is to borrow at a favorable interest rate, negotiate repayment periods that are not stressful, and invest in enterprises and projects that give good social and economic returns, including in the area of domestic capacity building. We must continue to expand our infrastructure, particularly in the areas of green energy, roads, railways and harbors interconnecting us with our neighbors as well. But we must do this at a price we can afford and without opening this up as a frontier for foreign borrowing laden with bureaucratic corruption.

# **Safeguarding the Future**

Without going into too much details, I do not think we have done very well in the last ten years with our debt portfolio. Kenya's public debt has increased exponentially over the last ten years. Gross Public Debt increased from 44.4% of the Gross Domestic Product (GDP) in 2010 to 69% of the GDP at the end of 2020, reflecting high deficits, explained by the financing of infrastructure projects whose costs are quite often inflated due to bureaucratic corruption. My government will audit such projects, ensure that the rule of law is followed in dealing with those responsible for cost inflation and safeguard future external borrowing from such corrupt practices.

### **Safeguarding the Future**

22

**69%** 

Without going into too much details, I do not think we have done very well in the last ten years with our debt portfolio.

Kenya's public debt has increased exponentially over the last ten years. Gross Public Debt increased from 44.4% of the Gross Domestic Product (GDP) in 2010 to 69% of the GDP at the end of 2020, reflecting high deficits, explained by the financing of infrastructure projects whose costs are quite often inflated due to bureaucratic corruption. My government will audit such projects, ensure that the rule of law is followed in dealing with those responsible for cost inflation and safeguard future external borrowing from such corrupt practices.

# **Paris Climate Agreement**

Finally, Kenya is committed to rolling back global warming through drastic reduction of green house gas emissions in all areas of our society, but particularly at the industrial and corporate level, in line with the Paris Climate Agreement.

As Kenya's Prime Minister in the Coalition Government in 2008-2013, I was at the forefront in the struggle to save our water towers, expand afforestation and increase large scale production of green energy by increased investment in geo-thermal, solar and wind power. My government intends to champion something equivalent to the the US Green New Deal in the Kenyan context. We know that the motor cycle, now the most popular mode of transportation for the working and lower classes, unleash as much pollution into the atmosphere as a ten-ton lorry. We intend to put in place a program that will transform motor bikes from using petrol to using solar and electrical energy within the next ten years. In general, my government will move systematically to replace fossil fuels with green energy in production and transportation.

### **Green Energy**

As Kenya's Prime Minister in the Coalition Government in 2008-2013, I was at the forefront in the struggle to save our water towers, expand afforestation and increase large scale production of green energy by increased investment in geo-thermal, solar and wind power. My government intends to champion something equivalent to the the US Green New Deal in the Kenyan context. We know that the motorcycle, now the most popular mode of transportation for the working and lower classes, unleash as much pollution into the atmosphere as a ten-ton lorry. We intend to put in place a program that will transform motor bikes from using petrol to using solar and electrical energy within the next ten years. In general, my government will move systematically to replace fossil fuels with green energy in production and transportation.

