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***State of ICTs and Local Governance in Kenya:
Needs Analysis and Research Priorities***

Research Concept Paper

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Executive Summary

This concept paper provides an overview of the state of ICTs and local governance in Kenya using secondary information. It begins with an introduction, followed by two brief sections on socio-economic development and national governance in Kenya. The fourth and fifth sections, presents the local governance and ICTs and e-governance situation in Kenya with an emphasis on policy and strategy. The sixth section undertakes a needs analysis, while the last section outlines the research priorities. Below is a brief summary of each of the sections.

Introduction

- Local Authorities (LAs) play a central role in local economic development
- ICTs facilitate creation of a dynamic base of information communication capacity on the perspectives, needs and interests of various stakeholders in any local economy;
- LAs have a high demand for information services, but their file based information storage is poor and not up to date; and
- LAs have began embracing ICT, but limited to financial management and word processing.

Socio-economic Development

- Mixed economic growth since independence, with negative growth rate during the year 2000. Since 2001 there has been recovery with the years, 2002, 2003, 2004 earning GDP growth rate of 1.2, 2.3, and 4.3 respectively;
- Poor economic growth is reflected in increasing poverty and unemployment; and
- The informal economy is growing faster than the formal economy.

National Governance

- The state is run through government line Ministries, parastatals, Office of the President, Local Authorities, and Regional Authorities managed by a bureaucracy composed of civil servants. This system is backed up by private institutions and actors that include civil society and private firms and organizations;
- A three phased public sector reform programme has been on-going since 1993, and is currently on the second phase which focus on Result Based Management;
- Other aspects of reforms include: training and capacity building, ICT, financial planning and budgeting, procurement, accounting, audit and anti-corruption measures.

Local Governance in Kenya: Policy and Strategy

- Kenya has a total of 175 LAs composed of City, Municipal, Town and County Councils established under the Local Government Act Chapter 265;

- The local governance framework is broader than LAs. It consists of Provincial, District, Division, Location and Sub-Location, public, private institutions, including civil society organizations;
- LAs are charged with provision and management of services, but they face a number of challenges in delivery and management of services; On-going local government reforms are focusing on financial reforms aimed at enhancing intergovernmental fiscal transfers, improving financial management, debt resolution, streamlining budgeting system and service provision capacity building;
- The Local Authority Transfer Fund (LATF) transfers 5 per cent of national income tax to LAs. In order to access LATF, LAs are required to develop a Local Authority Service Development Action Plan (LASDAP) through a participatory approach;
- LAs have begun decentralizing service provision and involving residents in their activities through a representative stakeholders approach.

ICT and E-Governance: Policy and Strategy

- Kenya has launched an ambitious e-governance strategy in line with the national development strategy for wealth creation;
- E-governance priorities include: institutional structural and operational reforms, review of regulatory and legal framework and development of a reliable and secure infrastructure;
- The ICT e-governance priorities focus on communication channels which include; Government to Government (G2G), Government to Business (G2B) and Government to Citizens (G2C); and
- The ICT strategy is too ambitious and the implementation timeframes are unrealistic. Some of the challenges include: human capacity, change management strategy, funding and access to ICT.

Needs Analysis

- ICT needs analysis include: information infrastructure, internet availability, ICT championship and structure as well as human resource capacity;
- Fixed telephone and mobile telephone is 0.90 and 12.42% respectively, skewed in favour of urban areas;
- Internet points of presence are limited due to the limited data communication infrastructure;
- ICT initiatives come from many sources and there is no single champion; and
- Limited ICT capacity among central and local government staff.

Research priorities

- Policies, legislative framework, and ICT standards;

- Communications regulation, national ICT network penetration; quality of local access network; capacity of dial up internet links; structures for ICT; ICT culture in public service; training and remuneration of professional ICT staff;
- Resources and cost of ICT, in particular bandwidth tariffs in comparison to income of local people; and
- Viability and use of MIS applications in addressing core business in the public sector.

1. Introduction

Information Communication Technology (ICT) facilitates creation of a dynamic base of information and communication capacity on the perspectives, needs and interests of various stakeholders in any local economy. The Local Authorities (LAs) play a central role in local economic development in Kenya, although they face a number of challenges, one of which is the collection, storage and dissemination of information. Most of these authorities, like others in Africa, rely on manual file based information storage with hardly any dissemination taking place.

