

## THIRTEENTH PARLIAMENT

## NATIONAL ASSEMBLY

# THE HANSARD

## THE HANSARD

# JOINT SITTING OF THE NATIONAL ASSEMBLY AND THE SENATE

(Convened vide Gazette Notices No. 16518 and No. 16519 of 12<sup>th</sup> November 2025)

Thursday, 20<sup>th</sup> November 2025

(Parliament met at 2.50 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)

#### **PRAYERS**

### COMMUNICATION FROM THE CHAIR

CONVENING OF JOINT SITTING FOR PRESIDENTIAL ADDRESS TO PARLIAMENT

The Speaker of the Senate (Hon. Amason Kingi): Your Excellency, Hon. (Dr) William Samoei Ruto, CGH., President of the Republic of Kenya and Commander-in-Chief of the Defence Forces; the Rt. Hon. (Dr) Moses Wetang'ula, Speaker of the National Assembly; Hon. Members of Parliament, Article 132(1)(b) of the Constitution provides that the President shall address a special sitting of Parliament once every year and may address Parliament at any other time. Article 132(1)(c) of the Constitution further provides that the President shall, once every year, report in an address to the nation all the measures taken and the progress made or achieved in the realisation of the national values referred to 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, to report annually to Parliament on the state of security of the country.

In this regard, the Chief of Staff and Head of Public Service, vide a letter referenced No. EOP/1CAB.26/4A Vol. 7(1), dated 3<sup>rd</sup> September 2025, informed the Speakers of the Houses of Parliament of the intention of His Excellency the President to address Parliament.

Consequently, and upon consultation, the Address to Parliament by His Excellency the President was scheduled for today, Thursday, 20<sup>th</sup> November 2025.

Pursuant to Standing Order 25(2) of the Senate Standing Orders, I notified Senators of the place, date and time of today's special sitting vide Gazette Notice No. 16518, which was published in a special issue of the Kenya Gazette on Wednesday, 12<sup>th</sup> November 2025. Further,

**Disclaimer:** The electronic version of the Official Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor.

together with the Rt. Hon. Speaker of the National Assembly, we notified all Members of Parliament and the general public of today's special sitting vide notices placed in the *Daily Nation* and *The Standard* newspapers on Wednesday, 12<sup>th</sup> November 2025. Accordingly, Hon. Members, this special sitting is properly convened.

I thank you.

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 Defence Forces; the Rt. Hon. Amason King, EGH, MP, Speaker of the Senate; Hon. Members of Parliament; Members of the Diplomatic Corps; Distinguished Guests; Ladies and Gentlemen, Article 132(1)(b) of the Constitution requires the President to address the nation once every year, and at any other time. Further, Article 132(1)(c) of the Constitution 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, Article 132(1)(c)(iii) of the Constitution provides that the President shall submit a report for debate to the National Assembly on the progress made in fulfilling the international obligations of the Republic.

In this regard, Hon. Members, by way of a Message to the House, His Excellency the President conveyed his desire to address a special sitting of the Houses of Parliament today,  $20^{th}$  November 2025. Therefore, pursuant to the provisions of Standing Order 22 of the National Assembly Standing Orders, via Gazette Notice No. 16519, which was published in the Kenya Gazette on  $12^{th}$  November 2025 and, indeed, as also notified to all Members and the general public by way of newspaper notifications published on  $12^{th}$  November 2025, I gave a notice of this special sitting of Parliament to Members of the National Assembly. Accordingly, this special sitting is properly convened.

Your Excellency, Hon. Members, distinguished guests, ladies and gentlemen, it is the custom of Parliament to recognise invited guests seated in our galleries. I, therefore, wish to recognise the following guests who are seated in the Speaker's Row:

- 1. Her Excellency Rachel Ruto, the First Lady of the Republic of Kenya, and other members of the First Family.
- 2. His Excellency Hon. (Prof.) Kithure Kindiki, EGH, the Deputy President of the Republic of Kenya.
- 3. Hon. Musalia Mudavadi, EGH, the Prime Cabinet Secretary and Cabinet Secretary for Foreign Affairs and Diaspora Affairs.

## (Applause)

Your Excellency and Hon. Members, also present this afternoon are—

1. Chief Justice and President of the Supreme Court, Hon. Lady Justice Martha Koome, EGH.

She is accompanied by the—

- 2. Deputy Chief Justice and Vice-President of the Supreme Court, Hon. Lady Justice Filomena Mwilu, EGH.
- 3. Hon. Justice Daniel Musinga, CBS Presiding Judge of the Court of Appeal.
- 4. Hon. Justice Oscar Angote, MBS Presiding Judge of the Environment and Land Court.
- 5. Hon. Justice Byram Ongaya, EBS Judge of the Employment and Labour Relations Court.

## (Applause)

We are also honoured to have in our midst the immediate former Speakers of the Houses of Parliament:

- 1. Hon. Francis Ole Kaparo.
- 2. Hon. Ekwe Ethuro
- 3. Hon. Kenneth Lusaka, EGH, Governor of Bungoma County.

We also have the Clerk Emeritus of the National Assembly Amb. Michael Sialai, CBS.

## (Applause)

Also, in the Galleries are:

- 1. Chairperson of the Council of Governors, Hon. Ahmed Abdullahi, who is also the Governor of Wajir County.
- 2. Hon. Johnson Sakaja, Governor of Nairobi City County.

## (Applause)

May I also accord special recognition to all Cabinet Secretaries present and particularly acknowledge five of them, who are former ranking Members of the Houses of Parliament, namely, Hon. Aden Duale, EGH, the former Leader of the Majority Party in the National Assembly; Hon. Kipchumba Murkomen, EGH, the former Leader of the Majority Party in the Senate; Hon. John Mbadi, EGH, and Hon. Opiyo Wandayi, EGH, both former Leaders of the Minority Party in the National Assembly; and Hon. Alice Wahome, EGH.

