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REPUBLIC OF KENYA

MINISTRY OF INFORMATION,
COMMUNICATIONS AND TECHNOLOGY

PARLIAMENTARY REPORT
APRIL 2015

Paper Laid
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EXECUTIVE SUMMARY

The focus of this Half Year Ministerial Report is the progress status of priority projects that are being implemented by the ministry and its agencies. The intention is to inform the parliament on how the ministry is performing on implementation of projects under the 2014/15 MTEF Budget by detailing the achievements made and challenges experienced so far.

During the 2014/15 Financial Year the Ministry was allocated KShs 8,805.6 million for Development budget. However by 31st December 2014 the Ministry had used KShs 1,782.4 million which is 40.5 % of the half year development budget in the implementation of priority projects. The ministry is implementing the following projects.

1. NOFBI Phase II
2. County Connectivity
3. Transport Information Management System (TIMS)
4. Network Operation Centre (NOC)
5. Government Unified Messaging Systems
6. National Analogue Digital Migration
7. Cyber Security
8. Modernization of KIMC
9. Konza Techno City
10. Information Management

The Ministry has performed well in the implementation of some of the projects while others have performed poorly having experienced challenges. The four dominant challenges that have played themselves out in different ways and at different pace include.

- Litigation cases for Digital Migration
- Capacity in KoTDA
- Delay in getting way leave and tax exemption for NOFBI project
- Inadequate funding

It is anticipated that this report will shed light to the parliament and in a way assist in addressing the above challenges.

1.0 INTRODUCTION

Kenya's vision towards a globally competitive knowledge-based economy is gradually being achieved through effective and efficient use of information communication technologies (ICTs). During the 2014/15 Financial Year, the Ministry achieved commendable milestones in the ICT sector thus improving the quality of life of Kenyans by ensuring the availability of accessible, universal, affordable, modern and high quality ICT facilities and services within the Country.

1.1 Mandate

The Mandate of the Ministry includes,

- Language Policy Management
- Information Communication Technology
- Broadcasting Policy
- Public Communications
- Promotion of E-government
- ICT Training Standards Development and Administration
- Promotion of E-government
- Development of National Communications Capacity and Infrastructure
- Provision of the Public Relations Services
- Promotion of Software Development Industry
- Management
- Policy on Software Licensing Regime
- ICT Agency (E-Government, Kenya ICT Board and Government Information Communication Technology Services
- Provision of ICT consulting services on acquisition of ICT and telecommunication services and equipment to Government Ministries and Departments
- Telecommunication Services
- Development of National Communication Capacity and Infrastructure
- Dissemination of Public Information

This report for the period July to December, 2014 concentrates on the status of the eight major developments projects that are being implemented by the various Departments/State Corporations under the Ministry.

During the 2014/15 Financial Year, the Ministry was allocated KShs 8,805.6 Million for Development budget. However by 31st December 2014 the Ministry had used KShs 1,782.4 million which is 40.5 % of the half year development budget in the implementation of priority projects.

The ministry has three major technical departments and eight parastatals that are charged with the implementation of projects and programmes in the ministry. These include:

1.2 Technical Departments

1.2.1 Department of information

The department plays a critical role in the implementation of government strategies aimed at ensuring universal access to information. These include:

- Formulation, interpretation and implementation of government information policies, programmes and strategies.
- Gathering, processing, packaging and disseminating information on Government programmes and projects.
- Creating awareness on the Constitution of Kenya, 2010, and Kenya Vision 2030 through its national,
- County and sub-county information structures.
- Provide access to information to the public as provided for in the Constitution.
- Tap and utilize modern technology to make available to the public accurate and timely news and information.

1.2.2 Department of Public Communications

In March, 2010, a task force on review of the organizational structure and staff establishment recommended the separation of the Department of Information and Public Communications. The separation saw the new Department of Public Communications established in ministries. The goal was to transform public communications to build confidence and catalyze national development as well as project a positive image of the Government to the public. With the implementation of the Constitution of Kenya, 2010, the Department undertook the process of expanding its mandate to reach the counties and sub-counties through the following functions:

- Formulate, interpret and implement Government public communication policies, programmes and strategies.
- Brand, promote and maintain positive image of the Government at the national and international level.
- Develop and nurture relations with internal and external publics.
- Undertake research on public opinion on sector-specific areas and emerging issues in public communications in the national and county governments and provide appropriate interventions.
- Communicate development projects in line with the Constitution and Kenya Vision 2030.
- Manage public communications services that enhance security, peace and national cohesion through media monitoring and research.
- Promote stakeholder engagement and public participation in national development.
- Monitoring and managing content of ministry and county websites.
- Enhance good working relationship between the Government, media and the general public
- Publish journals, booklets and other publications aimed at improving the Government's image

1.2.3 Department of Telephone services

Following the Executive Order No. 2/2013 of May 2013, the placement of telephone services was transferred from the Office of the President, Department of Personnel Management to the Ministry of Information, Communications and Technology. This department will be responsible for deployment of telecommunication officers in the National Government.

