Inclusion

Innovation

& beyond broadband

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Presentation Structure

- Background
- The role of the Kenya ICT Board
- The Proposed National ICT Masterplan

Vision 2030

Economic pillar
To maintain a sustained average economic growth rate of 10% per year over the next 25 years

	1. Tourism	2. Agriculture	3. Wholesale & retail	4. Manufacturing	IT Enabled Services	6. Financial services
						
Visions	Be a top 10 long-haul tourist destination	Innovative, com mercially oriented and modern	Move towards greater efficiency and at least a 30% formal market share*	Improve competitiveness to revolutionise sector	Quickly become one of the top 3 BPO destinations in Africa	Efficient and globally competitive driving high savings and financing investments
Goals for 2012	• Increase beds from ¬40,000 to ¬65,000 • Increase visitors from 1.8 M to 3 M	• Raise yields of key crops by ~3x • Better utilisation of up to 1M ha • 600K-1M new hectares made arable	• Create 10 hubs and 1000-1500 PBGs • 10 Tier 1 retail markets • Add 3 new retailers with national reach	• Create at least 2 SECs with at least 10 large international players as well as at least 5 SME parks	• Create 7,500 direct BPO jobs, 5000 of which are in BPO park	• Raise savings and investment to ~25-30% of GDP

Transversal reforms and key enablers

- Public sector reform
- Infrastructure development
- People development
- Land reform

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Source: Vision 2030

Opendata.go.ke, Africa’s first online government data portal
Launched 08 July 2011 by the President of Kenya

