

Chair of the Council of Governors,

Distinguished Guests,

Ladies and Gentlemen,

Let me take this time to thank the Almighty God for the gift of rain after three years of consecutive drought, and to remind all of us today that even as we commiserate with those who have lost loved ones as a result of floods. There is need for us to harvest these rains so that they can be a blessing in times of future drought.

Ladies and Gentlemen,

Climate change is upon us and as I will refer to later is for us to adapt to changing climate conditions. Due to unavoidable circumstances, I am unable to join you today in Kakamega.

Eight years ago, when we ushered in our new constitutional dispensation, few could have imagined that we would be where we are today, all of you in this beautiful County of Kakamega, celebrating **five** transformative years of devolution.

There are, indeed, many doubting Thomases out there, who did not expect a democracy as young as ours to so effectively manage the most fundamental change in our governance since independence.

But to the surprise of many, in a short period of years, we have firmly established a new tier of government, and held two sets of elections to it.

More than a trillion shillings have been transferred to the counties to bring essential government services closer to the people. **And in those 5 years**, we have established a legislative process firmly rooted in our county assemblies.

And another encouraging achievement, **Ladies and Gentlemen**, is that, in this last election, Kenyans honoured and elected as Governors three distinguished ladies. This, indeed, is yet another milestone in our political history: a reflection of how far we have come as a people, and how our democracy has matured.

I, like other Kenyans, look forward to a future when at least half the leaders in this room are women.

Ladies and Gentlemen,

Distinguished Governors,

Our presence here today in Kakamega celebrating our devolved system of government shows not just the resilience of our people, but also their aspiration to see their nation thrive and prosper.

Let us take a moment to celebrate this phenomenal achievement and, most importantly, to celebrate our people in every corner of our country.

Ladies and Gentlemen,

Let me take this opportunity to thank Governor of the green jewel and bull fighters, **Governor Oparanya**, I await your invite to the next Bull Fight.

Ladies and Gentlemen,

There is no doubt that devolved governments are finding their feet, and transforming the lives of the communities they serve for the better.

Today, **Makueni** has made good progress in rolling out its version of subsidized healthcare provision, and in fruit processing too; in **Mandera**, child mortality has halved due to the County's investment in medical facilities; and **Kapenguria** now has its first **Medical Training College**.

We owe that success, first and foremost, to the diligence of our people; and to the leaders here, and their predecessors. I extend our warmest thanks to you all for this success so far.

But, Ladies and Gentlemen, we must be careful not to be complacent: we still have a long way to go in truly realizing the development goals we have set for ourselves in the **2030 Vision Blueprint**. What is important is that we now have **five years** of experience on which to build the next phase of devolved government.

Let me underline that we will live up to the expectations of Kenyans only if we consult, coordinate and communicate better. All of us were chosen to fulfill the will of the Kenyan people. Therefore, in our different capacities, we must all work closely to tackle any challenges standing in the way of a better Kenya for our people.

Ladies and Gentlemen,

Last year, as I mentioned before in another forum, I had the privilege of meeting Kenyans right across the country. Everywhere I went, young and old alike shared their hopes and dreams for the Kenya they wished to see.

It was clear Kenyans share common desires: we all want to live in dignity; we all want to be engaged in rewarding enterprise; we all want the very highest standard of nutrition; and we all want affordable and high quality healthcare for our families. **Or** is there anyone here who would settle for less?

Ladies and Gentlemen,

Every year the Devolution conference gives us an opportunity as leaders to combine our strengths for the good of the country.

This year's conference is no different, and today I come to you with a very specific agenda – one that transcends the usual political imperatives.

Ladies and Gentlemen,

It is no secret that our resource envelope is highly constrained. **We** must, therefore, be prudent: every cent of revenue collected must return maximum impact on the welfare of tax payers.

It goes without saying that we need to candidly discuss how to maximize the benefits that can be derived by the National Government and county governments, working closer together.

And that depends on three critical pre-requisites. **First**, we must streamline our inter-governmental relationships, to exist and thrive beyond merely debating matters of resource allocation.

Our framework for cooperation and coordination needs to be strengthened and lifted above partisan and transactional engagements, to focus more on the strategic issues of development that matter most to our people.

Second, we need to de-risk the political environment across the country. Left unchecked, our political intrigues can grow into a big tree under whose shade nothing can take root. **We** must all agree there will be a season for politics, but that season is not with us now.