1.3 Semi-Autonomous Government Agencies

1. Kenya Broadcasting Corporation
2. Postal Corporation of Kenya
3. Communications Authority of Kenya
4. Information Communication and Technology Authority
5. Media Council of Kenya
6. Kenya Yearbook Board
7. Kenya Institute of Mass Communications
8. Konza Technopolis Development Authority.

1.3.1 Kenya Broadcasting Corporation

Kenya Broadcasting Corporation (KBC) is a state corporation established by an Act of Parliament Cap 221 of the Laws of Kenya to undertake public broadcasting services. Its main mandate is to inform, educate and entertain the public through radio and television services and thereby propagate all that consolidates national unity, peace and development.

1.3.2 Postal Corporation of Kenya

The Postal Corporation of Kenya (PCK) was established by the Postal Corporation of Kenya Act (1998) to provide communications, financial, mail and courier services. Currently PCK has a monopoly in stamp production and provision of private letter boxes. It competes with private operators in all other market segments. The Corporation is now being re-positioned to provide new products based on new info-communication technologies with a view to remaining relevant in an increasingly competitive market environment.

1.3.3 Communications Authority of Kenya

The Communications Commission of Kenya (CCK) was established by the Kenya Communications Act, 1998 as the regulatory body for the Communications Sector to regulate Telecommunications, Postal and Radio Communication Services. The Kenya Communication Act 2008 has given additional mandate to CCK to regulate the broadcasting industry. The Commission will continue to foster fair competition and equal access in the sector through;

- (i) Facilitating investment in Telecommunication Sector
- (ii) Implementing Universal Access Fund

- (iii) Issuance of Telecommunication and Broadcasting licenses
- (iv) Price regulation
- (v) Establishment of interconnection principles
- (vi) Approval of types of telecommunications equipment
- (vii) Management of Radio Frequency Spectrum.
- (viii) Regulation of the broadcast industry

1.3.4 Information Communication and Technology Authority

The Kenya ICT Board was established in August 2007 through a Legal Notice under State Corporation Act Cap 446. During the Plan period, the Board will;

- (i) Develop and position Kenya as the preferred ICT destination in Africa.
- (ii) Develop and promote competitive ICT industry in Kenya.
- (iii) Develop world class Kenyan ICT institutions.
- (iv) Increase access and utilization for ICT.

1.3.5 Media Council of Kenya

The Media Council of Kenya was established by the Media Act 2007 as the leading institution in the regulation of media, conduct and discipline of journalists.

The Council plans to:

- Recruit highly skilled staff that will spearhead the implementation of its strategic programmes;
- Strengthen the media monitoring unit through the acquisition of a monitoring system;
- Spearhead the adoption of a standardized curriculum for middle level training institutions in mass media; and
- Develop Elections Reporting Guidelines for journalists in preparation of the 2013 general elections in an effort to promote responsible journalism and foster national cohesion.

1.3.6 Kenya Yearbook Board

The Kenya Yearbook was established vide legal Notice No. 187 of 2nd November, 2008. The Board plans to;

- (i) Compile, edit and publish the Kenya Yearbook.
- (ii) Document and detail the work of the Government of Kenya in the Yearbook in partnership with the people.
- (iii) Explain in the Yearbook the programme of action to sustain and speed up progress towards the kind of society Kenyans desire.
- (iv) Convey in the Yearbook the immense resources of Kenya and potential still to be tapped.

1.3.7 Kenya Institute of Mass Communications

Kenya Institute of Mass Communication (KIMC) is a government training institution mandated to train mass media professionals/practitioners with specialized skills in Electronic and Print Journalism, Radio and Television Programme Production, Film Making and Electronic/Telecommunication Broadcasting Technologies. It also trains at postgraduate, diploma level. Under the plan period the institute will;

- (i) Offer degree programmes in mass media
- (ii) Produce, co-produce and disseminate video and radio programmes through its Media Production Centre which offers post production services in print media, Television film and Radio.

1.3.8 Konza Technopolis Development Authority.

Konza Technopolis Development Authority (KoTDA) was established vide Legal Notice No. 23 of 5th April, 2012, to coordinate the planning and development of the SMART City in the country.