An overview of the LAs reveals a high demand for information services which include: ICT training, internet and e-mail access, desk top publishing, word processing, printing and photocopying, but availability of these services is limited at the LA level. The file based information storage which most LAs are using is cumbersome and often not up to-date. In isolated cases where LAs have begun embracing Information Communication Technology (ICT), it is limited to financial management and secretarial word processing services. Adoption of full fledged ICT services has potential of promoting and supporting routine business service needs, promotion of trade and investment, and joint planning and Development Cooperation in identified areas of interest. Thus, research aimed at finding the status of ICTs and local governance, including identification of research priorities is quite relevant for Kenya.

This paper uses secondary information to review the state of ICTs and local governance in Kenya. It begins by providing the socio-economic context of Kenya before presenting background information on the structure of the state and the governance system. This is followed by an overview of local governance policy and strategy, ICTs and E-governance, policy and strategy, needs analysis and research priorities. Information used is drawn from several secondary sources, including outputs of the Local Government reform programme, Local Authority Development Plans, Local Authority Service Development Plans (LASDAPs), Government of Kenya publications, Ministry of Local Government and Local Authorities Strategic Plans, and academic writings.

2. Socio-Economic Development

Kenya has had mixed economic growth since the early years of independence (1964/73) when the country had a high GDP growth rate of 6.6 per cent. The following years had largely poor economic growth until the year 2004 when Kenya realized a GDP

growth rate of 4.3 per cent, which was disputed by many analysts¹. This dispute is partly supported by the fact that unemployment did not improve with the improvement of the economy and stood at 9.2 which was a marginal deterioration from 9.1 recorded in 2003 (ROK 2005).

By 1973 the country's GDP growth rate had reduced to 4 per cent, although it increased to 8.2 per cent in 1976/77 due to the unexpected rise in world market coffee prices. This increase in growth was not sustained and Kenya began the 1980s with a GDP growth rate of 4 per cent. The situation continued to deteriorate between 1990 and 1995, and 1995 and 2000, when Kenya had a GDP growth rate of 2.5 and 2 per cent respectively (ROK 2002).

The situation got worse in the year 2000 when the country recorded a negative GDP growth rate of 0.3 per cent. This decline was observed in all sectors with agriculture and manufacturing, which are the major ingredients of GDP recording negative growth rate of 2.4 and 1.5 per cent respectively. Since the year 2000 the economy has been on a recovery path, with the years, 2002, 2003, 2004 earning GDP growth rate of 1.2, 2.3 and 4.3 per cent respectively.

Over the years, the poor economic growth has been reflected in increasing poverty and unemployment. The incidence of poverty was estimated at 52 per cent with certain regions recording poverty rates of 60-62 per cent (ROK 2001). Most people are engaged in economic activities within the informal economy. During the last one year, both the formal and informal economy increased employment by 6.5 per cent, with the formal economy recording an extra 36,400 jobs and the informal economy creating 437,900 more jobs (ROK 2005). Although the informal economy provides a high percentage of employment opportunities, it is insecure, lacks social protection and income is comparatively low.

3. National Governance in Kenya

The Government of Kenya has three arms, namely: the Executive, Legislature, and Judiciary. The Executive (President) is head of the state and works closely with Cabinet of Ministers. The state is run through government line ministries, Parastatals, Office of the President (OP) through Provincial, District, Division and Location offices, Local Authorities, and Regional Authorities. Attached to these institutions is a bureaucracy composed of civil servants with a variety of technical knowledge. The bureaucrats, in particular Permanent Secretaries are the technical heads of Government Ministries. They work closely with Ministers of the State in their respective Ministries. This system is backed up by private institutions and actors that include civil society and private firms and organization.

The Kenyan governance framework has faced a number of challenges in economic development. Most of these challenges relate to inefficient socio-economic and

¹ The 2004 Real Gross Domestic Product (GDP) was computed on the basis of the new System of National Accounts, which might explain the huge increase.

political governance of resources including abuse of office and misappropriation of resources. The public sector reform programme begun in 1993, and has been addressing some of these challenges. The reforms aim at enhancing quality and efficiency in service delivery in civil service. The reform programme has three phases, which include: cost containment; performance improvement through rationalization of structures and functions; and refinement, consolidation and sustenance of reform gains. Phase 1 of the reforms which focused on cost containment was not integrated with the budget process and did not reduce the Government wage bill. By 1999, the government had developed a comprehensive and integrated second phase public sector reform programme focusing on performance improvement with priority on rationalization of ministerial functions and structures, and staff rationalization and management of the wage bill. This phase focused on making the Public Service leaner, more focused and better equipped with capability and capacity (ROK 2005).