It is now time to work to create wealth and prosperity for our people.

At every level of our political structures, I urge you all to engage each other on the basis of issues. If it becomes necessary to disagree, let us disagree without poisoning the environment for Kenya's progress.

Thirdly, we must aspire towards strategic alignment of our national development goals. While every county government has its own agenda, it is necessary to align that agenda with the national blue print, that is, **Vision 2030**.

When I conceptualized the **Big Four**, I did so in appreciation of the fact that for us to accelerate the achievement of our **Vision 2030** aspiration, we would need to take a new approach to our medium-term planning, and focus to those issues that would have the greatest impact on the well-being of our people.

I, therefore, stand here today not only to ask for your support but to convince you that **working with the National Government to deliver on the "Big Four"** Agenda will be beneficial for each one of you as individual governors, and for the people whom you represent, both in the near and long term. After all, when I read your manifestos, I saw plans that were not too different from the Big Four. Let us work together, then, to serve the Kenyans whose hopes we were elected to accomplish.

Allow me to talk very briefly about the **"Big Four"**, and specifically about those elements that require closer inter-governmental collaboration.

We can begin by getting clear on what the plan entails. The first priority of the **"Big Four"** is to grow our **manufacturing sector** and to raise its contribution to the Gross Domestic Product (GDP) from **9 percent to 15 percent**.

Under this pillar we will focus on the following key areas, notably: **(i) agro-processing; (ii) fish processing; (iii) leather; (iv) textiles; (v) apparel; (vi) iron and steel; (vii) oil, (viii) minerals and gas; and (ix) construction materials**.

Our focus is on those sectors whose value chains will provide opportunities for our people and, therefore, create more jobs. For example: in doubling our textile manufactures for the AGOA export market, we expect to create upwards of **100,000 jobs** at various levels, **from cotton farms and ginneries to stitching facilities**.

As you all know, last week I was in the **United Kingdom**, where I spent most of my time pushing for Kenya's agenda to significantly raise our share of exports in the global export trade.

I sought to persuade investors in agro-processing and value addition in **tea** and **coffee** to re-locate their facilities to Kenya, so that Kenyan tea and coffee would be processed within our borders for the benefit of our farming communities.

I also sought to establish new opportunities for Kenya's blue economy by seeking partnership with countries like **Canada** and the **United Kingdom**, who are ready and willing to help us establish the industries necessary to exploit our vast maritime resources.

All these opportunities will count for nothing if we don't come together to create the environment for these investments to take root. In this context, I wish to make two very specific requests in support of the manufacturing agenda: the first is for the deliberate **harmonization of all fees and levies** relating to **businesses**. **We** in national government have waived or simplified levies that hinder small business; still, **70%** of the levies that remain are payable to county governments. **We can do better.**

The **second** is more of an offer than a request: I have directed our **Ministry of Public Service, Youth and Gender** to avail space in our **Huduma centers** for any county government that wishes to bring under one roof its systems for issuing business permits and physical-planning approvals. This will make life easier for our people. You will be pleased to know that the County Government of Nairobi will be the first to put this offer on trial.

The painful lessons of the recent drought and the adverse impact of climate change inform my **second priority**: achieving food and nutrition security by **2022**. **We** must accept that rain-fed agriculture will not provide sufficient food for the country. **We** must also recognize that urbanization, speculative real estate practices, and poor physical planning are depleting already scarce arable land. This is a challenge we must confront head on as part of our strategy to realize our commitment to deliver on food security.

Kenyans expect no less than **100 percent** food and nutrition security; we will deliver it by **2022**. This is no minor responsibility, but devolved governments are now the owners of the last mile when it comes to addressing questions of productivity at the farm level.

Ladies and Gentlemen,

To have any impact in the next **four years**, we must progress our thinking beyond subsidies that, contrary to the intended objective, only benefit the rich instead of our small-scale farmers.

We must rely more on scientific data to drive our policy interventions on input subsidies and strategic food reserves.

We must empower our farmers with the information necessary to increase their output per acre, reduce their unit cost of production and, therefore, significantly improve returns on their investment. As national government, we must find ways to support you to revive the necessary crop and livestock extension services, which hold the key to improved productivity.

For the cost of food to drop, we must think about necessary innovation, to increase yields significantly, as well as mechanization and scale. Empirical evidence has shown that for the production of our staples, the bigger the land under cultivation, the better.