Konza Techno City (KTC) is a Vision 2030 flagship project, being built to position Kenya as a leading ICT destination by leveraging and expanding Kenya's technology focused industries. The city will demonstrate many aspects of smart city planning for energy, water, transportation, security and entertainment among others. The City will be built in Phases, with the implementation of Phase 1 (2014 – 2018) already in progress. The Master Plan of this Phase will begin on a 400-acre piece of land and is expected to attract 30,000 residents and 17,000 workers in its completion. KTC will be a smart city with world class infrastructure and technology to spur innovation. Kenya cannot become a knowledge economy without initiatives like KTC. It provides an enabling environment, in a cluster, to enhance local R&D, entrepreneurship and Information Technology enterprise formation culture.

2.0 ACHIEVEMENT ON PROJECTS IMPLEMENTATION

During the first half of the 2014/15 Financial Year the ministry implemented various projects to ensure availability of accessible, universal, affordable, modern and high quality ICTs facilities and services within the nation.

2.1 National ICT Infrastructure

2.1.1 National Optic Fibre Backbone Infrastructure (NOFBI)

The Government has continuously implemented the National ICT infrastructure to improve connectivity and availability of broadband in all the 47 counties in the country. During the year under review the government has initiated and continues to oversee the construction work for 600km of fibre optic infrastructure which is expected to be

completed by the end of April this year. Completion of National fibre optic backbone Infrastructure (**NOFBI**) Phase II will increase the footprint of terrestrial fibre optic links from the current **4300km to 5500 km**. During the ongoing initiative the Ministry was able to connect a government building in the counties of Kisumu and Embu. It is also expected that the programme will involve cross border connectivity within the East African Community members.

2.1.2 Analogue Digital TV Broadcast Migration

Kenya has migrated 70% of the areas previously covered with analogue TV to digital TV broadcasting and it is expected the remaining 30% will be migrated by the 30th March 2015. The migration to digital TV broadcast will enable more television channels creating more employment opportunities in TV stations and through local content development. Digital TV broadcasting has enabled high quality television programmes to be transmitted while the economy will benefit through higher utilization of scarce frequency spectrum resources. The Government has embarked on extending the coverage of digital TV broadcasting to parts of the country that previously did not have TV coverage. In this regard the Kenya Broadcasting Corporation has identified 10 Counties with no TV coverage where Digital Transmission sites will be established in the next 6 months.

2.1.3 County Connectivity

The following activities have been undertaken:

- Site survey conducted for 28 Governor's IFMIS Sites
- Proof of Concept installations completed and commissioned for Kisumu and Embu Governors' offices
- Local Training of Engineer's on the upgrade of the network to MPLS

2.1.4 Establish the Network Operation Centre

During the second quarter of the reporting period, the **Network Operation Centre (NOC)** equipment installation and configuration activities were completed. Installation of management software is being finalized and this will be followed by training of the personnel to man the NOC on a 24 hour basis and eventually commissioning.

2.2 Improvement of Business Environment and Governance

2.2.1 Transport Information Management System (TIMS)

The Government of Kenya received financing from the World Bank towards the cost of Kenya Transparency & Communications Infrastructure Project (KTCIP). KTCIP supports (procurement, project management and funding) implementation of the Transport Integrated Management System- TIMS-The National Safety and Transport Authority, Ministry of Transport and Infrastructure is the recipient. This contract kicked

off in January 2015 and the project is expected to be fully operational by December 2016. The project has been divided into three LOT's:

1. LOT 1: Upgrade and Configuration of Servers at the Government Data Centre to host the Transport Integrated Management System
2. LOT 2: Supply, Installation and configuration of Software; Transport Integrated Management System
3. LOT 3: Supply, Installation, Configuration Workstation Kits

The project implementation status is as follows

- ✓ Motor Vehicle Registration & Driver Testing and licensing requirement gathering Complete;
- ✓ Module owners conducted and information gathering requirements explained ;
- ✓ Meeting with Motor Vehicle Registration module owners conducted. The owners taken through the questionnaire;
- ✓ Meeting with Driver Testing Licensing module owners conducted. The owners taken through the questionnaire;
- ✓ Servers delivered, and POST conducted successfully.
- ✓ Sign off of the Power on Test completed

2.2.2 Roll out of Government Unified Messaging Systems

The Gums project, had a challenge related to the hosting environment that dis-allowed progress in deployment in ministries, we are in the process of replicating the installation in order to have the requisite redundancy before embarking on full deployment for increased service availability and reliability in all the ministries. So far 6 ministries have been connected to GUMS

2.2.3 Open Government “MyGov.go.ke”

The Government launched **MyGov.go.ke** website, the official government website that provides current news and information on government programmes. The website will eventually be developed to become the digital advertising platform for the Government. Kenyans can now stay informed about their government at the touch of a button. This is in line with the Jubilee Government's manifesto of going digital and making the government open to the public.