The performance improvement initiative has introduced Result Based Management (RBM), undertaking service delivery surveys, developing service delivery benchmarks and service charters. Successful implementation of RBM require clear vision and mission, changes in management styles, strategic planning for change, a well-motivated and flexible workforce; and a re-assertion of public service ethos. The RBM is expected to shape organizations and work activities for the achievement of pre-determined outputs/results. It is also expected to re-orient the goals and objectives of the workforce towards cost effectiveness and responsiveness to customer demands and needs (ROK 2005). The Public Service Reform and Development Secretariat in the Office of the President, is spearheading the reform initiative.

Apart from the RBM, the reforms are also focusing on training and capacity building, ICT, financial planning and budgeting, procurement, accounting and audit, and putting a comprehensive anti corruption strategy in place. The Judiciary is playing a central role in addressing corruption. The Attorney General has prepared a number of Bills which include: witness and whistle blower protection Bill; legislation to address money laundering and proceeds of crime. The Attorney General has also rolled out a process of increasing the number of judges, magistrates and professional legal staff and updating schemes of service; modernization of Company Law and computerization of company registry and records management, as well as undertaking diagnostic needs assessment and completing filing annual returns.

4. Local Governance in Kenya: Policy and Strategy

The Kenyan Local Authorities (LAs) are corporate entities that are established under the Local Government Act Chapter 265, which is currently under review. In addition to the Act, the LAs draw their legal powers from the Constitution of Kenya, other Acts of Parliament, Ministerial Orders and By-Laws. Currently there are 175 LAs in Kenya (appendix 1), which include City Councils, Municipal Councils, Town Councils and County Councils with Ministry of Local Government as the overall overseer of their operations.

While the above legal bodies constitute Local Government in Kenya, the local governance framework in Kenya is broader than the LAs. It consists of provincial, district, location and sub-location administration with technical staff drawn from various ministries. Inherent in the gamut of Local Government and local governance system are various public and private institutions, including civil society organizations. Kenya has no decentralization policy that rationalizes power sharing, responsibilities, and resources between the central government ministries, parastatals, District Development Committees, LAs and the private sector. This has been a problem at an operation level, with most of the institutions and organizations lacking synergy. Although the position of LAs remains uncertain if the District is adopted as the level of devolution by the New Constitution Bill, the LAs have an advantage since they already have a participatory electoral framework in place.

LAs in Kenya are charged with the provision and management of infrastructure and services in their respective jurisdictions. Most LAs in Kenya face a number of challenges in realizing their mandate. The challenges include: delivery of infrastructure and services, financial management, institutional and legal framework, human resource capacity and managing rapid growth (ROK 1999). These challenges have resulted in poor service provision and management and many analysts have criticized the LAs, and questioned their role in local development. It is the inefficiency of LAs that justified a re-examination of their role and the launching of the Local Government Reform Programme, which also include the decentralization of service provision and management, which is still in initial stages.

Since the beginning of 1990, when the Government of Kenya began implementing Structural Adjustment Programms (SAPs), followed by civil service sector reforms in 1993, a number of reforms have been realized. In particular, there has been a deliberate attempt to decentralize governance by moving away from a centralized political system where citizens hardly make any contribution in governance of resources, to a decentralized political system where the inputs of citizens is considered critical to development (Radcliffe and Mitullah 2003). This has witnessed the review of the Constitution, which is still on-going, the review of the Local Government Act Chapter 265, which has been on hold pending the completion of the review of the Constitution, review of various Acts of Parliament, the development of Strategic Plans by Government Ministries and parastatals as well as the adoption of RBM by public institutions.

Right from independence in 1963, the State of Kenya had a vision for decentralization, which is yet to be fully realized. This vision, justified the enactment of LAs in 1967, followed by establishment of Regional Authorities during the 1970s, and District Focus for Rural Development in 1983. At the local level, these policies were complimented by Integrated Area Based Programmes, civil society organizations, including Non Governmental Organisations (NGOs) and Community Based Organisations (CBOs) and other development partners. However, most of these institutions have had different approaches of service delivery and have operated without adequate coordination resulting in duplication of efforts. It is hoped that the on-going constitutional review, review of the Local Government Act and on-going process of

coming up with a decentralization policy will come up with a policy outlining the role and working relationship of the various institutions and actors operating at the local level.