## (Applause)

If Hon. Mutahi Kagwe is present, he is also a former Member of the House, and I acknowledge him.

I also acknowledge Principal Secretaries, members of the Diplomatic Corps, and Heads of Constitutional Commissions, Independent Offices and State Corporations present. They are all welcome to Parliament.

Your Excellency, I wish to specially welcome to Parliament the Chief of the Kenya Defence Forces, General Charles Kahariri, the respective Service Commanders, the Inspector-General of Police and other leaders of our disciplined forces who are seated at the Speaker's Row. Parliament deeply appreciates your outstanding contribution to our national defence and security, and your distinguished service to our nation.

## (Applause)

To all invited guests, we say, Karibu Bunge.

Your Excellency, Hon. Members, distinguished guests, ladies and gentlemen, I wish to draw your attention to the officer in green standing to the right of the Chamber. He is the Chief Serjeant-at-Arms of the National Assembly, Mr Aloisio Lekulo, OGW.

## (Applause)

Your Excellency, this special mention of this gallant son of Kenya is because he comes from the smallest community in our nation, the El Molo, a community that, according to our last census, is made up of just about 500 people. He has risen through the ranks from a high school teacher to a District Officer (DO), and was competitively employed in Parliament in

2006 in the Serjeant's Office, rising to become the Chief Serjeant-at-Arms. Today is his last day on duty, having diligently served in public service.

(Applause)

The National Assembly had a special session where we paid tribute to him. We thank him for the distinguished service he has rendered to the nation and wish him well.

Your Excellency, 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 Sitting of Parliament.

Your Excellency, you are most welcome.

(Applause)

#### PRESIDENTIAL ADDRESS

ANNUAL PRESIDENTIAL ADDRESS TO PARLIAMENT

**His Excellency the President** (Hon. (Dr) William Ruto): Thank you very much, Hon. Speaker, Sir.

The Hon. Speakers of the National Assembly and the Senate, Hon. Members of the National Assembly and the Senate, the Chief Justice and the leadership of the Judiciary, Cabinet Secretaries, Your Excellencies, distinguished guests, fellow citizens, ladies and gentlemen, two years ago, when I delivered my first State of the Nation Address, I had a vision to sell. Today, I have a story to tell – a story written not in the quiet offices or the comfort of boardrooms, but out in the blazing sun of our farms; in the dust of construction sites where our affordable homes now rise; and in the grit of our community health workers, doctors, and medical professionals, who refuse to surrender in the quest for Universal Health Coverage (UHC).

It is written in the steady hum of our factories; in the determination of millions daring to dream and finance their vision through the Hustler Fund; in the courage of our young people working on housing sites, the Climate Works Programme, in the digital ecosystem; and in the bravery of those who, looking beyond our borders, have sought livelihoods abroad to sustain families back home.

It is a story of sacrifice, sweat, and progress that has not come easy. It is a story you can see in the numbers, feel in the homes, and trace in the lives transformed across our Republic. A story whose facts are available for all to examine, except perhaps for the cynical, who have no facts. Today, the evidence of promises made and promises kept is clear. In just three years, we have built not monuments of words, but foundations of progress. Yet, even with these achievements, I am convinced that this is only the beginning.

Hon. Speaker and Members, as I prepared this Address, I reflected deeply on the long road we have travelled as a nation. It has been 62 years shaped by struggle, sacrifice, hardship, triumph, and milestones that have affirmed our spirit. From that reflection came one undeniable truth: we have made commendable progress, but Kenya still punches way below its true weight. This nation has the talent, the resources, and the spirit not just to improve, but to leap and to make the transition from a developing country to a developed one within our lifetime. That is why I speak today with full conviction that history has summoned this generation, our generation, at such a time as this, to a higher purpose. Some eras are shaped by events. Others are defined by the decisions a nation makes.

Today, Kenya is called to make such a decision, to finish the journey our forebears began, and finally turn our long-held potential into lived reality. To do this, we must cast off the prevailing mindset of being content with the average. We must step beyond the comfort of the familiar and the ordinary, and reach with courage, clarity, and conviction, for nothing less than excellence and greatness.

Therefore, as we examine the achievements of the past three years, results that have laid a firm foundation for equality of opportunity and a nation where no one is left behind, today I will also place before you not just a vision, but a national project that is realistic, grounded, and entirely within our reach. A vision not just to grow, but to transform. A roadmap not merely to move forward, but to rise from developing to developed, from potential to reality, from promise to prosperity, from the Third World to the First World and finally, to rise into the Kenya we have long imagined – the Kenya we deserve.

For too long, our ambition was held hostage by small thinking and ordinary expectations. But that era must now be consigned to the past. Today, we stand on the threshold of something far greater, a moment in which we can say that our parents dreamt of and what our children yearn for, we will accomplish in our lifetime. As we know, this is achievable because others have done it before.

I have often spoken of the Asian Tigers — South Korea, Singapore, Hong Kong, Malaysia, and by the way, Hon. Members, the Prime Minister of Malaysia will be here this weekend — countries that at Independence were our peers in nearly every measurable way. They had no extraordinary resources. They were not superhuman. They simply had the courage to make bold, disciplined, deliberate choices. They invested in their people, demanded excellence, and refused to be trapped in the limitations of their circumstances. They refused to make peace with mediocrity. Today, they stand as first-world economies. If they could rise, so can Kenya. It. Can. Be. Done. Let me repeat: It. Can. Be. Done.