2.2.4 Institutional Reforms Within the ICT Sector

The Government has developed the Kenya Information and Communication Technology Authority (ICTA) and the Kenya Institute of Mass Communications (KIMC) Bills, whose subsequent enactment is anticipated, will enable the two institutions to work independently thereby improving their service delivery. Arrangements are underway to finalize the bills and forward them to the Cabinet for approval.

The restructuring of the Kenya Broadcasting Corporation (KBC) is on-going with asset valuation completed. Consultancy work on Job Evaluation and Skills audit and cleaning

of KBC Balance Sheet in collaboration with National Treasury are in progress. It is expected that the completion of consultancy work will give way to staff rationalization and rightsizing. The Signet Infrastructure Company, the licensed Broadcast Signal Distributor that was being managed by KBC is operational and the process of appointment of the Board of Directors after de-linking it from the public broadcaster is ongoing.

2.2.5 Policy, Legal and Regulatory Frameworks.

2.2.5.1 National Addressing System Policy

The Government has developing draft National Addressing System policy to provide for National Post Code and Geographical Addressing Systems Standards. Quality addressing and postcode systems enable quality postal services, facilitates business transactions and hence economic growth and development. This will make our cities and urban areas more user friendly to the public by improving the systems of street and building identification thus facilitating easy public movements. It also facilitates delivery of services such as mail services, provision of emergency services (police, fire and ambulance) as well as e-commerce.

2.2.5.2 One Network Area for Mobile Telephone Policy

The Government published a Gazette notice on the implementation of One Mobile Network Area for East African Region September 2014. Already Kenya has established and implemented One Network Area mobile telephone service with Rwanda and Uganda. Kenyans can now roam in these countries and receive charge free calls while enabling cross boarder calls at approximately KShs. 10 per minute.

2.2.5.3 Spectrum Management Policy

The government has developed National Wireless Broadband Spectrum Policy guidelines to ensure that spectrum resource is well managed and optimally utilized for the overall benefit of the nation. The objective of the policy guidelines is to encourage the use of spectrum as an instrument for stimulating the economic growth and social development of the nation. The government aims to promote competition in the assignment of spectrum and to ensure equitable and fair allocation of spectrum for maximum benefits.

2.2.5.4 SIM Card Registration Framework

During the first year of jubilee administration the Government through the Communications Authority of Kenya put in place both the Legal and Regulatory Framework to enable linking of SIM card registration to National ID database. The Government has now completed linking SIM card registration to National ID databases thereby enabling network operators to know their customers, help in curbing negative impacts like loss of phones by thefts, unsolicited text messages, fraud and threats among others.

2.2.5.5 Cyber Security

As the number of people accessing the internet grows, the number of cyber security incidences are bound to be on the rise. As a remedial measure, a National Cybersecurity Strategy that established an elaborate Cybersecurity governance structure including the national Kenya-Computer Incident Response Team/Coordination Centre (KE-CIRT/CC) was developed. The KE-CIRT/CC was launched in June 2014 as the national cybercrime management point of contact whose main mandate is to offer technical advisories and coordinate responses on cyber security matters at the national level in collaboration with the relevant actors locally, regionally and internationally.

The Ministry adopted a phased approach in the implementation of the National KE-CIRT/CC as follows:

- Phase 1 - involves provision of reactive National CIRT services. The reactive services include coordination and responses to Cyber security incidents, capacity building and awareness creation on Cyber security. This phase was implemented in October 2012 and launched by the Government on 24th June 2014;
- Phase 2 – involves reactive services and proactive services. The proactive services include ability to detect cyber-attacks before they happen; and
- Phase 3- involves the ability to secure and analyze evidence using Digital Forensic Centre.

So far, the National KE-CIRT/CC has been instrumental in resolving various cyber-crimes which include cases of social media abuse and impersonation, website defacement, denial of service attacks, hacking of email accounts, among others. In addition, the National KE-CIRT/CC has been able to establish working relationships at the national, regional and international level.