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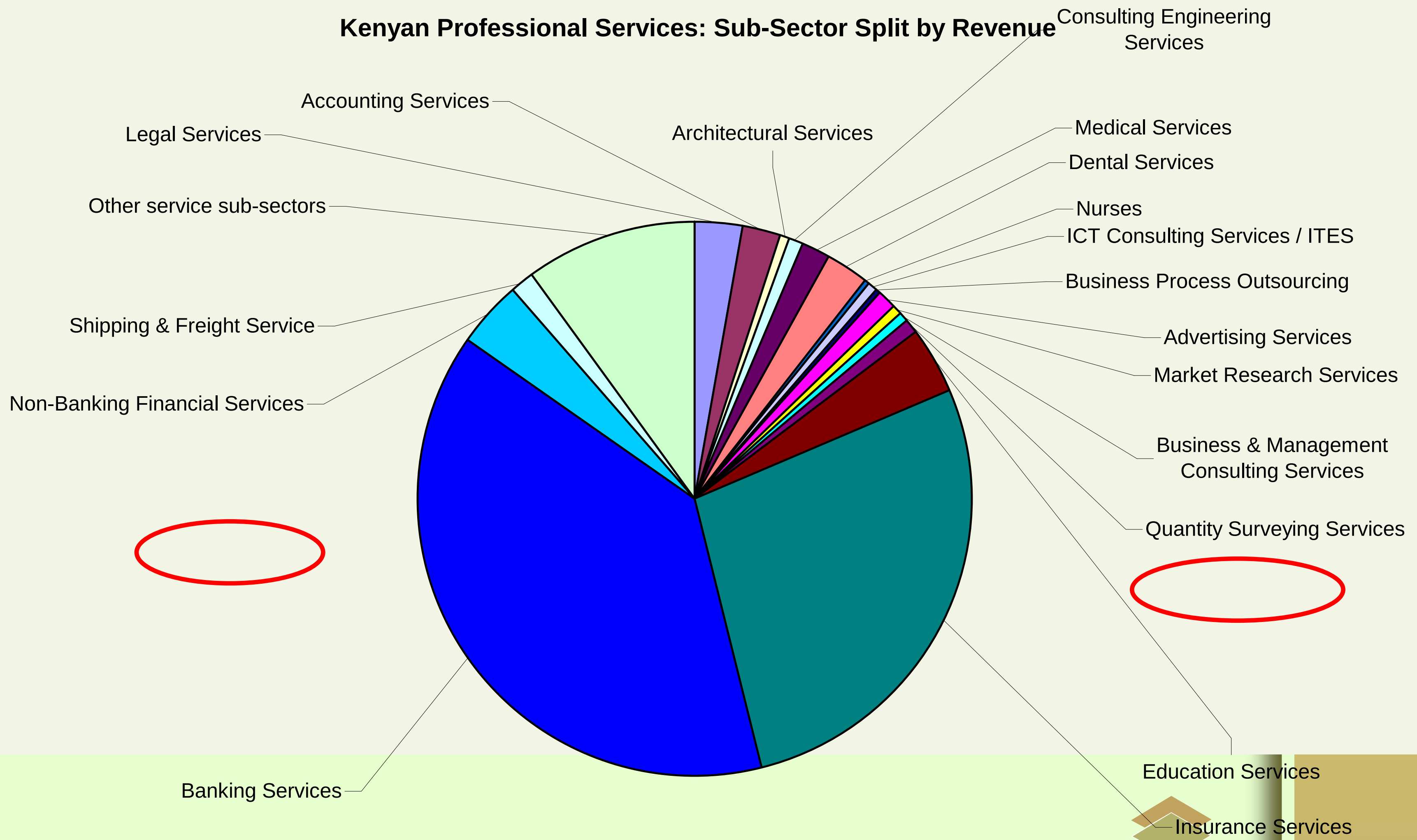
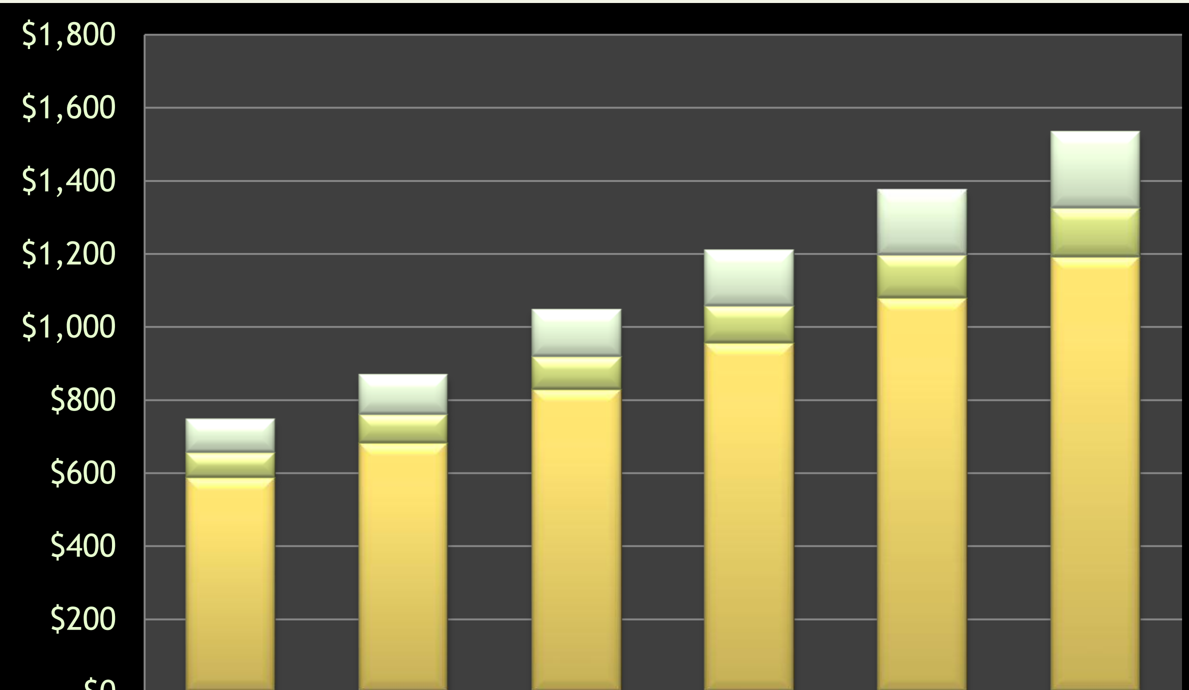
Professional Services Sector



Kenya ICT Market Size 2010-15



	2010	2011	2012	2013	2014	2015
Services total	91.20	107.65	130.04	153.52	180.00	209.04
Packaged software total	69.12	80.06	88.91	101.72	116.92	132.40
Hardware total	586.40	681.01	829.25	955.94	1,078.92	1,192.11

