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STATEMENT

BY
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PRESIDENT
OF THE
REPUBLIC OF KENYA

DURING THE
60TH SESSION OF THE
HIGH PLENARY OF THE UNITED
NATIONS GENERAL ASSEMBLY.

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14TH SEPTEMBER 2005
IN NEW YORK

Mr. President
Mr. Secretary-General
Ladies and General,

It gives me great pleasure to address this Summit on the Millennium Development Goals. In September 2000, world leaders committed themselves to reduce poverty and drastically improve people's lives by the year 2015. Five years down the line, a lot has happened but not evenly. One billion people around the world still live on less than one dollar a day. Millions of children still do not attend school. The list can go on and on, especially with regard to developing countries.

Mr. President,

I am glad, however, to note that in Africa there seems to be a ray of hope. Significant achievements have been made to set the environment for achieving the MDGs. The economies of many African countries are now growing fast. Good governance is increasingly taking root. Military dictatorships are becoming a thing of the past. African leaders are working together to uplift life on the continent through various initiatives such as NEPAD. However, access to the markets of developed countries is still a major problem. Though the pledges for the flow of development assistance have increased, actual disbursement still remains limited. Debt servicing is taking a huge proportion of our revenues that could otherwise be used for development.

In Kenya, we have made significant progress in a number of areas related to MDGs. After the economic decline of the 1990s, we have now started on a recovery path. In 2004, the economy grew by 4.3 per cent up from 2.8 per cent the previous year. This was as a result of the sound macroeconomic policies being implemented by the government and improved governance in the management of public affairs. Policies and delivery systems for development programmes are being strengthened.

The challenge to feed our people still weighs heavily on the measures the Government has been undertaking to reduce poverty. It is estimated that about 10.3 million people suffer from chronic hunger every year. Of this number, about 2 million people are permanently on food relief. The numbers rise rapidly to 4.5 million during periods of floods and drought. The Government has formulated two strategy papers to increase food production: the Economic Recovery Strategy (ERS) and the Strategy for Revitalization of Agriculture (SRA). The Government has gone further to ensure that the budget is aligned towards achieving the MDGs. In the Budget Strategy Paper (2004/05-2007/08), the Government proposes to increase resources to the agricultural sector by about 74 per cent, raising the share of resources to the sector from 5.6 per cent of GDP to 7 per cent over the same period.

Mr. President,

With regard to education, we have greatly increased primary school enrolment by implementing the free primary education Programme in 2003. Gross Enrolment Rate for primary schools now average 99 percent. However, the challenges that have emerged as a result of this Programme are enormous. These include overstretched physical facilities, high pupil-teacher ratio, and high cost of equipment for children with special needs. Other measures the Government is taking to improve enrolment include targeting resources to disadvantaged areas, increasing bursaries for poor children in secondary schools and streamlining education systems at all levels. In total, the Government allocates over 28 per cent of its resources to education.

We also made significant progress in the area of health. Though the threat of HIV/AIDS remains real, tremendous progress has been made to control its spread. The prevalence of the HIV/AIDS infection has reduced from a high of 18 per cent in 2000, to 13 per cent in 2002 and to about 7 per cent currently. This success is attributed to the policy and institutional arrangements that Government has put in place and

strong support from our development partners. Awareness campaigns and the voluntary, counseling and testing on HIV/AIDS have been expanded up to the local levels. However, the need to care for those already infected and the strengthening of systems to control the spread of HIV/AIDS, malaria and other communicable diseases is posing a big challenge.

Mr. President,

In spite of the encouraging progress on HIV/AIDS, child and maternal health have been worsening in Kenya since the 1990s. The under five mortality increased from 98.9 per cent to 115 per cent in 2003. On the other hand the maternal mortality ratio remained at a high of 414 in 2003 compared to 590 in the late 1980s, thus showing no significant improvement. In addition, malaria poses one of the biggest challenges of our health system and is a major cause of infant mortality.