At the national level, the National KE-CIRT/CC collaborates with the law enforcement agencies, the Central Bank of Kenya (CBK), the financial sector industry association (KBA), the Telecommunication industry association (TESPOK), the academia, public utility companies (KPLC, KPA, Nairobi Water and Sewerage Company, among others) and critical infrastructure service providers (SEACOM, TEAMS and EASSY). At the regional level, the National KE-CIRT/CC collaborates with the East Africa Communications Organisation (EACO). At the international level the National KE-CIRT/CC collaborates with the International Telecommunications Union (ITU), and it is in the process of becoming a member of the Forum for Incident Response and Security Teams (FIRST), an international confederation of trusted CIRTs who cooperatively handle computer security incidents and promote incident prevention programs.

2.2.5.6 National ICT Policy

The Government has reviewed the National ICT Policy to accommodate the changes taking place in the sector. Review of the National ICT policy will provide for optimal utilization of existing broadcast infrastructure and local broadcasting capacity building. This is meant to create conducive environment for the growth of all ICT market segments.

2.2.5.7 Automation of Government Services

The government implemented the National ICT Master Plan through development and operationalization of the Government electronic Payment platform in six Banks, approval and allocation of funds for a Centralized Government Advertisement, Commencement of issuance of ICT Standards Compliance Certification to Government Ministries by 30th, September, 2014; initiation of development of Six (6) IT systems innovations in Finance, Education, Health, Transport, Water and Sanitation sectors in collaboration with IBM Research Laboratory.

2.3 Enhancement Regional Integration

2.3.1 One Network Area

The Government has established and operationalized **one network area mobile telecommunication services** within the East African and the Northern Corridor Integration Projects Partner States where the roaming rates have been capped at KShs 10. This has reduced the transaction costs for Kenya traders roaming within the region. The Government's next step is to establish a one network area for SMS, Data and Mobile Financial Services within the region.

2.4 Promotion of Kenya as an ITES/BPO Hub.

The Government has promoted Kenya as the preferred Information Technology Enabled Services (ITES) and Business Process Outsourcing (BPO) hub making Kenya to be one of the Africa's fastest growing ICT markets.

2.4.1 Innovation and Incubation Centres

Kenya has become a global leader in digital innovation with a growing number of scalable solutions being developed. The government continues to support innovation incubation hubs that house software developers, engineers and other creative minds. The IBM Research Lab in Kenya has initiated research to develop home grown solutions to solve local socio-economic challenges in the Health, Transport, Education, Water and Sanitation among others.

2.4.2 Enterprise Kenya

The Government is promoting locally produced IT software and hardware products with aim of increasing ICT exports as an engine for future growth. The Government wants to transform the huge youth population into an asset investment for growth and development. The enterprise Kenya programme will support young Kenyan innovators to develop their products into marketable products. It is pleasing to note that investment in hardware and software development in Kenya has continued to increase year after year. This project is in planning stage and it is anticipated that it will take off during the second half of the 2014/15 Financial Year.

2.4.3 Konza Techno City

The government is implementing Phase I of Konza Techno City where cadastral survey has been completed and submitted to Directorate of Survey for Approval; Designs plans for Access Roads completed and Construction launched by 15th December, 2014; Seven Boreholes equipped and connected to Power; Contractor on site undertaking piping works; Power Infrastructure for phase one site completed; Master Delivery partner (MDP) II Contract Signed and KOTDA Bill tabled in Cabinet and incorporated in the Special Economic Zones Bill currently in Parliament.

2.5 Improvement of Public Information Management

The Government is currently restructuring the public information management to ensure that Kenyans access accurate, effective and efficient information on government policy and programmes in order for them to make informed decisions. This involves refurbishment of government websites, digitization of key government registries, development of Public Communication Policy, production of Kenya Yearbook, Modernization of Kenya Broadcasting Corporation and the Kenya News Agency. These activities have made Kenyans more informed as well as marketed Kenya as investment and tourism destination abroad.

2.6 Increasing ICT Talent Pool

2.6.1 Presidential Digital Talent

The government has launched **the Presidential Digital Talent** programme targeting over 500 Youths to train in good corporate and public governance. Already 100 young graduates have been identified and have started training in various Government and private organizations. The programme is expected to instill Kenyan youths with the required skills in management and service excellence in both public and private sector.

The government has established partnership with renowned international ICT companies to train Kenyan youths in telecommunication engineering. This has seen over 20 telecommunication engineering trainees' benefit from specialized training at Huawei Technologies Company Limited, in China. .