Source: IDC Kenya Blackbook

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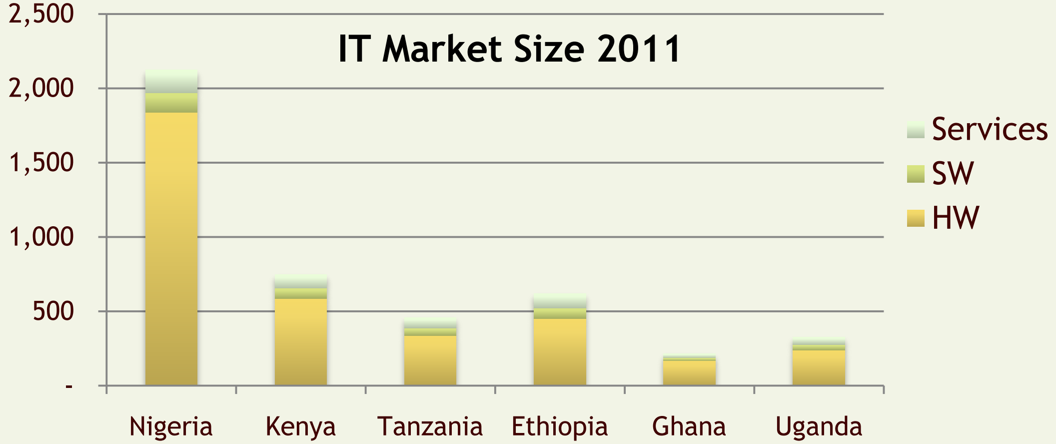
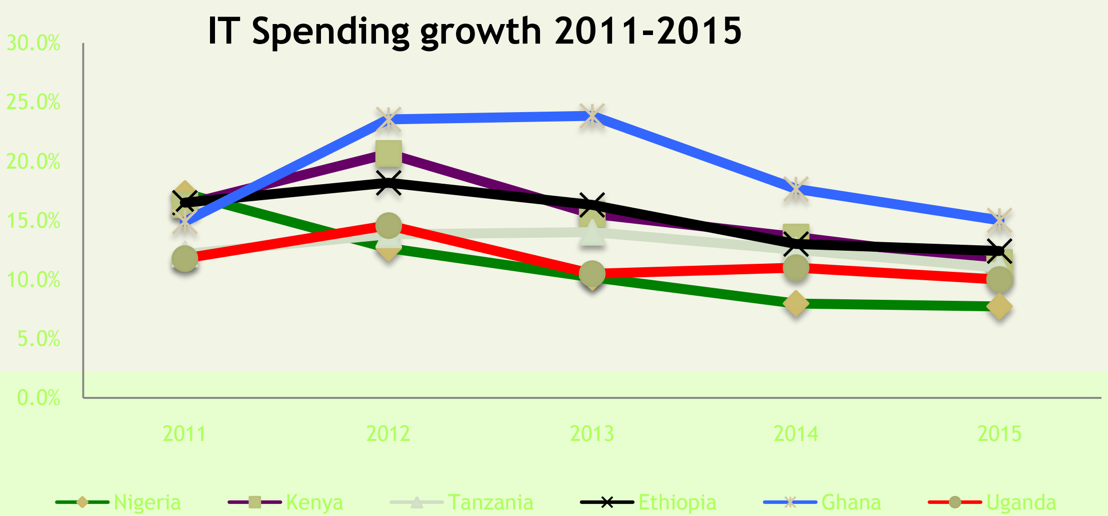
Market Share & Growth





- Markets still emerging from either negative or single digit growth after the global economic crisis.
- Some countries peaked around 2009-2010 with extra spending stimulated by new broadband capacity.
- Ghana is seeing a lot of investment after oil discovery with a knock on effect on finance, services and infrastructure.
- Ethiopia is working in PPPs with vendors to build more infrastructure as well as having a management contract (with France Telecom until 2012) for its PTO to grow penetration.
- Growth in IT Services expected to increase most as cloud , VPNs, MPLS gradually take root.