Later in this Address, I will set out the strategic choices, the reforms we will deepen, the sectors we will unlock, and the investments we will prioritise to move Kenya to the next level. I say all this not as a personal badge of honour, but as a recognition of what we have achieved together as the Kenyan people, the leadership in all arms of Government, and across all political formations.

Hon. Members, the last three years have not been easy. We have agreed, sometimes disagreed, and at times those disagreements have carried a great cost. We have compromised, we have confronted hard truths, and we have endured storms none of us invited. But we all take comfort that it has not been for nothing, for this is how far we have come. At a time like this in 2022, Kenya was in distress. Inflation had soared to almost double digits. A fuel shortage threatened to paralyse our economy as oil marketers struggled to access dollars. The shilling was in free fall. Foreign reserves had hit historic lows. Debt service consumed more than half of our revenues. Confidence, both local and foreign, had waned. International analysts warned that it was no longer a question of if, but when Kenya would default. Within that context, we acted. We restored fiscal discipline. We eliminated wasteful subsidies. We rationalised public expenditure. We strengthened revenue collection and placed our economy on a path of recovery and sustainability. Inflation, which stood at 9.6 per cent in 2022, has steadily declined to 4.6 per cent as of last month, bringing much-needed relief to households. The Kenyan shilling, once in a perilous downward spiral, has stabilised at Ksh129 to the dollar for nearly two years, a direct consequence of prudent monetary policy and disciplined fiscal management. Our successful Eurobond redemption signalled to the world that Kenya honours its obligations.

Three years ago, Kenya was ranked the eighth-largest economy in Africa, with a Gross Domestic Product (GDP) of US\$115 billion. Today, our GDP has increased to US\$136 billion, moving us up to become the sixth-largest economy on the continent, according to the International Monetary Fund (IMF). This steep rise, ladies and gentlemen, is not accidental. It

is the product of deliberate choices, disciplined execution, and strategic reforms that have strengthened our economy and unlocked its potential. Our foreign reserves have surpassed US\$12 billion, the highest in independent Kenya. This has restored certainty, cushioned our economy from external shocks, and restored investor confidence. International markets have taken note. Just this week, 14 of the world's leading financial institutions, including Citigroup, JPMorgan, Standard Chartered, and Goldman Sachs, projected that Kenya's economy will expand by between 5 and 5.8 per cent in 2026. This confidence is anchored in solid fundamentals: lower credit costs, rising exports, improved household spending driven by low inflation, and a broadly stable macroeconomic environment. Standard & Poor's has upgraded Kenya's sovereign credit rating from B- to a firm B, our first upward revision in many years, signalling renewed international confidence. This upgrade lowers our risk profile, attracts more investment, and reduces borrowing costs for both the Government and the private sector.

Fellow citizens, our foreign direct investment has more than tripled from US\$463 or about Ksh60 billion in 2021. to US\$1.5 billion, almost Ksh195 billion in 2024. In the last 36 months, over 300 new businesses, including 500 foreign companies, have registered and set up shop in Kenya, reflecting renewed confidence and improved ease of doing business. The Nairobi Securities Exchange (NSE) has recorded a powerful resurgence, now recognised as one of the best-performing emerging markets globally. Since January 2025, investor wealth has grown by over Ksh1 trillion, driven by a broad share price rally that has re-established NSE as a premier asset class. The NSE is on track for its strongest performance in over a decade, building on last year's remarkable gains. This renewed vibrancy is a clear vote of confidence in Kenya's direction and in the reforms we have undertaken.

In short, Hon. Speaker, Hon. Members, the world's most respected economic assessors and market sentiment are affirming what we already know, that our economy is strengthening, our prospects are brightening, and confidence in Kenya is rising. Our critics, the high priests of eternal pessimism who criticise without responsibility and tear down without offering alternatives, will want you to believe that our economy is going in the wrong direction. But while everyone may speak their mind, and that is the beauty of our democracy, no one is entitled to manufacture self-serving falsehoods and traffic them as facts. And facts are exactly what I present here today: clear, verifiable, and indisputable.

One of the greatest contributors to the high cost of living is the cost of food. In 2022, Kenyans marched with empty sufurias, a stark symbol of frustration and the unbearable cost of basic commodities. From the outset, we made an intentional and strategic decision to subsidise production, and not consumption. We understood that lasting relief would not come from temporary subsidies and price controls, but from strengthening the foundations of agricultural production. We also recognised that agriculture is not merely another sector of our economy; it is the lifeline of our nation. If we were to secure households, stabilise prices, create jobs, expand industry and spur exports, then agriculture had to be the fulcrum of our transformational agenda.

To organise the sector and improve service delivery, we launched an integrated digital platform to register farmers. In 2022, fewer than 300,000 farmers were on record. Today, over 7.1 million farmers are registered on the Kenya Integrated Agricultural Management Information System, giving us visibility to design scientific targeted interventions and eliminate extortionists, getaway brokers and drive out cartels and middlemen. This has enabled us to implement the fertiliser subsidy programme at scale. To date, over 21 million bags of affordable fertiliser have been distributed, reducing the price by nearly two-thirds and saving farmers Ksh105 billion so far.

This year alone, we delivered 7 million bags of fertiliser and 35 million kilos of certified seed. Next year, in 2026, we plan to distribute 12.5 million bags across all 1,450 wards, ensuring every farmer has access to affordable inputs.

## (Applause)

The impact has been phenomenal. Productivity in all our agricultural sectors has gone up. National maise harvests have risen from 44 million bags in 2022 to 67 million bags in 2024, setting the stage for a historic 70 million-bag harvest this year. The results are visible in markets and homes. The price of a two-kilogram packet of flour has fallen from Ksh250 in 2022 to as low as Ksh130 today. For millions of households, this is meaningful daily relief.