3.0 CHALLENGES

1. **Litigations:** The long history of litigations against implementation of digital migration created uncertainty in the market place (COFEK case of December 2012, Media owners case HC Petition 557 of 2013 and Court of Appeal case No 341 of 2013, Supreme Court case 14A/B/C of 2014, Petition by three media houses in Dec 2014 to continue on analogue platform, Petition 59 of 2015 by Omutatah, etc) This in turn brought about a situation of uncertainty due to the fact that future plans may be affected by the outcome of the case and also due to the fact that CA/MoICT do not have control over the court timetable or court process.
2. **Slow Rollout of Digital Infrastructure:** There has been slow rollout of DTT infrastructure due to funding challenges especially for SIGNET (KBC). Affordability and availability of sufficient STBs in all areas is also another challenge especially following Government failure to zero rate all taxes. There is no mechanism in place to cushion the poorest of the poor who may still not afford the cheapest STBs.
3. **Delay in getting tax exemption letters for equipment and way leaves.** The NOFBI project has been affected by delay in getting exemption letters from treasury and Kenya Revenue Authority where equipment stay long in the port thereby attracting demalages. Securing way leave has also affected the implementation of NOFBI where KENHA and County Governments ask for payment.
4. **Financial Resources:** KoTDA requires support for both Recurrent and Development allocation in order to implement the project successfully. This includes financial support needed to facilitate the development of infrastructure and also pay the MDP2 to ensure they can speed up the process of developing Konza City. In addition, KoTDA needs to hire more technical staff to assist MDP2 and ensure that the infrastructure is developed at Konza City to smart city standards. Without the qualified staff it is difficult to get some of the major developments moving. Due to limited funding the Phase 1 work has been reduced to 50 acres initially instead of utilizing the Master plan for 400 acres. Some of the urgent work includes sewerage treatment, water treatment and reticulation, energy, solid waste disposal and landscaping.
5. **General Infrastructure:** Traffic at the Mulolongo way bridge makes it hard for people from Nairobi city to reach KTC. The planned duel carriage way from Nairobi to Machakos junction should be extended to terminate at KTC for easier road access. The fact that the KONZA SGR station is located outside KTC makes KTC reach by rail impossible. Amendments to these designs to allow for construction of a spar to KTC will make it easily accessible by rail. Electric power provision is also a big challenge currently, due to power fluctuations by KPLC, a dedicated substation with mains supply KTC is required. Plans for tapping the 5000 mw power by Government to KTC should also be considered. Completion date for Thwake Dam which is the

ultimate water source for KTC is far (2018) hence water supply to the city remains a challenge.

6. **Strengthen KoTDA's legal structure:** KTC lacks essential legal structures like being considered as a Special Economic Zones that will be an incentive to attract potential investors. The enactment of KoTDA Bill will enable it to be recognized as a special Economic Zone as well as enhance the Authority's power to regulate the buffer zone.
7. **Categorization of KoTDA:** State Corporations Advisory Committee (SCAC) categorized KoTDA under Manufacturing/Commercial Corporations PC7 and should be under Regulatory Corporations PC 6 to enable the Authority put in place appropriate salary structure that would attract and retain high caliber staff.
8. **Coordination and support from other intergovernmental ministries and agencies:** All government ministries and agencies connected to KTC should be coordinated to work with KoTDA in implementation various infrastructure initiatives. i.e. Currently, representation from Treasury in the KONZA board is lacking and yet it is critical to have their support. It is also important for the other Ministries and State agencies to work closely with KoTDA in implementing the project.
9. **Sensitization about KTC:** It has been a challenge to enhance KTC perception of from a Virtual perception to reality. Physical presence of developments will enhance a better perception and all government stakeholders should help in marketing KTC is a real even outside Kenya.

4.0 CONCLUSIONS

The ICT sector plays a key role in the growth of Kenyan economy. It provides enabling environment for improved productivity and efficiency in delivery of goods and services. Implementation of the programmes is inevitable to power the Vision 2030 targeted economic growth of up to 10%.

The implementation of phases 2 and 3 of the National KE-CIRT/CC project is on track and should be complete by the end of the current financial year (2014/15).

Facilitation of Transition from Analogue to Digital Broadcasting and the roll out of broadband should be fast tracked to improve universal access to information and knowledge. Following the final ruling made by Supreme Court on 13 February 2015, government proceeded with set ASO timelines among other decisions.

The ministry has initiated some other projects which require funding during the revised budget and in the next MTEF Budget. These projects that include the presidential Digital Talent and the Enterprise Kenya are expected to improve service delivery in the public service and also to promote industrialization through innovation.

PROJECTS AND PROJECTS IMPLEMENTATION STATUS REPORT AS AT 31ST DECEMBER 2014.

