SPEECH BY HIS EXCELLENCY HON. MWAI KIBAKI, C.G.H., M.P., PRESIDENT AND COMMANDER-IN-CHIEF OF THE DEFENCE FORCES OF THE REPUBLIC OF KENYA ON THE OCCASION OF THE 49TH MADARAKA DAY CELEBRATIONS, 1ST JUNE, 2012

FELLOW KENYANS,

LADIES AND GENTLEMEN,

I am pleased to join you for this 49th Madaraka Day celebrations. I wish to send my warm greetings to all Kenyans wherever they may be in our beautiful country. I also convey warm regards to members of the Kenyan Diaspora in various parts of the world.

Madaraka Day commemorates the day in the year 1963 when Kenya attained internal selfrule. On this occasion, we salute the gallant sons and daughters of our land who were instrumental in the attainment of Madaraka. We hail their patriotism and vision of a prosperous Kenya, free from any form of colonial bondage.

Fellow Kenyans,

During my first Madaraka Day address as President nine years ago, I shared with Kenyans my vision of a working and caring nation. I called upon Kenyans to work hard to repair our institutions, to revamp our economy, to amend our Constitution and to return our country back to production.

I shared with Kenyans the commitment of my Government to bring into our classrooms millions of young children who could not access education and to ensure the provision of quality healthcare.

I also pledged the Government's commitment to fix our infrastructure, to revive our agricultural sector and to ensure Kenyans have access to affordable credit.

Looking back, I am glad that we have lived up to our pledges. Today, we have a new Constitution that devolves responsibility and governance structures to the people.

Millions more of our children are in school, health services are more accessible and affordable, and we have made great progress in building and rehabilitating our roads, airports and seaports.

A majority of our people can now access affordable credit not only through the mainstream banking sector, but also through specialized institutions such as the Youth and Women Enterprise Funds.

I thank the Kenyan people for heeding to my call of making Kenya a working and caring nation. Indeed, we have walked together on this path of transforming our nation.

Fellow Kenyans,

We have recorded major achievements in many areas of national endeavour. This is testimony that we are now masters of our destiny and we can achieve the status of a middle income country as we envisage under VISION TWENTY THIRTY.

However, to achieve this goal, we must remain united, work hard, and focus our energies on national development. We must learn that although politics is an important component of

our national discourse, we must place more emphasis on the economic empowerment of our people.

Despite the overall slowdown in performance in the year 2011, our economy remains resilient and key sectors continue to perform well. Foreign exchange earnings from tourism, for example, increased by 33 per cent from 74 billion shillings in the year 2010 to 98 billion shillings last year.

To further boost the tourism sector and empower the people of the Coast region, we shall be investing 30 billion shillings to build the Dongo Kundu by-pass and other roads in the region. This should ease movement of goods and services and enhance connectivity between Mombasa and neighbouring counties and other parts of Kenya and neighbouring countries.

In communications, the I.C.T. sector continued to register strong growth with the mobile subscriber base rising to over 25 million. The number of mobile money transfer subscribers is now over 17 million.

Kenyans are today transacting close to 3 billion shillings daily through their mobile phones. This has made Kenya the number one mobile telephone money transfer country in the world. We should be proud that a proper regulatory environment and creative I.C.T. innovation have greatly empowered our people, to undertake in minutes, duties and obligations that took them hours and even days in the past.

Fellow Kenyans,

Our country has a highly educated and skilled workforce. However, though our formal economic sector has been expanding over the years, it has not been able to generate adequate opportunities to meet the demand for employment.

The Government has, therefore, focused on strengthening small and medium size enterprises to complement the formal sector in job creation. We have done this by improving the regulatory environment that has led to the expansion of services to all parts of the country. This has ensured that a majority of Kenyans have access to financial services.

Similarly, we have strengthened the co-operative movement as a source of affordable credit for investment. It is encouraging that over 7 million Kenyans are today part of the co-operative movement which has mobilized over 200 billion shillings in savings.

I take this opportunity to commend our young people who are setting up small and medium size businesses with little capital but with very many innovative ideas especially in I.C.T. and engineering.

These young people have decided to use their education and creativity to earn a living and generate employment. To support these initiatives, I direct all relevant Government agencies to develop strategies that will enable the small and medium businesses to grow financially and access larger markets.

To this end, I would like to see businesses owned by young people win Government contracts and tenders. I also appeal to financial institutions to develop products specifically

targeting young people who may not be able to raise significant collateral in order to secure credit facilities.