In 1996, a decentralization initiative under the Local Government Reform Programme was launched focusing on strengthening LAs. The programme had three components: rationalizing central-local financial relations, improving LA financial management, including revenue mobilization, and strengthening citizen participation in planning and ownership of programmes. The reform programme has recognized the importance of LAs in enhancing economic governance, improving public service delivery, and increasing economic efficiency, accountability and transparency (ROK 1999).

The LA reform programme began with financial reforms aimed at enhancing inter-governmental fiscal transfers, improving financial management, debt resolution, streamlining budgeting system and service provision capacity building for LAs. A key instrument in this process was the enactment of the Local Authority Transfer Fund (LATF) in 1998. The Act provides 5 per cent of national income tax to LAs in line with population, resource base and financial performance. In order to access LATF, LAs are administratively required to develop a Local Authority Service Development Action Plan (LASDAP) using a participatory approach. The LAs began accessing LATF during financial year 1998/1999.

The requirement for a participatory development of LASDAPs has pushed LAs to involve their respective residents in their activities. In the past, the governors of LAs have operated without taking the interests of residents into consideration. Since the deletion of Section 2A of the Constitution, and the reintroduction of plural politics, Kenyans have become proactive in governance. Civil society organizations are operating in almost all sectors of the economy. In LAs, resident associations have begun engaging LA governors. In some areas, such as the City of Nairobi, residents associations from high income areas have been able to hold back their land rate charges in demand for efficient services. At the same time, the City Council of Nairobi has initiated a decentralization programme that takes services to the ward level. Many other LAs in Kenya have either begun or are thinking of decentralizing services to the ward level, although these moves require a policy framework which is not in place.

5. ICTs and E-Governance: Policy and Strategy

In March 2004, the Government of Kenya launched an ambitious three year (2003-2007) E-government Strategy in line with the national development strategy for Wealth and Employment Creation. The initiative is a step in the right direction given the rapid changes taking place worldwide with the tremendous growth in computing power and networking technology which is transforming the way governments are operating and doing business. However, the initiative also highlights the government's continued *ad hoc* approach to ICT policy, strategy development and implementation. It is imperative therefore that the E-government Strategy be implemented within a well-defined and integrated national policy framework. The objectives of the strategy are:

- To increase efficiency and effectiveness, enhance transparency and accountability in the delivery of government services through the use of information technologies.
- Improve the internal workings of government to be externally-oriented and more customer-focused.
- Facilitate collaboration and the sharing of information within and between government agencies.
- Reduce significantly transaction costs leading to savings.
- Encourage participation and empowerment of citizens including the disadvantaged groups and, communities in the rural and remote areas through closer interaction with the government.
- Attract foreign investments by providing faster access to information and government services.

The E-Government priorities include: instituting structural and operational reforms, review of the regulatory and legal framework and development of a reliable and secure infrastructure. As originally conceptualized, the priority activities and implementation framework over the immediate, medium and long terms along the dimensions of Government to Government (G2G), Government to Business (G2B) and Government to Citizen (G2C) communications are as outlined in appendix 2.

In conclusion, this E-Government strategy is quite comprehensive and signals the intention to implement ICT in the government. However, it is very ambitious and the implementation timeframes are unrealistic. Already, implementation has fallen behind schedule and there is no indication that it is likely to get back on track. In addition, the amount of resources required is colossal and yet there is very little allocation by the government.

The critical issues which are likely to impede its successful rollout include ICT human capacity, change management strategy, funding and access to ICT, as elaborated below.

- **ICT human capacity.** The ICT technical and managerial human capacity in the government is highly inadequate and there is lack of an ICT human capital development strategy.
- **Change management strategy.** The government has no capacity to manage the change entailed in the implementation of E-government.
- **Funding.** The amount required is huge, yet, the sources of funding have not been identified. At the same, the funding allocated to ICT is negligible. This is perhaps a reflection of a lack of appreciation, at senior levels of government, of the potential strategic role of ICT in national development.
- **Access to ICT.** This poses a major challenge especially in the urban poor, rural and remote areas where the majority of the population lives. Citizens and businesses in these areas will continue to be marginalized and denied access to e-government services as long as this issue is not addressed with the seriousness it deserves.