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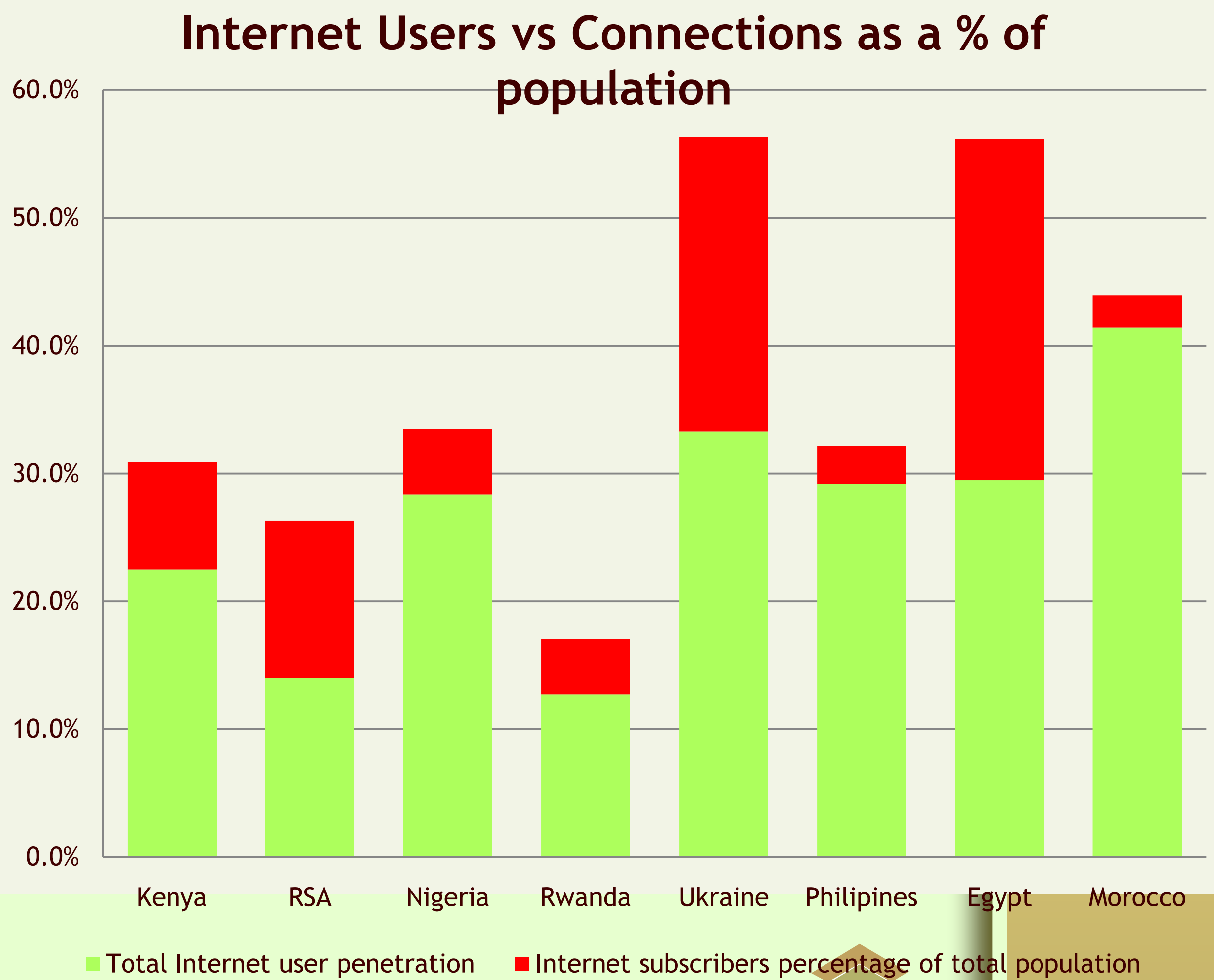
Source: IDC Country Blackbooks, IDC Telecoms Services Database, EIU

