



REPUBLIC OF KENYA

SPEECH BY MR. JEROME OCHIENG, PRINCIPAL SECRETARY MINISTRY OF ICT DURING THE AFRICA POLICY ROAD SHOW 14TH AUGUST, 2019 AT VILLA ROSA KEMPINSKI HOTEL, NAIROBI

The Role of ICT in Promoting Policy for Inclusive Business & Social Investment

Ladies and Gentlemen,

1. **Welcome you all to Kenya!!** I wish to thank the African Venture Philanthropy Alliance (AVPA) for extending an invitation to me for this meeting. I would also like to laud the collaboration between AVPA and the Inclusive Business Action Network (iBAN) that has enabled the putting together of this policy road show in Kenya among a selected African countries.
2. **I am glad to join this forum** to seek for ways in which the public sector and private sector can work together to bring change to the common *mwananchi* by improving policy dialogue in the space of Social Investment and Inclusive Business.

Ladies and Gentlemen,

3. **ICT now plays** a pivotal role in virtually all sectors of the Kenyan economy including finance, health, education, agriculture and Governance just but to name a few. Additionally, these technologies have become the platform of choice for efficient service delivery, speedy dissemination of information, e-government services and effective customer service.
4. **The adoption of ICTs** in the country has been fuelled by a conducive policy and regulatory framework that has resulted in a competitive environment in the sector that has in turn spurred massive investments in the ICT infrastructure development. As a result, the country has witnessed significant uptake of ICT services, with mobile and Internet subscriptions growing rapidly.
5. The Government has identified ICTs as a key driver of the Vision 2030, which seeks to transform the country into a new industrializing, middle-income economy by the year 2030.
6. **The ICT sector is also envisaged** to transform Kenya into knowledge and information-based economy by enabling access to quality, affordable and reliable ICT services and thus play an important catalytic role in the economic and social development of the country.

Ladies and Gentlemen,

7. **To facilitate provision** of e-enabled services across the country, the Government has continued to expand the reach of fibre-optic backbone infrastructure across the the country.

8. **It is expected that broadband** connectivity of all counties will spur provision of last-mile ICT services, bridge the digital divide and scale up the uptake of e-government services across the country.
9. **It will further reduce the** cost of doing business, and stimulate additional business opportunities in rural parts of the country, and thus uplift vulnerable communities from poverty.
10. **In an effort to catalyze** national development and pave way for the realization of the internationally adopted **Sustainable Development Goals (SDGs)**, the Government has identified Broadband connectivity and access as a priority issue. The vision to connect Kenya through broadband by 2020 is aimed at laying the foundation for the country's social-economic transformation.
11. **The Government has also identified** four priority focus areas of the economy in the next five years - dubbed the "**Big Four Agenda**", namely **Manufacturing, Universal Healthcare, Affordable Housing and Food Security**.
12. **Our expectation is that ICT** will play a key role in achieving the targets in these four areas. We are counting on meetings of this nature to recommend clear guidelines that can help us put in place requisite policies to harness current and emerging ICT technologies to assist the country achieve our objectives.

Ladies and Gentlemen,

13. **Social investing is crowned** as an attractive approach to financing development hinged on the promise of long-term sustainability. This approach provides exciting opportunities to render Kenya's development agenda into reality. As government, we have always encouraged and supported Public Policy Dialogue and as such this event by African Venture Philanthropy Alliance (AVPA) is welcome and we encourage the organization to continue these efforts.
14. **The ICT Sector has been a** remarkable success story in Kenya both socially and economically. The growth spurt in internet penetration today is at 86%, which is among the highest in Africa.
15. **The unprecedented success of mobile** money and its proven role in uplifting thousands of Kenyans out of poverty and directly contributing to economic growth has led to a general analytical focus of the of ICT Sector on mobile technology.
16. **Despite this, the economy of ICT** across the world and in Kenya is much more diverse and intricate.
17. **Kenya has been among Africa's finest** in ICT innovation with mobile money transfer services, leading to increased financial inclusion.
18. **The recent explosion of local ICT** development groups such as iLab, iHub, Nailab, University of Nairobi's C4DLab and infoDev's mlabs in Kenya has set the stage for innovation of applications and information services such as Drumnet, mFarm, Ushahidi, etc.
19. **Over the years,** Kenya has been home to multiple African Regional hubs including, IBM's first African Research lab, Nokia's Africa Headquarters and Google's first Sub-Saharan Africa office (outside of South Africa).