A **proposed e-Government programme** (2005) will set the foundation for increased realization of the key outputs in the e-Government strategy. Its primary purpose is to promote the use of modern technology to improve services and communication processes. The priority of the programme is to provide cross-ministry technology and systems architecture which will provide opportunities for disparate government ICT platforms to be more effectively integrated, managed or aligned to provide better support for government applications. In addition to the core infrastructure, the programme will support ministries in development, management, use and support of specific systems that enhance the core functions performed by ministries; support public sector reform and program priorities of ministries; and facilitate information management and sharing to improve productivity and enhance local decision making processes and service delivery.

The programme will consolidate government services by eliminating duplicative processes, enhancing interoperability, reducing redundancy, fostering integrity and providing measurable improvement in performance. In terms of **benefits and impacts**, the programme will lead to

- *Reduced costs of government operations.* By reducing paperwork processing, ministries will reduce printing costs, cycle time, document storage, telephone calls and visits to field offices – efficiencies that will translate directly into overhead cost savings.
- *Economic and social benefits.* The e-Government programme will also offer economic benefits by improving the processes of government.

In terms of **outcomes**, this programme will lead to:

- *Financial savings* as a result of reduced costs of government operations and enhanced revenue collection.
- *Reduced redundancy* by integration of government systems and leveraging common facilities.
- *Improved services* to citizens and other constituencies through multiple channels.
- *Economic development* through catalysis of the ICT services sector.

In terms of **outputs**, the proposed programme will achieve the following:

(a) Short to medium-term (2005-2006)

- *Technical human capacity.* Sufficient operational capacities to implement e-government projects efficiently, reliably and cost effectively. These will include properly functioning Ministerial ICT Units – Training government officers through the Government IT Services (GITS).
- *Knowledge-based workers.* ICT literate public servants at all levels in order to tap the power of e-Government to improve work processes and service delivery. Training programmes will go beyond learning about systems and applications to harnessing ICT in pursuit of the strategic goals of the government.

- *Infrastructure.* This will encompass structured cable local area networks (LANs) in government buildings, a government-wide wide area network (WAN), and associated hardware and applications.
- *Projects.* A set of strategic e-government projects including a website portal for the Government of Kenya, and, ministerial websites capable of delivering information and interaction with the public through e-mail and access to applications.

(b) Long term (2006-2010)

- *Technological infrastructure.* A flexible, reliable, secure and scalable infrastructure connecting all locations of government offices to application and database servers. This will encompass a robust, high-capacity network to support effective internal communications and effective links to broader public sector.
- *Government online.* Most government transactions availed online through multiple delivery channels and accessible by a vast segment of the population.
- *Service integration.* Horizontal and vertical integration of all departments at district, provincial and national levels. This will include process re-engineering of public services which are amenable to electronic delivery and their alignment with the e-government strategy.

It is estimated that the proposed programme will cost **US\$25,500,000 over the period 2005-2010**. Although the cost of the initial development will be high, it is recognized that there may be need to invest up-front to generate far-reaching changes which will ensure high returns on investment. The capital outlay required to deploy and maintain core e-government infrastructure and, build capacity is beyond the government's means, especially when considered among other development imperatives such as water, health and education. Appendix 3 shows the proposed financing strategy.

It is not possible to establish the status of implementation of the above programme, without carrying out a detailed study. However, it is estimated that the programme is in the early phases of implementation given, that the period of implementation started in July 2005.

The Kenyan government has been working on an ICT policy for several years. The past two years have witnessed significant policy activity in this arena with the finalization of an e-government strategy, the issuance of a universal access report, the development of two ICT policy drafts, and most importantly, the acceptance of the GOK of the need for multi-stakeholder participation in the drafting process.

The policy is far-reaching and covers many issues such as Telecommunication Services, Radio Frequency Spectrum, Universal Access and Market Structure. The Ministry of Information and Communication solicited public comment on the policy. Numerous public comments were received from academia, the private sector, civil society groups, and legal observers, and submitted to the Ministry in late April, 2005. Comments covered issues ranging from universal access, education and workforce training in ICT, regulatory matters, gender and youth concerns, and the use of ICT for

development and poverty reduction. If the ICT Policy is finalized and appropriately incorporates public comment, it could provide a strategic direction for Kenya's ICT policy. If the existing E-government strategy and the universal access report are harmonized and incorporated into any final approach, Kenya will be well on its way to attaining a strategic framework for approaching ICT as a development tool in the government, in the private sector, and in under served rural areas at all levels.