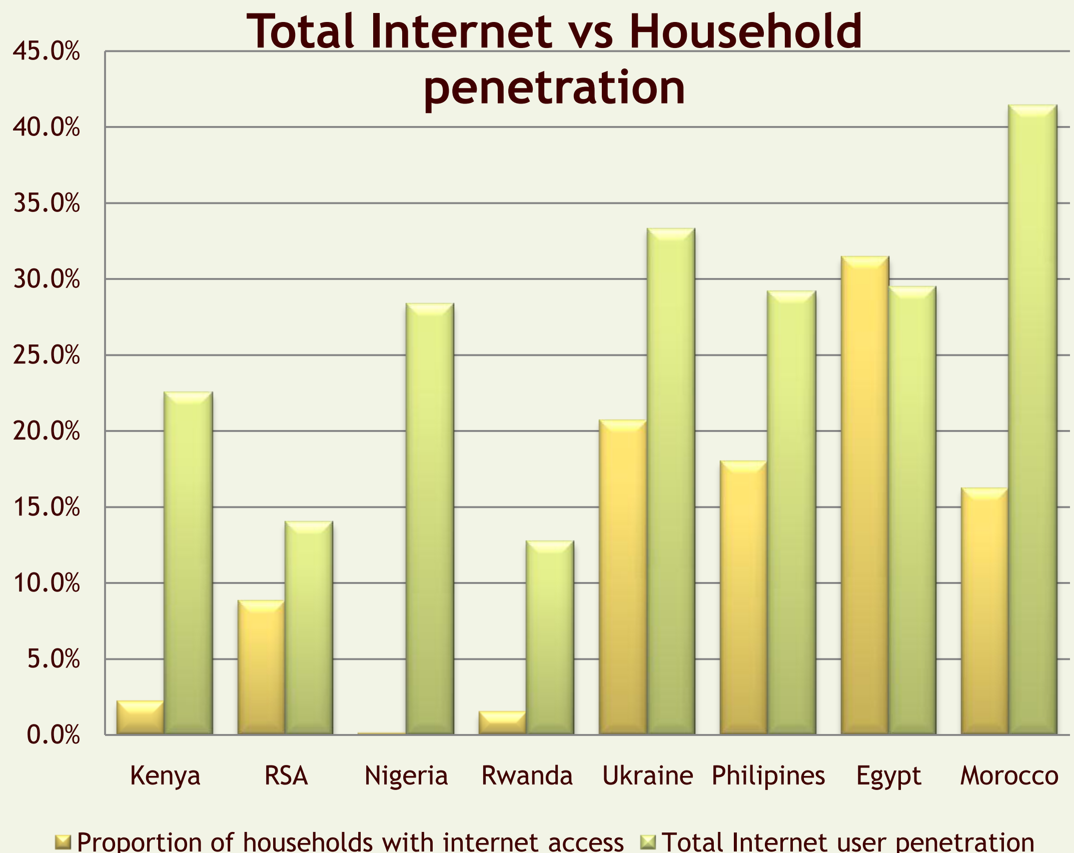
Internet Users

- In more developed countries the total number of connections vis a vis the number of users are evenly spread
- In countries like Kenya, Nigeria and Morocco, there are lower numbers of connections but higher number of users indicating most connections are shared connections and largely comprise business connections (including publicly accessible connections like cyber cafes, education institutions).