The transformation across our value chains is equally compelling. Tea production has grown, with earnings rising from Ksh138 billion in 2022 to Ksh215 billion in 2024, a 56 per cent increase. The coffee sector, once on the brink of collapse, is roaring back. Nearly 50,000 seedlings have been distributed. Earnings have risen from an average of Ksh70 per kilo to between Ksh120 and Ksh150 per kilogram now. We are on track to increase exports from 48,000 metric tonnes to 60,000 metric tonnes this year, and it is projected to reach 150 million tonnes in three years' time.

In edible oils, acreage under production expanded by 90 per cent between 2022 and April 2025, cutting the edible oil import bill by Ksh17 billion in one year. By 2027, we aim to halve this bill, saving Kenya nearly Ksh60 billion in foreign exchange.

Cotton production has nearly tripled. Cashew nut yields have grown following the distribution of 900,000 seedlings, and so has coconut output after the provision of one million seedlings. The sugar sector, long troubled, is now stabilising. Area under cane is up by 200,000 acres, production has surged 76 per cent to over 815,000 metric tonnes, and imports are down 70 per cent. To secure this progress, we have leased the Nzoia, Muhoroni, Sony, and Chemelil factories to competent private-sector operators.

Our livestock value chain is rising. Leather exports are up 56 per cent to Ksh2.5 billion; local shoe production now exceeds 11 million pairs. Meat exports have grown 45 per cent to Ksh12.5 billion.

In dairy, milk production has surged to 5.3 billion litres while exports have nearly doubled to Ksh9.4 billion. Dairy farmer support has been enhanced with the installation of 230 new coolers. Nearly 8 million animals have been vaccinated, and KEVEVAPI has produced a record 94 million vaccine doses, which are used locally and also exported to our neighbours in the region. We have reduced the cost of sexed semen from Ksh8,000 per dose to Ksh1,000 for our dairy farmers.

The outcome of these reforms is unmistakable. We have enhanced food security, raised farmer incomes, driven agro-industrialisation and expanded Kenya's export footprint. This is the transformation we promised, now unfolding across our nation, fulfilling the national values and principles of governance, particularly sustainable development, as required under Article 10 of our Constitution. It is in accordance with this constitutional duty that I report to this House today.

Hon. Speaker and Hon. Members, let me now turn to healthcare, the foundation of human dignity and the heartbeat of every nation that chooses compassion over neglect. Over the last three years, we have undertaken the most ambitious transformation of our health systems since Independence; reforms rooted in equity, powered by innovation and guided by a simple conviction that every Kenyan, wherever they live and whatever their means, deserves equal care. Twenty-seven million Kenyans are now registered with the Social Health Authority (SHA), more than triple the number ever reached by the former National Health Insurance Fund (NHIF). This is a demonstration that leaving no one behind was and is not a slogan; it is a promise on course to fulfilment. Additionally, more than 10,000 health facilities across the country have signed up to serve under this new system.

Hon. Members, real healthcare begins long before a patient reaches a hospital. And that is why in September 2023, we deployed 107,000 community health promoters, the largest primary health workforce in our history; trained, equipped and present in every ward in all our 47 counties. Their impact has been extraordinary. Consider three statistics: 8.9 million households have so far been visited; 9.9 million diabetes screenings have been done with 134,000 cases diagnosed; 6.5 million hypertension screenings have been conducted, with 305,000 cases confirmed. Millions of lives have been touched, and thousands saved. This is what equity looks like. This is the meaning of universal healthcare. This is indeed leaving no Kenyan behind.

Behind these numbers stand the community health promoters; quiet, devoted and tireless heroes of this new era. Today, we honour and thank them. To them, we say that Kenya is healthier because of you.

## (Applause)

When I promised that those unable to pay would be supported by the Government under Universal Health Cover (UHC), the cynics scoffed as usual. Today, we are paying premiums for 2.3 million vulnerable Kenyans, including orphans, widows, the elderly and those without income. This is because healthcare is not a privilege for them. I must commend Members of this august House who have stepped in to support vulnerable families in this gesture.

## (Applause)

We are also modernising hospital equipment through the National Equipment Service Project, replacing the old Medical Equipment Service (MES) model that burdened counties with heavy upfront costs. Under the new fee-for-service system, private partners install, maintain and run state-of-the-art equipment, and public facilities pay only when they use them.

We have overhauled Kenya Medical Supplies Authority (KEMSA) to end the chronic crisis of drug shortages, raising medicine availability from 48 to 68 per cent and to a projected 90 per cent by the end of this year, and to 100 per cent by March next year. This is more than healthcare reform. It is a long-deferred promise finally taking shape, a Kenya where every citizen can face tomorrow with confidence, knowing their nation will stand with them in their hour of need. It fulfils our national values of dignity and equity as stated in Article 10 of the Constitution.

In the same spirit, the Government is strengthening financial protection for Kenyans under cancer treatment. The Social Health Authority (SHA) will enhance the cancer benefits package from the current Ksh550,000 to Ksh800,000, effective 1st December 2025. This enhancement responds to the rising cost of sustained cancer care and ensures that patients can access quality, uninterrupted treatment without facing financial hardship.

Hon. Speaker and Hon. Members, when I assumed office, our education sector was in distress with a strained Competency Based Curriculum (CBC) transition, a chronic teacher deficit, universities on the edge of insolvency and overstretched infrastructure. We moved quickly to restore education as the great equaliser through the student-centred funding model, scholarships and loans now follow need and merit, placing the learner at the centre. Nearly 500,000 students have already benefited from this model. We then tackled the teacher crisis head-on. As you all know, we have hired 76,000 teachers with 24,000 more to be brought in by January next year. That will translate to 100,000 teachers in three years, an achievement unmatched in the history of our country. Together with the National Government Constituencies Development Fund (NG-CDF), we have delivered 23,000 new classrooms, and

1,600 laboratories are under construction, easing congestion and providing CBC with the dignified facilities it requires.