Mr. President,

In order to reduce child mortality rate, the Government is keen to scale up the Integrated Management of Childhood Illnesses strategy to all areas of the country in order to address the problems of acute respiratory infections, diarrhea, measles, malaria and malnutrition. This strategy combines better the management of childhood illness with nutrition, immunization, maternal health, and other health programs. Some of the problems also arise out of the high prevalence of pregnancy among the youth. Therefore the interventions the Government is taking include increasing access to services and knowledge on issues related to pregnancy and birth. The share of government spending to the health sector as a whole has been increased from 8.6 percent in 2004/05 to 9.9 percent in 2005/06.

Regarding the environment, the Government has taken steps to ensure sustainable management. Some of the specific measures have included putting in place appropriate policy and institutional framework to guide environmental issues in the country. However, a strong public awareness campaign is still required to educate the populace on the benefits of sound environmental management.

Mr. President,

The people's living standards cannot be sustainably improved without access to affordable and potable water. In Kenya, though access to potable water increased from 48 per cent in 1990 to 55 percent in 2003. Access to water in arid and semi arid areas is much below the national average. In general, the sector faces a number of problems which require substantial resources to overcome. The Government is currently undertaking wide ranging reforms which separate policy formulation, regulation, and service provision and define clear roles for actors within a decentralized institutional framework. With additional resources, these reforms could transform the sector and increase access in a sustainable manner.

The Government has also put in place strategies and programmes to improve other infrastructure facilities. In fact one of the key objectives in the government's policy document, the *Economic Recovery Strategy*, is to rehabilitate and expand existing infrastructure such as roads, energy, housing and telecommunications. However, the main challenge has been in resource limitation. Government's expenditure for the rehabilitation and expansion of physical infrastructure is planned to increase by 86 percent in the next three years, underscoring the importance attached to the sector. The budgetary allocation to the sector has been increased from 15.6 percent to 20.5 percent currently. This is expected to lead to improved road network, expanded energy supply, expanded airport facilities and improved the living conditions of the slum dwellers.

Mr. President,

The steps the Government has taken to put the country on a sustained growth path and reduce poverty are bearing fruits. The Government's *Economic Recovery Strategy for Wealth and Employment Creation (2003-2007)* has given strong focus on the MDGs. However, its implementation is still hampered by inadequate financial resources. The Government has also taken steps to mainstream MDGs in the policy, planning and budgeting processes. This is a process that we are undertaking together with stakeholders to ensure that we are on track to achieve the goals. We have just concluded a comprehensive assessment of

the full range of interventions and resources that are required to meet the MDGs by 2015. The results indicate the financial requirements are way beyond what the country can afford.

We are not saying that the only way to achieve the MDGs is through getting external assistance. We are doing a lot to ensure effective domestic resource mobilization and utilization. However, the strength of our economies cannot generate adequate resources to meet the goals. The administration of our tax system has been improved and public revenues have been on the increase in the recent years. The budgetary system is also being strengthened through the Medium Term Expenditure Framework (MTEF). More resources are currently being allocated to key areas such as education, health, agriculture and physical infrastructure. The role of the private sector and the civil society has been given new impetus through reduction of investment controls and more democratic space for all players.

Mr. President,

Kenya continues to struggle with her huge debt burden within the enormous challenges of achieving the MDGs. Over 29 per cent of all our revenues from the export of goods and services go to service our debt. In spite of the tremendous efforts that my Government has put in place to improve the management of public affairs, Kenya has not benefited from any debt relief initiatives. We believe that the country can only be on a sustained growth path if increased development assistance and debt relief supplements the efforts that the Government is undertaking. I believe that as we review the strategies to achieve the Millennium Development Goals over the next years, we will be able to address the conditionalities tied to debt relief.

In concluding my remarks, let me note that even with all the resources in our hands, we are not likely to achieve the goals in our developing economies if we do not address the issues of capacity. It is acknowledged that earlier capacity development projects and programs have had mixed results. The huge inflows in external development assistance that was solely devoted to technical assistance, and training have not had much impact. We therefore need to look a fresh at the factors behind this limited impact and come up with more innovative ways to fast track the achievement of the Millennium Development Goals.

Thank you.