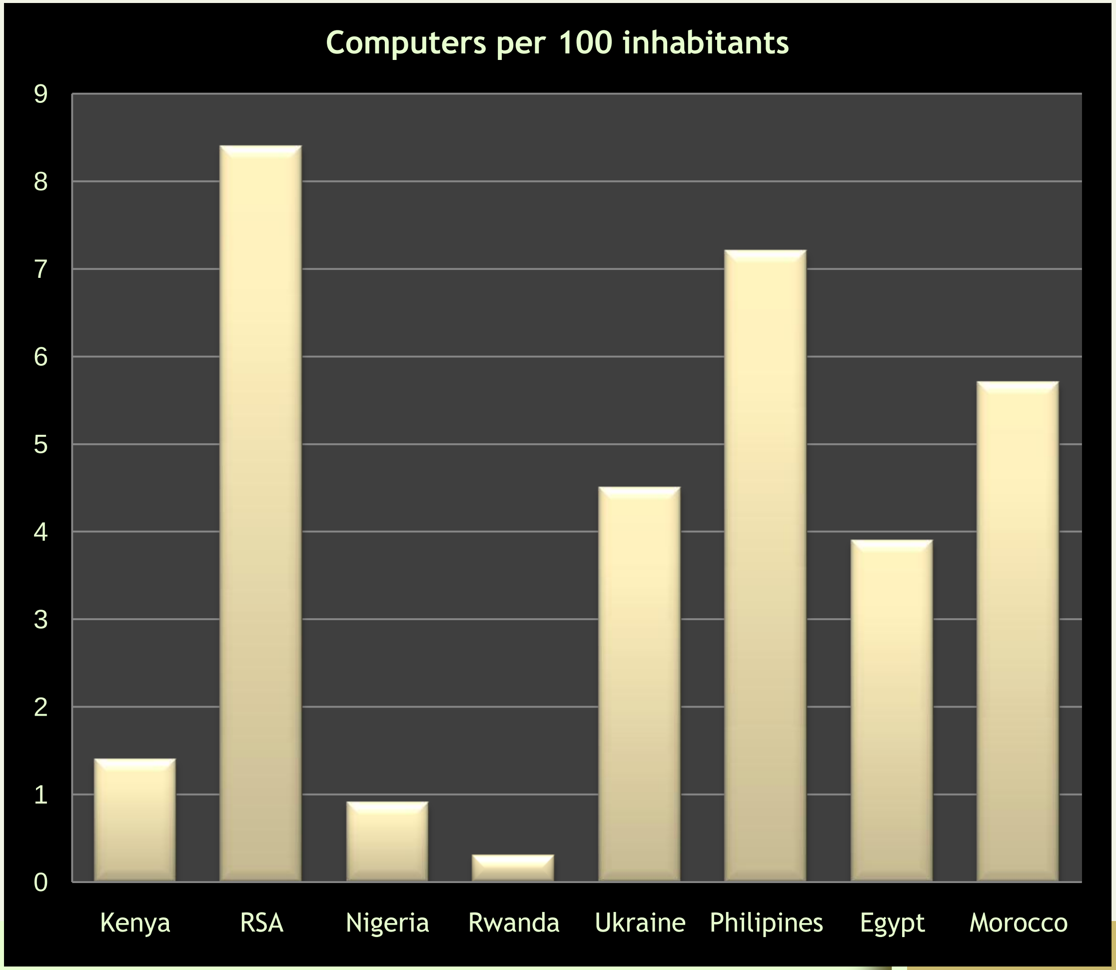
Benchmarking

- Kenya has a higher internet penetration vis a vis South Africa but mainly bolstered by mobile internet connections though with a lower proportion of households connected owing to a declining fixed network and poor development of DSL based services.
- Kenya compares much better than both Nigeria and Rwanda on both counts
- Egypt has a much higher overall and household internet penetration with a huge gap of almost 25 percentage points at household level.



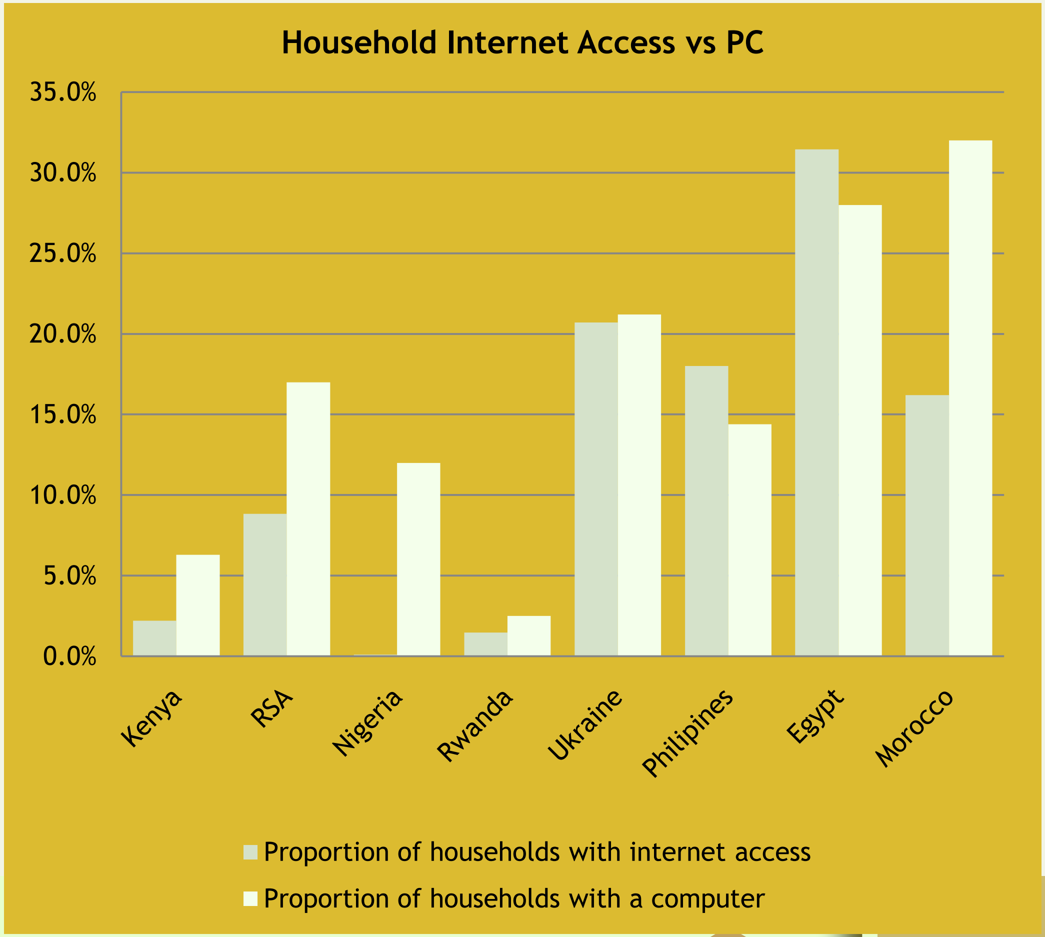
Computer Penetration

- Kenya has slightly higher PC penetration rates than Nigeria and Rwanda but still very far behind South Africa and Morocco, mostly owing to lower disposable income than these countries.
- Population figures for Nigeria (high) and Phillipnes (low) help skew penetration rates either way as do GDP per capita figures when thinking of disposable income and installed base of computers in households.