6. Needs Analysis

6.1 Information Infrastructure

Based on existing statistics, the fixed telephone and mobile telephone teledensity is 0.90% and 12.42% respectively. Although the overall fixed telephone teledensity is 0.90%, it is important to note that this is skewed in favour of urban areas with Nairobi for example having a teledensity of 7.42%, Mombasa at 1.43% while the other regions are in the range of 0.5% and below. The composite teledensity for the country is estimated to be 13.34%.

It is also important to note that optical fibre cable is fast being deployed as an alternative data transport media. Nevertheless, the penetration of this is still low and highly concentrated in Nairobi and Mombasa Central Business Districts (CBDs). For example, Telkom Kenya and Kenya Data Networks have been laying fibre in Nairobi and are now putting fibre between Nairobi and Mombasa. In addition, the Kenya Pipeline and Kenya Power and Lighting are laying fibre alongside their infrastructure and will be selling the extra capacity to interested customers.

6.2 Internet Availability

The Internet market has in the recent past been opened up by the licensing of Internet Backbone Gateway Operators (IBGOs), Public Data Network Operators (PDNOs) and Local Loop Operators (LLOs). Currently there are 5 IBGOs: TKL with 36Mbps/60Mbps, Jamii with (unknown), KDN with (unknown), Harun with (unknown) and UUNET with (unknown). At the same time, ISPs and other institutions have downloads (DVB) of upto 20Mbps making the total bandwidth position to be approximately 40Mbps/100Mbps. This is a fairly high level of Internet bandwidth compared to the position of other countries in the region. Nevertheless, compared to countries such as South Africa, Egypt, and Senegal which have Internet bandwidths in the region of 100Mbps -1Gbps/250Mbps -2Gbps and the fact that these countries have the marine fiber, it is apparent that Kenya still has quite some room for improvement.

In addition, most of the ISPs (UUNET, ISP Kenya, KenyaWeb and Nairobi.net, Wananchi online) and some institutions (such as University of Nairobi, Maseno University, KENET, African Virtual University, etc.) have purchased bandwidth for down-link services. This bandwidth is estimated to be close to 50% of the total incoming bandwidth.

The Internet points of presence are limited, mainly in few urban areas. This is because of the limited data communication infrastructure that has been laid by TKL as the dominant operator. The other PDNOs are fairly new and have not yet rolled out national networks.

Kenya has 72 licensed ISPs, but, only about 14 are operating. Most ISPs offer a range of services, including dial-up and leased line services charged mainly at a flat rate. The charges are becoming fairly competitive despite the concentration of the facilities in the main city, Nairobi.

It is also worth pointing out that Safaricom has GPRS, available throughout their network coverage area (though service take up is still at an early stage).

6.3 ICT Championship and Structure

There has been no single person championing ICT in the country for a long time. ICT initiatives have come from many sources and have not been coordinated. However, one of the Government initiatives which are beginning to change this is the release in May 2004 of the E-Government strategy (Annex 3). The Cabinet and the Permanent Secretaries committees are currently in operation. The ministerial committees have yet to start operating. In addition, an ICT Secretary, at the level of a Permanent Secretary, was appointed in early 2005, to take charge of the E-Government Directorate.

Another notable initiative of the Government was the creation of a Ministry of Information and Communication in mid-2004. This brought under one roof most of the units that have a primary mandate over ICT, which is one of the pre-requisites for achieving better coordination. Even with these two initiatives, there is still confusion over the championship of ICT, especially between the Ministry of Information and Communication, and the E-Government Directorate, in the Office of the President.

6.4 Human Resource Capacity

The human resource capacity in both Central and Local Governments is characterized by the following: lack of or limited ICT staff; most ICT staff have technical skills and experience and lack business domain expertise; the educational standard of most ICT staff is predominantly at Certificate and Diploma levels, and the person in charge of ICT has hands-on experience.