## (Applause)

Technical Vocational and Education Training (TVET) has become the engine of practical skills. Enrolment has leapt from 341,000 in 2022 to 718,000 as young Kenyans embrace engineering, ICT, modern agriculture, hospitality, design and the trades that power a modern economy. In strengthening education at every level, we are giving life to the national values in Article 10, especially equity, human dignity, and sustainable development, ensuring that every child has a fair chance to rise.

Hon. Speaker and Hon. Members, three years ago, when we said we would deliver affordable housing, the cynics dismissed it. They said it was a fantasy. When they realised we were serious, they called it impossible; when we broke ground across the country, they suggested that these projects would stall. Today, those doubts have given way to a very different question from Kenyans everywhere. The question is, how do I own one of these units? That is, now, the question.

Across the country, we are delivering the most extensive housing rollout in Kenya's history, 230,000 affordable homes. We meet students' needs. One hundred and seventy-eight thousand beds have been packaged for universities, Technical and Vocational Education and Training institutions (TVETs), Kenya Medical Training College (KMTCs), with 74,000 already under construction, transforming a sector where fewer than 10 per cent once had decent accommodation. Additionally, 270 modern markets are taking shape nationwide, providing vital spaces for women and MSMEs, with another 175 underway, expanding the backbone of local commerce.

Through the Nairobi River Regeneration Programme, 44,000 young people are restoring the river corridor and preparing sites for 10,000 social homes along the renewed riverfront. The Housing Programme, including markets and hostels, has created over 428,000 jobs, including architects, engineers, plumbers, electricians, carpenters, masons, steel workers, transporters, and thousands of MSMEs in fittings, fabrication, and interior design work. At peak next year, it will employ at least a million Kenyans.

## (Applause)

Hon. Members, this programme is far more than housing. It is a national empowerment engine, creating jobs, formalising the informal sector, revitalising MSMEs, restoring our environment and building resilient communities. It advances equity, dignity and sustainable development, the very values anchored in Article 10 of our Constitution.

Hon. Speaker and Hon. Members, allow me to turn to a sector that carries the hopes of nearly every Kenyan family: our MSMEs. MSMEs are the backbone of our economy, the engine room of innovation and the daily hustle of more than 15 million Kenyans. For decades, access to affordable credit trapped millions in frustration. Without collateral, there were no loans. For the millions blacklisted, every door of opportunity was shut. When banks refused to take a chance, their dreams simply stalled. As promised, we broke that cycle. The Financial Inclusion Fund, the Hustler Fund, now stands as the largest financial inclusion programme since Independence, extending over Ksh80 billion to 7 million Kenyans. The 7 million Kenyans once blacklisted have since repaired their credit. Three million small businesses and their owners, previously locked out of formal finance, are now banked, and 2,000,000 Kenyans are now frequent borrowers.

Today, through the Hustler Fund bridge facility, 800,000 entrepreneurs are accessing up to Ksh150,000 each without collateral to expand and grow their businesses.

## (Applause)

But, Hon. Members, credit alone is not enough. Many young people do not lack ideas; they lack opportunity. That is why we launched the National Youth Opportunities and Transformation Agenda (NYOTA), one of the most ambitious youth empowerment programmes in our history. Over the next five years, the NYOTA Fund will uplift 820,000 unemployed young people through apprenticeships, recognition of prior learning, entrepreneurship grants, digital skills training, and support savings. When the programme is fully implemented, it will have placed 90,000 young people into work or enterprise, certified 20,000 into different skill areas, capitalised 110,000 businesses, made significant savings for 190,000 savers, and built the capacity of 600,000 more to undertake government procurement under the AGPO Programme.

Ladies and gentlemen, over the past three years, our digital transformation agenda has become one of the most powerful engines of renewal, driving a revolution that is changing how Kenyans live, work, learn, and do business. We have expanded the fibre-optic network by 24,000 kilometres and moved from zero public Wi-Fi hotspots in 2022 to nearly 1,500 today, connecting communities once left behind.

We have set up 300 digital innovation hubs with 400 in the pipeline, gateways where ideas grow and enterprises begin. At the heart of this shift is digital Government. From less than 400 services on e-Citizen to 22,500, we have delivered one of the fastest digital migrations in the world. Access is easier, efficiency is higher, leakages are sealed, and corruption is pushed out. As our young people are driving it, nearly 2 million have been trained in digital skills, and 300,000 now earn a living online through Ajira and Jitume, as well as our expanding business process outsourcing sector.

Hon. Speaker, having set out the work of the last three years, it would be easy, almost comfortable, to pause, congratulate ourselves and settle into the warmth of modest progress. But comfort is how nations stall; it is how Kenya once slowed while the Asian Tigers raced ahead. We cannot allow that; we will not allow that, and we must not allow it because this moment demands more of us, more courage, more ambition and a refusal to settle for the ordinary.

As I said earlier, we often speak of the Asian tigers with a reverence that makes their rise seem like a miracle from a distant world. We marvel at how they journeyed from poverty to industrial powerhouses, from aid recipients to exporters of world-class goods, and we ask: what secret advantage did they have? History answers us plainly. They had none. Their rise was not magic; it was intentional and crafted through leadership, discipline, strategic investment and uncompromising rejection of mediocrity. Their stories begin in ruins. The example of post-war Japan, with barely 2,000 kilometres of paved roads, and South Korea, whose GDP per capita was nearly identical to Kenya's at Independence, today Japan commands over 1.1 million kilometres of paved roads, while Kenya has 22,000, 62 years after Independence. South Korea's per capita income now exceeds US\$36,000, compared to our own of US\$2,200. These comparisons are not meant to indict us, but to demonstrate what becomes possible when a nation chooses ambition over resignation. From their journeys, clear lessons emerge.