For those of us responsible for setting the necessary policies and regulating the agricultural sector, we have no choice but to open ourselves to new ideas, and benchmark our standards with countries that are food sufficient.

Today, there is no reason for potato farmers in places like Nyandarua, Njoro and Kaptagat to struggle with seeds that produce 7 bags an acre when our neighbours in Ethiopia are harvesting 21 bags an acre. This, to say the least, is, indeed, embarrassing for a nation that was up to that standard in the 1970s.

The biggest obstacle to food security, it is worth noting, is not a lack of knowledge or skill; it is the elevation of self-interest above the public good.

I want to tell my Cabinet Secretary for Agriculture, who is here today, that the Ministry must now do the right thing. He must collaborate with every county government to give your farmers the support they need to make an honest living off their land. The misguided preoccupation with sugar, maize, and fertilizer imports must come to an end. Let us work together on this.

The third priority is health: we aim, by 2022, to give every family in the Republic access to affordable healthcare.

Again, this is no small task and it will require a reimagining of the status quo. In defining this aspiration, I recognize that county governments are at the closest point of inflection when it comes to the provision of health services at the grassroots. There will be the hard work of financing this dream

and restructuring all the institutions critical to its success. We will have to improve the quality of our facilities and manage the cost and quality of drugs; we will also have to train and recruit more doctors and nurses.

Equally, all of us will have to work together to fit existing programmes into the new plan. **Still, the work will be well worth it:** a win in healthcare today is a decisive win for generations to come.

The **fourth priority** of the “**Big Four**” is **housing**. I’ve said it before, but I’ll say it again: Kenyans made it clear that they want to live in decent homes.

They elected us convinced we could fulfill their will. You and I, together, must create the environment for **half a million new houses** to be built over the next **5 years** to fulfil the dream of our people.

There can be no illusions: this part of the plan calls for very substantial work, not least because it is the most ambitious building programme this country has seen in decades. **We** will have to cut the cost of **mortgages**; we will have to cut the cost of construction; and we will have to raise cheaper, more patient capital.

Equally important, we will certainly have to invest in the institutions – not least our technical training institutions – that the construction industry demands.

Already, my State Department for Housing is engaging individual county governments who wish to join the early phases of the housing project. **We** are ready to work with those counties that are willing to co-invest within the set development framework.

Ladies and Gentlemen,

This is perhaps the most ambitious agenda in Kenya’s history. **But** it is equally fair to say that it will remain just that — an agenda — if we do not now come together in common endeavour.

None of us can stand aside, waiting for others to do the heavy lifting; this plan will work only if we all work together.

Of course, we can’t do everything at once. **So** today I ask all of you to begin the transformation by considering healthcare. I say so because I think all of us can see that of the priorities I have identified, it

is healthcare that troubles Kenyans most. I thank and commend the Chair of the Council of Governors, **Gov. Nanok** on his pledge and commitment to work together with the national government on delivering our health pledge. Indeed, all of us here will have contributed to a medical *harambee*, so none of us can doubt just how much Kenyans want affordable healthcare for their families.

It's time, then, to replace the **patchwork coverage** we now have with a universal plan that covers every single Kenyan family.

I know it's ambitious, but Kenyans chose us because they believed in our ability to deliver. For our part as national government, we are already at work: just the other day, we announced that **Kisumu, Isiolo, Machakos, and Nyeri** would be the first four counties to participate in our pilot programme that will test **100 percent cover**.

We considered it better – as, I'm sure any reasonable person would — to start with a pilot before taking the entire programme to cover all the counties.

I know that some of you have asked why these counties, and not others, were chosen. That's a valid concern.

The criteria we adopted were informed by the empirical evidence on important parameters, notably: the **disease burden** in each county; its population density; and its risk of emergencies. These counties top the list; that's why we chose to begin with them.

Precedence comes with responsibilities. Those registered will be entitled to the **NHIF Super Cover plan**, which takes care of your primary medical care, whether inpatient or outpatient.

Like you, I have a government to run; I know that handling complicated recruitment routines can be tricky; I also know that it would be wrong to ask you to carry the entire burden alone. To aid you, I hereby direct the NHIF to assign enrolment officers to counties.

Further, I direct the State Departments of Interior and of Social Protection to instruct their officers to support you in the enrollment.

Ladies and Gentlemen,

This pilot healthcare programme relies on public funds, and its success in the four counties will hasten its rollout elsewhere. So I will not entertain any delay in provisioning of resources, nor will I **tolerate waste or corruption**.