Internet vs PC Access

- In terms of PC Access at the household level, Kenya is only better than Rwanda.
- It should be noted that Nigeria as a manufacturer of PCs (Zinox brand) that are locally affordable, accounts for much higher PC penetration at household levels but negligible household internet penetration given infrastructure issues (submarine cables arrived way after they did in East Africa)



Vision

Kenya Becomes a top ten global ICT hub

Mission

To Champion and effectively enable Kenya to adopt and exploit ICT, through promotion of partnerships, investments and infrastructure growth for socio-economic enrichment

Mandate

Implementing agency for the Ministry of Information and Communications

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Kenya ICT Board programs

- Connectivity & Public Sector Transparency
  - Public Sector Digitization and Infrastructure
    - E-Procurement
    - Land Digitization
    - Judiciary Digitization
  - Digital Inclusion
    - Pasha (Digital Villages)
    - Kennet
    - Govnet
    - Laptops for Universities
  - Local Content development
    - Local applications and content development
    - Entrepreur support
    - Open Data and Country Content Strategy
  - Public Sector Shared Services
    - Financials
    - HR Procurement, IT Help Desk, License Mangement
- Infocom Sector Development
  - Outsourcing Development
  - Capacity Development
    - International Marketing
    - Local Outsourcing
    - Business Parks
    - Incubation, Standards, Centres of Excellence

Outline

- Background
- Proposed Strategy

By 2018:
Kenya becomes Africa's most globally respected knowledge economy

1. Every citizen connected
2. Kenya is Africa's ICT Hub
3. Public Services for all
4. A society built on knowledge

connectedkenya

1. Enhancing Public Value
Enhancing the delivery and access of public services for all through strategic and innovative use of ICTs and achieve exemplary governance

2. Developing ICT Businesses
Develop Kenyan ICT Business that lead the world in understanding emerging market needs

3. Strengthen ICT as a driver of industry
Transformation of key Vision 2030 economic sectors to significantly enhance their productivity and global competitiveness and growth

Foundational Pillars:

1. Integrated Country Positioning:
Integrate Kenya's ICT agenda into local and international communication including policy, political and diplomatic initiatives to promote Kenya's innovation and Konza Technology City

2. Enhancing Citizen Capacity:
Deploy integrated, open and secure national networks across all technology domains with an emphasis on shared access, growing national capacity and inclusion of all citizens

3. Integrated ICT infrastructure & Info-structure
Minimize duplication and create true integration in the investment in public services ICT to enable best practice application of shared services, national data infostructure, open data, and policy frameworks

Strategic pillars

1. Enhancing Public Value
Enhancing the delivery and access of public services for all through strategic and innovative use of ICTs and achieve exemplary governance

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3. Strengthen ICT as a driver of industry
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One stop shop approach to the delivery of public services to persons and establishments

- Access by 100% persons
- Access by 100% establishments
- Access to 80% of public sector services

Improved governance through a whole-of-government approach constitution to IT alignment

- Best in class enterprise architecture that addresses the imperatives of the new constitution
- Best in class implementation

Established eco-system for market adoption of locally developed innovations.

- 100 successful commercialization
- 20 new innovations that are globally propagated through government co-facilitated commercialization

An ICT Industry that is a substantial economic driver:

- USD 2Bn sector
- 500 new tier 1 ICT companies
- 50,000 jobs

Established eco-system for ICT adoption with special emphasis on SMEs.