These nations set aside small dreams and boldly integrated into global markets. They built first-world infrastructure in what were third-world environments. They invested obsessively in their people: engineers, scientists, innovators, and technicians who powered

their ascent. They generated electricity to power their enterprise from all sources available. The innovation led to manufacturing, industrialisation and progress.

They simplified investment through institutional reforms that allowed capital, technology and talent to progress without friction. They prioritised production by planning their industries long before the industries emerged. Critically, they nurtured ecosystems of relentless innovation. That gave rise to global giants such as Samsung, Hyundai, Toyota, and Sony. These companies began modestly and grew to define modern industry.

The task before us, therefore, is unmistakably clear. If Kenya is to grow at scale, we must raise our ambition. It is for this reason, Hon. Speaker and Hon. Members, that we are raising the bar of national ambition under my leadership. That is why I am today submitting a roadmap to take Kenya to the next level. We are committing to undertake a minimum of four major national priorities, whose rationale I shall now explain.

First, we must invest relentlessly in our people—their education, skills development, scientific training, and innovation capacity. We have already laid the foundation through major reforms in the education sector. We have increased the education budget from Ksh490 billion in 2021 to over Ksh700 billion this year. It has facilitated better infrastructure in our education system, more teachers and trainers, and enhanced funding for our colleges and universities.

I have reorganised government departments to establish a dedicated State Department for Science, Research, and Innovation. It is to support the urgent need to scale up Science, Technology, Engineering and Mathematics (STEM) courses in our education system. It is to strengthen innovation, promote research, and create a pool of high-level professionals in engineering and science. The structure will also help actualise the 2 per cent National Research Fund needed to make this ambition a reality. We must fund start-ups and deliberately scale up and commercialise innovation to create new companies.

We must actualise the National Research Fund to move from the current 0.8 per cent to 2 per cent of GDP. This leaves us with a shortfall of about Ksh180 billion. Progressively, we should grow the Fund to Ksh1 trillion over the next 10 years. We will mobilise domestic public resources, private investment, venture capital, and other private sector financing to drive this effort. Because no nation rises above the abilities of its citizens, let me repeat that. Gentlemen and ladies, no nation rises above the abilities of its citizens.

## (Applause)

We must promote a culture of enterprise so that Kenyan companies cross borders. The example of Safaricom and M-Pesa, which grew from a local solution into a global financial platform serving more than 70 million customers in 170 countries, demonstrates the possibilities we can unlock.

Second, we must turn around our economy from a net importer to a net exporter of products, goods and services. Imports of agricultural food products, which cost us Ksh500 billion every year, are the most urgent. Just imagine. We import maise, wheat, rice, and edible oils at a cost of Ksh500 billion per year.

As I mentioned earlier, we have already made interventions to reduce imports of maise, sugar, edible oils, rice, and wheat. However, the natural limits of rain-fed agriculture undermine our efforts. We can no longer allow the clouds to determine whether our people eat or not. We are able to produce enough for domestic consumption and exports. Expanded modern irrigation is now a necessity and the only path forward.

Ladies and gentlemen, Hon. Members, we are endowed with arable land, yet only 15 per cent of Kenya can support rain-fed agriculture. We have relied on this limited area to feed the entire nation. While 85 per cent of Kenya does not receive sufficient rainfall, we can bring

vast arable lands in the arid and semi-arid regions into productive use if we harvest and store rainwater.

With dams, we can transform our arid and semi-arid areas into hubs of agricultural production, even in the absence of rainfall. We must never give up on the potential of these regions simply because they receive little rain. We must never confuse the lack of rain with the lack of water. This is why we must build at least 50 mega dams nationwide, alongside 200 additional medium and small dams, and thousands of micro-dams to collect and store water. Not only to secure our supply but also to bring at least 2.5 million acres under irrigation within the next five to seven years.

Therefore, the commitment to harvest and store water is not simply about food and water security. It is a strategic nation-shaping investment. It underpins our aspiration to be a net exporter of agricultural products. It underpins economic Independence, rural prosperity, and sustainable development.

The Ministry of Water, Sanitation and Irrigation, alongside all relevant agencies, has already mapped the precise locations of these dams. These projects span the breadth of our Republic—from the mega High Grand Falls dam on river Daua in Mandera to Isiolo's Barsalinga dam and Yatta in Machakos, Sigly Canal in Garissa, Soin-Koru in Kisumu, Rumuruti in Laikipia, Thuci in Embu and Tharaka-Nithi, Lowaat in Turkana; Muhoya dam straddling Nyeri and Kirinyaga, Narosura in Narok and Arror in Elgeyo/Marakwet. Others include Ndarugu in Kiambu, Kokwanyo in Homa Bay, Rare in Kilifi, Tongaren in Bungoma, and many more strategic sites nationwide.

## (Applause)

Hon. Speaker, expanded irrigation will also supply the volumes, consistency, and quality of raw materials required for our next economic frontier. It is agro-industrialisation. Irrigation will produce raw materials that our Special Economic Zones (SEZs), Export Processing Zones (EPZs), and County Aggregation and Industrial Parks will convert into high-value products for national, regional, and global markets.