We have covered **Wanjiku**; I don't want to hear that when she came to hospital she found neither aspirin for her pain, or a doctor to attend to her.

I am certain I am not alone in wishing to see this programme succeed. **Kenyans** — not just in these four counties, but right across the country — want it to work. They know that if it does, their lives and those of their children will be transformed for the better.

Distinguished Governors,

You have your part to play. I ask you to work even more closely with us, to maintain fiscal discipline, to keep records accurately, and to use the funds, the resources, and the personnel allocated to you, in a manner that will ensure Kenyans get maximum benefits.

For those not in the first trial, prepare yourselves: we all want to see budgets, clear priorities, and management devoted solely to the health of your constituents.

Let me also ask you to complete your payments to the NHIF by **31st July**. That is a deadline we cannot miss, which is why I have asked the National Treasury to work with you to meet it. I had the privilege and pleasure to travel to Cuba with Gov. **Anyang' Nyong'o** and **Gov. Mahmoud** for Marsabit. They bear testimony to what we saw and what we can aspire to.

And I want to see you preparing your facilities, so that they are ready to receive medicines and medical supplies when the time comes.

But above all, I ask you to lead: invest more in health, and show, by example, that you truly value the lives of the Kenyans who chose you to lead them.

I return, now, to the matter of inter-governmental cooperation. I've said it before, and I'll say it again: ours is an extraordinarily ambitious agenda; and we have little more than **four years** in which to deliver it.

There is absolutely no time to waste: Kenyans want to see results, not recrimination; they want integrity, not corruption; and they want prudence, not profligacy. **Gov. Nanok** has addressed issue of

leadership, not political corruption, is corruption, it has no tribe. **We** must deal with it as a nation. Those who are guilty should no longer hide in a cocoon of tribal or clan.

And they are tired of political bickering too: they want both levels and all three branches of Government to work together, fully accepting our interdependence.

We all have shared responsibilities in realizing the national goals as set out in our **Vision 2030 Blue Print**.

So let me speak bluntly: there is neither room nor time for public servants who care for anything other than serving Kenyans. **We** in the national government will back that resolution with financial resources and support.

I'm glad to announce that I will launch the Kenya Devolution Support Programme and the Kenya Urban Support Programme today. **Both**, combined, will inject Ksh **50 billion** into your county governments, to help you build and improve the systems that support your staff, and your delivery of services.

It worth underscoring that these funds are performance-based conditional grants extended to the County Governments by the National Government. Just like us in the National Government, you must also strive to perform to the very highest standards; and must be ready to take a stern view of public servants who give in to lethargy and sloth.

Indeed, adoption of this programme demonstrates my Administration's commitment to a devolution that truly works – that truly serves — every Kenyan.

The time for full cooperation with each other is now. This is important to ensure we succeed in executing the **"Big Four"** Agenda.

Now, we in national Government understand, as clearly as you do, that delivery of the **"Big Four"** demands a rethink of our institutions.

We will have to establish effective arrangements for planning and implementing the programmes and projects about which I have spoken about today.

That's why you and I together will need to strengthen the Summit, the Intergovernmental Budget and Economic Council, the Intergovernmental Relations Technical Committee and the Intergovernmental Sectoral Forums, to make them more efficient and effective channels for the delivery of the **"Big Four"**.

As you can see, there is much to think about and much to do. **But** let me close by reminding you of **one idea** that will not lead us astray, if only we hold onto it.

Madaraka Day is almost here. On that **first day of June 1963**, our freedom fighters took control of government for the very first time. **We** began to govern and determine our destiny. The spirit of that day lives on in devolution, for it is in **ugatuzi** that every Kenyan plays a full part in championing the affairs of this country.

If you are a leader today, it is because the true holders of *madaraka* trust you to lead them. In the end, all that matters is that you serve them to the very best of your ability.

On my part, I will continue to reach out to all leaders, so that we can protect and defend this country's most precious asset, its unity.

I ask you to join me in reaching out to all other leaders in your counties as I have done at the national level. If you do, you will have served your country well. Kenyans will accept no less.

May God grant you the wisdom to serve Kenya well; and may He bless this country that we love.

I now invite C.S. **Eugene Wamalwa to, on my behalf push the button launching the Kenya Devolution Support Programme.**

Asanteni sana.