S/N	Project name	Budget Allocation 2014/15 KShs Millions	Budget Utilized 31 st Dec. 2014 KShs Millions	Level of implementation %	Completion date	Details of Implementation	Challenges
INFORMATION COMMUNICATION TECHNOLOGY AUTHORITY							
1	County Connectivity Project	800	661.8	70%	Nov. 2015	<ul style="list-style-type: none"> ▪ Exemption letters for equipment take long to secure 	
2	NOFBI	2,500		55%	Nov. 2015	<ul style="list-style-type: none"> ▪ Slow implementation in some areas due to the terrible land terrain 	
3	NOC	210.8	119.1	60%	June 2015	<ul style="list-style-type: none"> ▪ Low levels of budgetary allocations 	
4	Transport Information Management System (TIMS)	199.5	109.8	70%	June 2015	<ul style="list-style-type: none"> ▪ Motor Vehicle Registration & Driver Testing and licensing requirement gathering Complete; ▪ Module owners conducted and information gathering requirements explained ; ▪ Meeting with Motor Vehicle Registration module owners conducted. The owners taken through the questionnaire; ▪ Meeting with Driver Testing Licensing module owners conducted. The owners taken through the questionnaire; ▪ Servers delivered, and POST conducted successfully. ▪ Sign off of the Power on Test completed 	Main challenge is the complex nature of stakeholders in each project which has made it difficult to gain agreement and sign-off of deliverables on the projects without extensive consultations
5	Government Messaging Unified	81.5	52.8	65%	June 2015	<ul style="list-style-type: none"> ▪ Low levels of budgetary allocations 	

S/N	Project name	Budget Allocation 2014/15 KShs Millions	Budget Utilized 31 st Dec. 2014 KShs Millions	Level of implementation %	Completion date	Details of Implementation	Challenges
	Communication						
6	Roll out of KIFMIS	37.2	29.3	100%	Completed	<ul style="list-style-type: none"> ▪ Completed 	
7	Web hosting	4.1	3.0	85%	June 2015	<ul style="list-style-type: none"> ▪ Low levels of budgetary allocations 	
8	Monitor Implementation of Automation	35.1	19.5	60%	June 2015	<ul style="list-style-type: none"> ▪ High expectations of MCDA's on ICTA 	
		3868.2	995.3				
KONZA TECHNOPOLIS DEVELOPMENT AUTHORITY							
1.	Phase 1 of Konza Techno City	900	50	10%	Dec. 2018	<ul style="list-style-type: none"> ▪ Opening up of Phase I Access roads, construction started in Nov. 2014 and expected to be completed by April 2015 ▪ Providing piped water from boreholes for Phase 1 (May 2014 – April 2015) - Designs completed; Contractor on Site ▪ Provision of power to phase 1 KTC (Dec. 2014 – June 2015) ▪ Master Delivery Partner 2, MDP2 (June 2014 – 2018) - To oversee the implementation of Phase 1 of KTC to world class smart-city standards:- ▪ Design and construction oversight ▪ Sustainable infrastructure planning & engineering including wastewater management; renewable energy & sustainable transport system ▪ Unlock funding potential ▪ Through government seed funding 	<ul style="list-style-type: none"> ▪ Inadequate budgetary allocation ▪ Need for benchmarking ▪ Strengthening KoTDA legal structures ▪ Support and commitment from other government agencies in implementing the KTC

S/N	Project name	Budget Allocation 2014/15 KShs Millions	Budget Utilized 31 st Dec. 2014 KShs Millions	Level of implementation %	Completion date	Details of Implementation	Challenges
						<ul style="list-style-type: none"> ▪ Evaluating opportunities for PPP concessions for public infrastructure to subsidize the quality and financial sustainability ▪ Enactment of KoTDA Bill (August 2013 – Present) – The Bill is at the Cabinet for Approval ▪ Engagement with Potential investors (Continuous) - KoTDA is continuously engaging potential investors to amass investor confidence and buy-in. This is done through exhibitions, conferences, and meetings and in correspondences. 	
		900	50			▪	▪
COMMUNICATION AUTHORITY OF KENYA							
1	National Kenya Computer Incident Response Team - Coordination Centre (National KE-CIRT/CC)	34.1	0.00	60%	30 th June 2016	<ul style="list-style-type: none"> • The Authority is currently implementing phase 2 and 3 of the National KE-CIRT/CC. 	None.
2	Facilitation of Transition from Analogue to Digital Broadcasting.	104.2	60.2	63%	17 th June 2015	<ul style="list-style-type: none"> • ASO for phase 1 and 2 implemented after the 13th February court ruling. 	<ul style="list-style-type: none"> • Litigation cases
		138.3	60.2				
KENYA BROADCASTING CORPORATION							
1	Broadcast Infrastructure phased implementation	355	230	65%	June, 2014	<ul style="list-style-type: none"> • Modernization of 5no. Radio studio has been completed including the control room, a fibre to link room. • Installation of new switcher and new 	<ul style="list-style-type: none"> • The speed of implementation would be faster if the