20. **Improved technologies** have resulted in long term trends as well as emerging issues which present several opportunities for growth. Today one cannot mention ICT without thinking about Big Data and Block Chain technologies, Artificial Intelligence and Cybersecurity.
21. **Kenya has already started** the journey towards exploitation of these new technologies with a report developed by a taskforce we put in place, with very clear recommendations on how to put these new technologies to use for social inclusion.
22. **Over the past 6 years**, we have developed several Policies and Legislation which have either been passed by Parliament or are in the final stages of finalization. These include and touch on:
 - Review of the National ICT Policy
 - Data Privacy and Protection
 - Access to Information
 - Computer Misuse and Cybercrime
 - National Broadband Strategy
 - Kenya Digital Economy Blueprint for Africa
 - Distributed Ledgers, Artificial Intelligence and Emerging Technologies

Ladies and Gentlemen,

23. **Around the world**, governments today are taking tangible action to advance their impact-investing policy agendas.
24. **There is growing interest** in how impact-investing can achieve both domestic and international development policy goals, as well as some recognition that governments can help to build the market and scale the investment approach within the mainstream financial industry. Drivers for government involvement in impact-investing are complex.
25. **Even so, three broad themes** have emerged which, although not exhaustive, provide some insight into the drivers and accelerators for government interest:
 - **Action agendas and global momentum**, such as the Sustainable Development Goals (SDGs), which have highlighted the role for the private sector in meeting global commitments,
 - **The drive for more efficient** public services and social interventions, particularly the adoption and use of Information and Communications Technologies, and
 - **Fostering innovation by creating new**, sustainable, market-led solutions to social and environmental issues

Ladies and Gentlemen,

26. **On inclusive business**, our goal as a Ministry is to get our small and mid-size companies to actively engage in the digitization process so they can strengthen their market positions in the future and conquer new markets. There is still a lot to do in order to make this possible, particularly the area of raising awareness for digital development possibilities.
27. **We must considerably strengthen** programmes already in place. For this reason, we want to initiate a Digitization Campaign for SMEs targeting inclusive businesses.

28. **The campaign will include** the following elements:

- **Setting up a user-friendly portal** on digitization to improve the visibility of available funding programmes and for reaching out to a broader range of prospective recipients.
- **Providing business support** that will include analysis and consulting, personnel and organizational development activities, development of target-group-specific technologies, and investment grants for spurring investments and IT implementation projects at SMEs, including assistance in the implementation process.
- **Enabling inclusive businesses** to have access to a broad knowledge of ICT solutions using our Digitisation Guides
- **Develop new initiatives and funding** programmes for non-technical innovations because they are also important drivers of new digital business models.
- **Strengthen the digitization process** by matching established inclusive businesses with start-ups and research organization and with best-practice examples (businesses learning from each other).

Finally, Ladies and Gentlemen,

29. **Innovation plays a central** role in driving productivity growth and fostering competitiveness in a global world where knowledge and innovation are critical factors for the advanced economies.
30. **Innovation contributes significantly** to employment, export and investment growth; the competitiveness of indigenous enterprise; embedding the Foreign Direct Investment base in Kenya; and the creation and application of new knowledge and technology spill overs.
31. **Innovation is also crucial for social development.** Developing the talents of our population is an underlying aim of our strategy at the Ministry and will be critical to the successful realization of our national vision, giving Kenya the capacity to exploit opportunities both established and emerging.
32. **Our success in delivering on the ambition** in this strategy will depend on a consistent flow of Social Investment and Venture philanthropy initiatives on one hand; and our people - undertaking the research, working in and creating successful enterprises, and contributing to the society in which we live on the other hand.
33. **With these remarks Ladies and Gentlemen,** I want to wish you fruitful engagements and I look forward to the final report of this conference from AVPA.

Asanteni Sana.