- Impact on GDP +25%
- 60% automation of SMEs
- +50% productivity gain for Vision 2030 economic sectors

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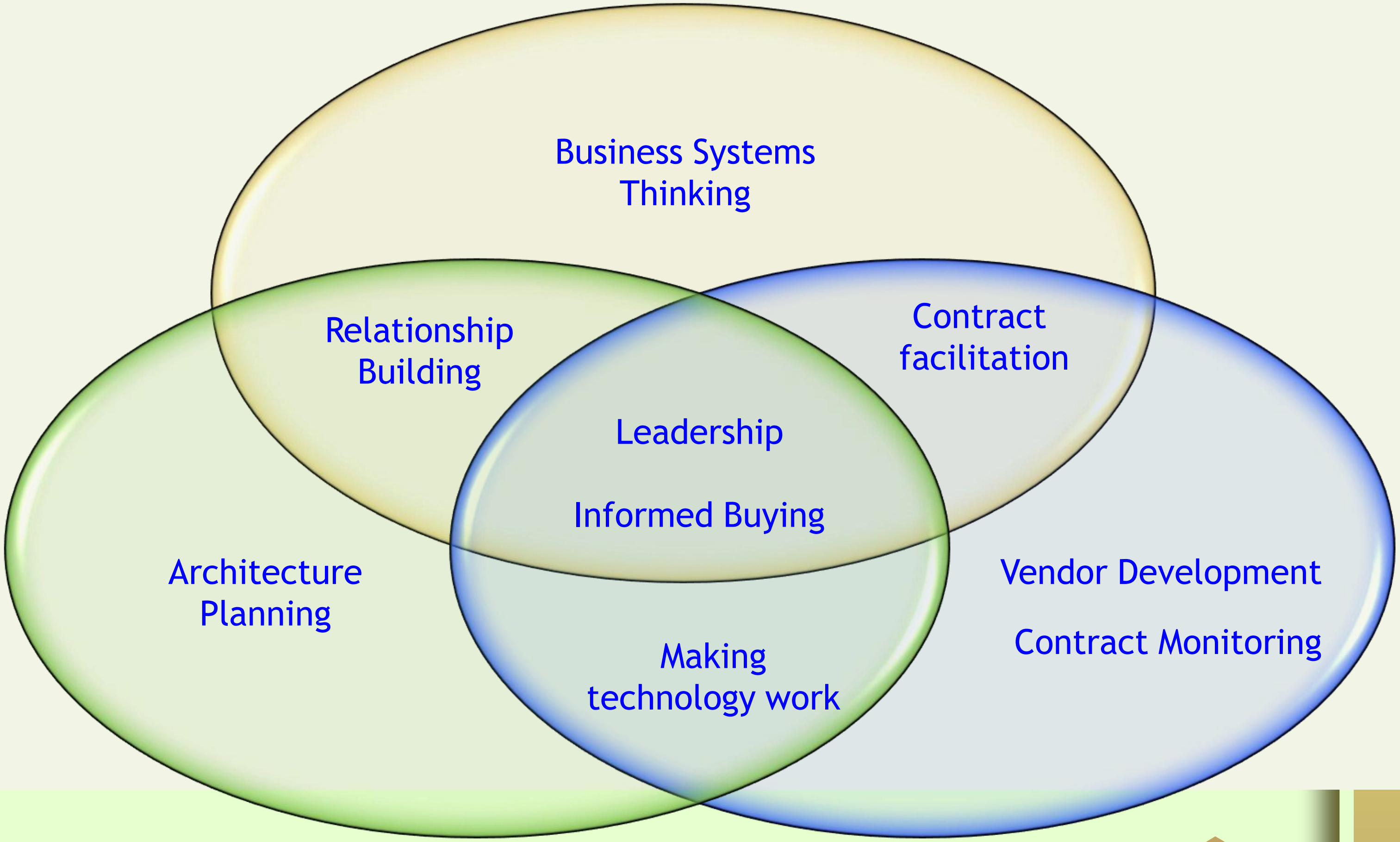
IT Leadership Today



The Plan

Foster the development of globally competitive ICT industry as an enabler of the provision of citizen services and transformative businesses

Infocom Sector Development Goals for 2018

- 50,000 ICT jobs
- 500 new organizations across various ICT sub-sectors
- 20 global facing innovations

Initiatives

1. Human capacity development
2. Market development
3. Competency development
4. Innovation development
5. Infrastructure development

Programs

Market Development

- Konza Tech City Marketing
- DOIT in Kenya

Human capacity

- Curriculum Intervention
- Ministry of Labor Skills Audit

Innovation

- National System of Innovation

Infrastructure

- Pasha: Nationwide Access
- Kenya Open Data Platform for
- Bandwidth Support

Sector Competency

- Tandaa:
  - Entrepreneur development
  - Local Content Development
- Chipuka:
  - Software certification
  - BPO Centers of excellence
  - National Incubator
- MNC Partnership

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Toolbox

Policy
Legal
regulatory

Linkage to Public sector

Incentives

Local
Regional
International
Demand Generation

Thank you

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