Based on the above information, the key ICT needs of Kenya can be summarized as follows: complete the approval of the national ICT policy; develop integrated national ICT structures; develop national information infrastructure with a high degree of penetration, especially in the rural areas; make ICT more affordable to Kenyans; empower CCK as a truly independent regulator and make CCK the regulator for ICT; and encourage a culture of transparency, openness, accountability and responsiveness to the public in ICT

7. Research Priorities

The critical issues with respect to ICT are:

- Very low fixed network penetration, especially outside Nairobi and non-urban areas; Limited capacity of both dedicated and dial up Internet links
- High Internet bandwidth tariffs in comparison to the income of local people
- Poor quality of the local access network
- Inadequate independence of the communications regulator
- Lack of ICT planning and inadequate resource allocation to ICT (in both central and local governments); Lack of appropriate structures for ICT
- Inappropriate culture in the public service e.g. information is seen as a source of power (rent seeking), in turn creating massive resistance to change during implementation of e-governance solutions
- Lack of mechanisms to retain professional ICT staff
- The professional ICT staff are at entry levels and some of the staff do not have professional education and training in ICT
- Lack of viable MIS applications to address core business in most ministries. Lack of ownership of available systems – typically “solutions looking for a problem”
- Lack of ICT standards and policies
- Lack of an appropriate legislative framework to implement e-governance

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Appendix 1: Categories of Local Authorities in Kenya

CATEGORY	1981	1990	1992	2000	2003
City Councils	1	1	1	1	3
Municipal Councils	11	20	20	47	42
Town Councils	11	23	23	66	62
County Councils	40	40	40	60	68
Urban (phased out in 1997)	20	27	27	-	-
Total	83	111	138	174	175

Appendix 2: Priority activities and implementation framework

Short-Term Activities (by June, 2004)	Medium-Term Activities (by June, 2007)	Long-Term Activities
A. G2G Communications		
Institute information and communication technology (ICT) policy and E-government strategy	Increase automation and integration of government records and information	
Expand the information infrastructure	Completion of the information infrastructure within the government upto the district level	
Initiate the integration of internal government processes	Develop and implement web-enabled databases	
Increase the efficiency and effectiveness of internal operations	Operationalize other information systems under development, e.g. civil registration, road transport, revenue collection, etc.	
Develop websites for ministries		
Build capacity		
B. G2B Communications		
Operationalize a single government portal	Electronic administration of business	Electronic government payments
Establish government auctions	Electronic filing of government returns and claims	e-Trading of government securities
	Portal services-data warehousing	Government service management
	E-procurement	
	Electronic forums for discussion and feedback	
C. G2C Communications		
Interaction with citizens	Increased involvement of citizens in decision-making and public activities.	Enhanced e-policing
Improving public services	Electronic property search.	E-voting
Introduction of e-policing	Legal	Integrated electronic payments
Advertising government jobs		
Education		
Provision of family entertainment, dissemination of information on social/health issues and related public events.		
Verification of the Voter's Register		

Annex 3: Organizational structure for ICT in the Government:

- A Cabinet Committee chaired by the Minister of State for Provincial Administration and National Security, which is supposed to oversee the implementation of the E-Government strategy. It is composed of the ministers for Finance, Tourism, Information and Communication, Transport, and Education, Science and Technology.
- A Permanent Secretaries Committee consisting of PSs and Accounting Officers and chaired by the Head of Public Service (HOPS). It is charged with coordination of the implementation of the E-Government strategy.
- E-Government Committees in every ministry, chaired by the Permanent Secretary and consisting of the Head of the Central Planning Unit, Chief Finance Officer, Senior Principal Personnel Officer, Deputy Secretary/Administration and Head of ICT Unit. These Committees are to review the various ICT policy initiatives in the ministries, undertake audit of the ICT capacity, establish support to the ministerial policy mandate, identify institutional gaps and inadequacies and make recommendations on the way forward.
- The Directorate of E-Government under the Head of Public Service charged with the coordination and preparation of the E-Government strategy, including the implementation plan, and monitoring and evaluation of the process.

Annex 4: Profile of ongoing ICTs Projects

Project Title	Project Objectives	Implementing Organization	Project Leader	Project Time Line	Collaborating Partners	Project Status/ Project Outcomes
Integrated financial management information system (IFMIS)	To assist the MoF to improve financial management, accounting, accountability and auditing of public funds	GoK and SIL/Simbanet	Mr. Titus Kilinda	2007	DFID, SIDA, World Bank	Roll-out into the various ministries is on-going – A total of eight LAs are already using the system.
Local area and wide area networks in the ministries	To develop local area networks (LANs) in all ministry head quarters and implement wide area connectivity	E-Government Directorate	Dr. Juma Okech	2005/2006	?	LAN implementation in a number of ministry HQ buildings on-going. No funding for 7 buildings
Recording of court proceedings	Record the proceedings of courts	Not yet determined	?	Dec. 2005	World Bank	At procurement stage