Fellow Kenyans,

Over the last 9 years we have carried out Kenya's most ambitious infrastructure development and maintenance program. Currently, we are undertaking major road construction and rehabilitation works valued at over 103 billion shillings across the country.

In addition, through the Roads Maintenance Levy Fund, the Government has allocated 30 million shillings per constituency for repair and maintenance of rural roads in the current financial year. These investments are not only expected to enhance higher productivity of road users but also facilitate the marketing of goods and services.

As the Government engages in the task of infrastructure development, we must all use these facilities responsibly. For example, owners and drivers of large vehicles must ensure that they do not overload their vehicles as this will damage newly built or rehabilitated roads.

Moreover, all drivers must obey the Highway Code at all times and avoid reckless and dangerous driving. In this regard, I am very concerned over the rampant use of mobile phones by drivers while driving. We must also deal firmly with persons who drive under the influence of alcohol. I urge traffic police officers to clamp down on these dangerous habits.

We must recognize, however, that there cannot be traffic police officers at every junction and roundabout to control us. We must, therefore, develop a sense of personal responsibility and observe order on our roads.

To this end, amended traffic regulations will soon be implemented. These regulations impose heavy and adequately punitive fines and jail terms on traffic offenders. I am confident that they will deter motorists as well as pedestrians from disregarding the Highway Code.

Fellow Kenyans,

Food security has also been a priority of the Government. We will therefore continue to rehabilitate and expand irrigation schemes in order to reduce reliance on rain-fed agriculture.

In this connection, the Government allocated 8.5 billion shillings to rehabilitate and expand irrigation schemes in ASAL areas. This year, the Government will also spend close to 20 billion shillings to expand various irrigation schemes in the country.

Overall, the Government has increased funding for agriculture. The budgetary allocation to agricultural sector ministries has steadily increased from 14 billion shillings ten years ago to the current 104 billion shillings.

The additional budgetary allocation is being utilized to improve access to inputs of fertilizers and seeds, expansion of irrigation and post-harvest crop management.

However, as Government allocates more funds to the various sectors, Kenyans want to see more results. We must guard against corruption that is a great enemy of our development efforts. I, therefore, expect institutions charged with the responsibility of fighting corruption, to ensure more accountability in the use of public funds.

Fellow Kenyans,

We mark this year's Madaraka Day at a time when our country is facing various security threats. In particular, terrorist elements and criminal gangs have been a threat to the lives of innocent wananchi and their property. They must be stopped.

Even as our security agencies deal firmly with these elements, I urge Kenyans to complement their efforts by volunteering information that would lead to their arrest and prosecution. Do not harbour a criminal or a terrorist who is a danger to your brother and sister and fellow Kenyan.

As a country, we are also telling those who threaten us that, we will not relent in taking steps that will guarantee our national security. As a nation, we will never be intimidated. We will hunt down and deal with those who pose danger to our people.

Turning to regional matters, we must appreciate that Kenya's security is tied to peace and stability in neighbouring countries. In this connection, the situation in Somalia has reached a critical stage. In the next two months, a new Government is expected to take over from the current Transitional Federal Government.

We trust that this development will set Somalia on a clear path to peace, stability and development. The success of the ongoing efforts require the total commitment of the Somali leaders, as well as regional states and international partners. I call upon these leaders and partners to demonstrate full commitment and help Somalia move forward.

Similarly, the tension between South Sudan and Sudan threatens to reverse the gains made over many years of searching for peace. I call upon the two states to stop acts of aggression and seek to resolve their disputes through established mechanisms of dialogue.

Fellow Kenyans,

The forthcoming general election will be the first under our new Constitution. As I conclude my remarks, I wish to assure the nation that the Government will ensure peaceful, free and fair elections as well as a smooth transition.

Towards this end, the Government has prepared the Assumption of Office of President Bill, which will be tabled in Parliament soon. This Bill, among other provisions, details how a President-elect will take over Office and processes of handing over with clear timelines.

I call upon political parties, their leaders, aspirants running for the various political offices, and indeed all Kenyans to conduct themselves responsibly during the ongoing process to identify their future leaders. Let us all be peaceful, united and patriotic during this important period.

Indeed, we all have an obligation to ensure that we live up to the words of our National Anthem that encourages us to dwell in unity, peace and liberty so that plenty may be found within our borders.

These are the words that our founding fathers wisely chose, to be part of our national anthem, 49 years ago. Let us remain faithful to them as our nation prepares to celebrate its 50th Madaraka Day next year. I wish all Kenyans peace, prosperity and happiness as we prepare to mark our Golden Jubilee as an independent nation.

THANK YOU AND MAY GOD BLESS YOU ALL.