S/N	Project name	Budget Allocation 2014/15 KShs Millions	Budget Utilized 31 st Dec. 2014 KShs Millions	Level of implementation %	Completion date	Details of Implementation	Challenges
						Graphic system in TV studios completed. <ul style="list-style-type: none"> Awarded tender for refurbishing studio lighting and for more digital video content storage 	funds were available
2	Engage Human Resource consultant for job Evaluation and skills audit	27.	27	100%	August 2014	<ul style="list-style-type: none"> The Corporation engaged a consultant and the final report was submitted. 	N/A
3	Implementation of staff rationalization program	544.64	-	40%	June 2015	<ul style="list-style-type: none"> The Board is deliberating the final report by the consultant. 	
4	Seek for write off of the Japanese Loan	4	4	70%	June 2014	<ul style="list-style-type: none"> Valuation of KBC assets has been completed. It is a requirement by the Government that KBC assets are valued to determine its net worth in relation to the write-off of the loan. A cabinet memo seeking write-off of the loan was prepared and submitted to ministry for onward 	
5	Mobilize funds to settle pending bills	-	-	60%	January 2015	<ul style="list-style-type: none"> Started paying KRA, staff pension and Nairobi City County. 	
6	Engage Public Relations and Advertising firm to advice on re-branding program	6	0.9	15%	June 2015	<ul style="list-style-type: none"> Public relations agency already contracted. The concept development was done. This has enabled Improvement of programming in channel1 and marketing promotions on different media were done. Other aspects of the re-branding as recommended in the Deloitte report will be implemented once the report 	

S/N	Project name	Budget Allocation 2014/15 KShs Millions	Budget Utilized 31 st Dec. 2014 KShs Millions	Level of implementation %	Completion date	Details of Implementation	Challenges
						submitted is approved by the Board.	
7	Installation and commissioning of digital transmitters at Various stations in the country. Target for FY 2014/15 is installation and commissioning of 11 sites	1445.	574	40	June, 2015	<ul style="list-style-type: none"> • 2 sites (Nyandundo and Yala) were installed and commissioned by end of February 2015. • 2 other sites – low power(Malindi and Webuye) were installed beginning of March, 2015 • Delivery of 6 transmitters (low power) is expected in mid March. 2015 • Delivery of an additional 14 low power digital transmitters is 	
		2381.64	835.9				
KENYA INSTITUTE OF MASS COMMUNICATIONS							
1	Construction of boys Hostel phase II	34	30	Complete and already occupied	2013-2015	Commissioning process done	<ul style="list-style-type: none"> • Inadequate funds available. Is yet to be fully paid to the contractor
2	Design and development of KIMC Website/Webmaic	1.4	0.91	Tender awarded	2015/16	<ul style="list-style-type: none"> • Content layout on going 	<ul style="list-style-type: none"> • Identification of reliable and competent bidder during the tender process.
3	Upgrading of Technical Training Equipment.	35.1	10.4	Already in Use	10/12/14	<ul style="list-style-type: none"> • Equipment delivered in the 2nd quota of 2014/15 • Computers-20 No 	<ul style="list-style-type: none"> • Inadequate funding

S/N	Project name	Budget Allocation 2014/15 KShs Millions	Budget Utilized 31 st Dec. 2014 KShs Millions	Level of implementat ion %	Completion date	Details of Implementation	Challenges
						<ul style="list-style-type: none"> • Boom Microphones • UPS (Uninterruptible power supply) • Laptops-7 No • Breeder-106 No • Secretariat seats-6 No 	
		70.5	41.31			•	•
KENYA YEARBOOK BOARD							
1	Kenya Yearbook 2014/15	12		0	June 2015	• Research was scheduled to be concluded by June 30	• Budget constraints
2	Higher Education Yearbook	5		80	June 2015	• Ready to go to press	• Budget constraints
3	Top Achieving Women	9		60	June 2015	• Editing ongoing	• Budget constraints
4	Children's edition of the Yearbook	5		80	June 2015	• Ready to go to press	• Budget constraints
		31		0			•