Hon. Members, our third national priority is energy. This is the lifeblood of any modern economy. No nation has developed without abundant, reliable and affordable power. Although we have an installed capacity of 3,300 megawatts, the intermittence of solar and wind means our firm capacity is only 2,300 megawatts. This is far below what Kenya requires today, let alone what it will require tomorrow. To drive domestic electrification, industrial manufacturing, e-mobility, green industrialisation, digital expansion, and a technology-enabled future, we must dramatically expand power generation. Kenya is blessed with diverse, largely underexploited renewable energy sources, including geothermal, solar, hydro, wind, and nuclear. To undertake large-scale value addition, agro-processing, manufacturing and industrialisation, sufficient, affordable and reliable energy is a top imperative.

Modern technologies, such as data centres and artificial intelligence, require a large-scale energy supply. To modernise our economy, leverage technology to create new opportunities and turn our agriculture and natural resources into finished products, manufacturing and industrialisation demand many megawatts of energy. As a result, we have to generate an additional 10,000 megawatts in the next seven years to move our country to the next level and undertake the transition necessary for our growth.

Our fourth national priority is transport and logistics. As the region's economic and diplomatic hub, home to the United Nations' largest office and its only office in the Global South, and as the sixth-largest economy in Africa, Kenya must maintain world-class seaports, airports, highways, and digital corridors. Efficient transport and logistics are the backbone of our competitiveness. They accelerate national development, connect products to markets, move

goods and services, lower the cost of doing business and reinforce Kenya as the aviation and commercial capital of East and Central Africa. History teaches us that nations rise on the strength of transport and logistics.

Japan's post-war revival, enabled by strategic road expansion, is a clear example. From only 2,000 kilometres of road, they constructed over one million kilometres of paved road in seven decades. Kenya has only constructed 22,000 kilometres over a relatively similar period. To scale up our transport and logistics programme, the Ministry of Roads, Transport and Public Works has already mapped out a comprehensive network of 2,500 kilometres of highway for dualling, and 28,000 kilometres of roads to be tarmacked over the next 10 years.

## (Applause)

We will onboard Public-Private Partnerships (PPPs) in the modernisation of Jomo Kenyatta International Airport (JKIA), Mombasa and Lamu airports. We will also sort out the challenges facing Kenya Airways by next year.

## (Applause)

This work is already in progress. Next week, I will launch the dualling of the 107-kilometre Rironi–Naivasha–Nakuru–Mau Summit Road. On the same day, I will break ground on the dualling of the 58-kilometre Rironi–Maai Mahiu–Naivasha Road. The gridlock that paralyses these roads every day—especially on weekends and holidays—will soon, by God's grace, be a thing of the past.

## (Applause)

Additionally, roads earmarked for dualling include: Muthaiga–Kiambu–Ndumberi; Machakos Junction–Mariakani; Mau Summit–Kericho–Kisumu; Kisumu–Busia; Mau Summit–Eldoret–Malaba; Athi River–Namanga; Karatina–Nanyuki–Isiolo; Makutano–Embu–Meru–Maua; Mtwapa–Malindi–Mombasa all the way to Lunga Lunga; Kericho–Kisii–Migori–Isebania and Nakuru–Nyahururu–Karatina–Kisii–Oyugis–Ahero. Others include the Northern Bypass, James Gichuru Road, Bomas–Karen–Ngong; Bomas–Ongata Rongai–Kiserian; Ngong–Isinya and Naivasha–Kikuyu, among many other key corridors nationwide.

#### (Applause)

This infrastructure drive will include extending the Standard Gauge Railway (SGR) from Naivasha to Kisumu and eventually to Malaba. This exercise begins in January. In two months, we shall begin that process.

(Hon. Members gave the President a standing ovation)

Hon. Members, estimates indicate that achieving these four priorities will require at least Ksh5 trillion. This is undeniably a large sum. Some may see it as unrealistic, even audacious, for our country. But allow me to recall President John F. Kennedy's words in 1962 as he rallied America to reach the moon. He said:

We choose to go to the moon in this decade and do the other things, not because they are easy but because they are hard, because that challenge is one we are willing to accept, one we are unwilling to postpone.

These four projects are our national imperatives. They are commitments we must embrace without hesitation, not because they are easy or cheap, but because they are absolutely necessary and worthy of our time. This is the assignment of our generation. This is the purpose of this administration and the 13<sup>th</sup> Parliament; this is the moment we must rise up to.

This brings us to the next question. Given our fiscal constraints, how shall we finance these transformative projects sustainably? The answer lies in two key financing vehicles: the National Infrastructure Fund and the Sovereign Wealth Fund. As noted earlier, our development ambitions require sustained, large-scale investment in education, roads, energy and water systems, yet our fiscal space is narrow.

As noted earlier, our development ambitions require sustained, large-scale investment in education, roads, energy, water systems, logistics, transport and digital networks, yet our fiscal space is narrow.

We cannot continue funding essential infrastructure through unsustainable borrowing and burdening taxpayers with additional taxes, nor can we afford to postpone these imperatives without risking our future. There is a need to be innovative in the use of the national revenue at our disposal. There is a need to deploy the national assets available to us to create public-private partnerships (PPPs) that will crowd in the enormous pool of private-sector resources available regionally and globally. That is why we will establish the National Infrastructure Fund, whose architecture will be underpinned by the reforms in the Government-Owned Enterprises Bill, passed by this August House and which I will sign into law tomorrow.

## (Applause)

This Fund is the strategic solution that will provide a framework to innovatively scale up our resources to match our ambition. It will fulfil our manifesto commitment to rebuild Kenya's infrastructure while reducing reliance on tax and debt. We will do this by using budgeted resources prudently and introducing a financing architecture that leverages capital markets, diversifies ownership by unlocking national assets through privatisation, and uses PPP frameworks to channel private capital into public priorities.

