



INTERNATIONAL TELECOMMUNICATION UNION TELECOMMUNICATION DEVELOPMENT BUREAU

**WORLD TELECOMMUNICATION DEVELOPMENT
CONFERENCE (WTDC-98)**

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PLENARY MEETING

Kenya (Republic of)

NATIONAL TELECOMMUNICATION DEVELOPMENT POLICIES

1 Introduction

1.1 The main objective of Kenya's development policies and strategies hinges on rapid economic growth and development which should be reflected in the general improvement of the population's standard of living. Great importance is attached to telecommunication infrastructure development and services as they play a critical role for the attainment of the country's development goals.

2 Government policy

2.1 Kenya is committed to becoming a newly industrialized country (NIC) by the year 2020. The achievement of this will require at least:

- political and macroeconomic stability;
- rapid economic growth and development, as well as increasing market size;
- outward orientation and elimination of, or reduction in, protective tendencies;
- high quality infrastructure;
- competitive production costs;
- private sector participation.

2.2 The government policy recognizes the vital role the telecommunication sector plays in the development of the Kenyan economy. It currently focuses on ensuring availability and sustainability of an efficient, reliable, affordable and modern telecommunication service throughout the country particularly for promoting the NIC goal.

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3 Market structure

3.1 Kenya Posts and Telecommunication Corporation (KPTC), a parastatal body is currently responsible for providing telecommunication services.

However, the provision of telecommunication terminal equipment and customer premises wiring are liberalized.

3.2 It is proposed to restructure KPTC into three entities, a telecommunication company (TELEKOM KENYA), Postal Corporation of Kenya (POSTA) and the Communication Commission of Kenya (CCK) to provide regulatory functions for the sector.

3.3 It is intended to encourage competition in the sector within a defined market structure by gradually licensing new players. Private sector participation in infrastructure development and service provision is encouraged.

4 Infrastructure development

4.1 Owing to the convergence of telecommunication, computer and broadcasting technologies the focus on development is to provide information infrastructure via terrestrial and submarine cables as well as radio and satellite systems. The convergence generates business opportunities which have to be exploited and challenges to be addressed as appropriate.

4.2 The ultimate aim is to ensure that Kenya becomes part of the Global Information Infrastructure (GII), Global Information Society (GIS) and Global Information Economy (GIE) to enable various customers to enjoy associated benefits.

5 Universal service

5.1 Universal service with respect to the telecommunication sector includes at least access, affordability and provision of specific services. The achievement of universal service in Kenya remains the main concern in the telecommunication expansion, modernization and diversification programmes.

5.2 Universal service objectives derive from customer requirements which are determined through continuous demand, assessment and forecasts. The telecommunication supply is geared towards meeting demand which reflects heterogeneous and constantly changing customer requirements in furtherance of universal service obligations.

5.3 Collaboration between public and private sectors and with the international community is encouraged for the provision of universal services especially in rural areas and such market segments as health, education and environment.

6 Trade in services

6.1 The emerging free trade regime from the Uruguay Round of Negotiations is generally consistent with Kenya's policy on telecommunication sectoral strategy, market structure, liberalization and privatization. During the Round, Kenya made initial commitments on the following telecommunication services:

- a) voice telephone service: limited to international home country direct service;
- b) vending of telecommunication terminal equipment;

c) installation and maintenance of telecommunication terminal equipment.

6.2 The commitments provide opportunities for domestic and foreign investors and added avenues for telecommunication expansion, modernization and diversification programmes. The policy is to constantly review trends and developments in trade in the telecommunication service with a view to broadening the commitments and subsequently attracting private sector participation including capital for telecommunication development.

7 Manufacturing

7.1 Gilgil Telecommunication Industries (GTI), a wholly-owned subsidiary of KPTC, is responsible for manufacturing telecommunication products for the domestic and external market. The GTI currently has product lines in:

- telephones;
- telephone exchanges;
- telephone transmission poles;
- small business systems;
- computers.

7.2 In addition, GTI has automated repair centre and associated R&D activities.

7.3 The telecommunication manufacturing policy is to ensure that products manufactured and services provided at GTI are commercially viable, feasible vertical integration is achieved and forward and backward linkages are maximized.

8 Training

8.1 Kenya has telecommunication training facilities at the Kenya College of Communications Technology (KCCT), a wholly-owned subsidiary of KPTC.

8.2 The college offers a wide range of basic, medium and advanced skills development courses in telecommunication engineering and business studies. The college serves the Kenyan and external market.

8.3 The training policy involves meeting training demand at the college and in other institutions within and outside Kenya.