For decades, Kenya has privatised major public assets from Kenya Airways and KenGen to Kenya Re and Safaricom, yet we cannot point to enduring national assets built from privatisation proceeds because the funds were absorbed into budgets and spent. The National Infrastructure Fund will break this cycle.

#### (Applause)

All proceeds from privatisation will be ring-fenced, preserved and reinvested into new infrastructure and wealth-creating assets. When ownership shifts to the private sector for efficiency, the benefits to the public will not diminish; they will multiply. For every shilling invested from privatisation proceeds, we aim to attract ten shillings from long-term investors drawn from pension funds, sovereign partners, private equity and development finance institutions. This multiplier will allow us to build critical infrastructure without adding to the tax or debt burden. This model is proven. Australia's Future Fund, Singapore's Temasek and the UAE's Mubadala demonstrate that commercially run public investment funds can grow national wealth and deliver transformative infrastructure. The National Infrastructure Fund is therefore more than a financing tool. It is a generational strategy that preserves value, mobilises capital, accelerates delivery, and ensures Kenya becomes stronger, wealthier, and more competitive.

Hon. Members, our Constitution under Article 201(c) stipulates that: "the burdens and benefits of the use of resources and of public borrowing shall be shared equitably between

present and future generations." In essence, when we use natural resources or borrow, we must ensure future generations are not left poorer. That is why, alongside the national infrastructure funds, we will be establishing the Sovereign Wealth Fund to give full effect to the constitutional principle of intergenerational equity. A portion of all royalties from natural resources and of the proceeds from the privatisation of national assets will be invested in the Fund. This Fund will rest on three pillars:

- 1. Savings: To be invested for the future, as countries like Norway, Kuwait and Saudi Arabia have done with trillion-dollar funds.
- 2. Stabilisation: A buffer against global shocks, including commodity volatility, pandemics and geopolitical disruptions, to ensure fiscal stability.
- 3. Infrastructure: A carefully managed share will be invested in commercial terms to attract private capital to national projects while growing public wealth.

History has already warned us. Along our Coast region, titanium deposits have been exploited and depleted. Because we lacked a sovereign wealth framework, future generations will inherit nothing from the resources that we got from titanium. We cannot repeat that mistake. That is the scale of our national ambition. It is the blueprint for financing it prudently and responsibly.

To shape this vision, I have engaged sincerely with leaders across the political spectrum. I have engaged many Members of Parliament, governors, community leaders, and Kenyans from all walks of life. I discussed this vision with the late Rt. Hon. Raila Amolo Odinga, in the presence of Prof. Anyang' Nyong'o, who reminded me that no nation has industrialised without roads, energy and food security.

## (Applause)

I have also engaged former President Uhuru Kenyatta, who emphasised the necessity of scaling up infrastructure investments.

Allow me to express my profound gratitude to the 13<sup>th</sup> Parliament for its outstanding contributions, foresight, consistency, focus, and commitment to what is good for Kenya. The progress made in the last three years would not have been possible without your legislative agility, principled oversight and commitment to the national interest. When the history of this generation is written, this House, the 13<sup>th</sup> Parliament, will occupy a full and proud chapter. Your decisions are recorded not only in debates or statutes, but in the lives lived and progress of every Kenyan that has been achieved. For this, I extend my deepest gratitude and appreciation.

## (Applause)

I also extend heartfelt thanks to hard-working Kenyans who have diligently fulfilled their civic duty to the nation by giving life to the constitutional values of equity, social justice and sustainable development. These Kenyans have shouldered the weight of nation-building. Future generations will feel the impact of their sacrifice, and they will honour them as the generation that helped change the trajectory of our Republic.

As I conclude, I reiterate that those of us in leadership must bear in mind one critical lesson: Leaders are not ultimately judged by the visions they carry, the statements they make, or the mantras they repeat, but by the actions they take, the value they generate, the difference they make and the impact they make in the lives of people. They are judged by the actions they take, the values they generate, the difference they make, and the impact they leave on the lives of the people.

Let history record that this generation refused to be timid, that we chose ambition over fear, action over excuses, and progress over the false comfort of low expectations. Let it be said that when Kenya stood at a crossroads, we reached for the higher path.

The work ahead is formidable, but so is the Kenyan spirit. This is our moment to lift Kenya to the next frontier. This is our moment to shape a nation worthy of its promise. This is our moment to rise.

Hon. Members, it is 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 realisation of the national values.
- 2. Report on progress made in fulfilling the international obligations of the Republic of Kenya.
- 3. Report on the state of security of the country.

Now, therefore, I hand over the reports to the Speaker of the Senate and the Speaker of the National Assembly.

Thank you for your attention. God bless you, and God bless our great country, Kenya.

(Applause)

#### **ADJOURNMENT**

The Speaker of the Senate (Hon. Amason Kingi): Hon. Members, let us be upstanding. Your Excellency, the President, the Right Hon. Speaker of the National Assembly, Hon. Members and distinguished guests, we have now come to the conclusion of the business of the day, and it is now time to adjourn.

The Senate stands adjourned until Tuesday, 25<sup>th</sup> November 2025, at 2.30 p.m. in the Senate chamber.

**The Speaker of the National Assembly** (Hon. (Dr) Moses Wetang'ula): Your Excellency, the President, Right Hon. Speaker of the Senate, Hon. Members of the National Assembly, the National Assembly now stands adjourned until Tuesday, 25<sup>th</sup> November 2025 at 2.30 p.m.

May I take this opportunity to invite all Hon. Members and our guests to our reception at the Parliament courtyard.

May I also request all Hon. Members and our guests to remain standing in your places until the procession of His Excellency the President and the Speakers leave the Chamber.

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 4.19 p.m.

Published by Clerk of the National Assembly Parliament Buildings Nairobi