SPEECH BY THE DEPUTY PRESIDENT OF THE REPUBLIC OF KENYA HON. WILLIAM RUTO, EGH, DURING THE OFFICIAL LAUNCH OF THE NATIONAL BROADBAND STRATEGY AT INTERCONTINENTAL HOTEL JULY 17TH, 2013

Cabinet Secretary for Information, Communications and Technology, Dr. Fred Matiang'i,

Principal Secretary for Information, Communications and Technology, Mr. Joseph Tiampati,

Cabinet Secretaries from National Treasury, Education, Devolution and Planning, Transport and Infrastructure,

Director General of CCK, Mr. Francis Wangusi,

Chairman and Members of the CCK Board,

Mission Director USAID, Ms Tina Dooley Jones,

Members of the National Broadband Strategy (NBS) Steering Committee,

Distinguished Ladies and Gentlemen,

It gives me great pleasure to be here for the launch of the vision that will create a "digital Kenya".

We promised Kenyans a digital government and this strategy is critical to honouring that pledge.

I am therefore delighted to preside over this event as we unveil the roadmap that will integrate Information Communication Technologies into various sectors of our economy and transform our country into a knowledge based economy driven by a nationwide broadband network.

Ladies and Gentlemen,

The realization of VISION 2030 is anchored upon maximizing the catalytic role of ICT in socio-economic development.   In this era, Information and Communication technology has become a strategic resource and the foundation of most economic activity both at an individual and institutional level.

Broadband has become to the 21stCentury what roads, railways and electricity were in the 18th century.

National economic development and prosperity in this age cannot be fully realised in the absence of a robust broadband ecosystem. This is why we need a clear road map that defines, and articulates the national ICT agenda. This, ladies and gentlemen, is why we are here today.

It is amazing how ICT has transformed our lives in the last one decade. Ten, twenty years ago no one would have envisioned the level of advancement we are witnessing in communication across the globe.

Social media has redefined the way we do business and interact with each other. In governance we are witnessing citizen participation on national issues at levels never witnessed before.

Technology has torn down geographical and spatial boundaries; we are all global citizens. The benefits of this shift have opened up new avenues to eradicate poverty, promote sustainable

human development, accelerate economic growth, and increase the efficiency in delivery of government services.

Ladies and Gentlemen,

Research has demonstrated the direct correlation of broadband penetration to economic growth. According to a World Band report, for every 10% in broadband penetration, a country's economic growth rises by 2.5%.

These are the realities we want to see registered in this country and the National Broadband Strategy is the critical first step in getting there.

We talk of developing a "broadband ecosystem" because broadband is not just about high capacity infrastructure, it also encompasses devices to access the infrastructure, content, the awareness and ability to use the technology and an enabling policy and legal environment.

Think of it this way Broadband infrastructure is the road, connectivity the feeder roads to respective homes, the vehicles on the road the content that flows through the infrastructure and capacity building the driving school.

In the same way that we cannot build roads and have no vehicles or drivers we cannot just develop broadband infrastructure and neglect content and/or capacity building. This is why we are taking a holistic view to broadband.

Ladies and Gentlemen,

We take great pride in the knowledge that we are the first country in the East African region and second after South Africa in sub-Saharan Africa to establish and adopt a national broadband strategy.

I want to give you the example of Malaysia which after implementing a National Broadband strategy in 2007, registered increased broadband penetration at a household level from 11% in 2006 to 63% in 2011.

Similarly, Singapore, which is among the most accomplished ICT nations in the world through its "*Intelligent Nation Plan*," grew revenue from the information and communications sector from 30billion US dollars in 2001 to 100billion US dollars in 2012.

These are the experiences that we draw upon as we work towards becoming a prosperous and middle-income country by 2030.

Ladies and Gentlemen,

I take this opportunity to laud the ICT industry for the great strides it has made. The sector's current 2.5% ICT contribution to the GDP is noteworthy and it's our government's commitment to see this grow to 10% in the next 10 years.

We draw strength from the Malaysian experience where the ICT sector contributes an average of 10% to the national GDP. Our vision is to increase the overall output of the ICT sector through this strategy.

While these are our aspirations, the reality is that broadband penetration in Kenya is way below the threshold that can realize meaningful gains to the country.

Even with close to 30 million mobile subscriptions we still have access gaps which need redress for us to fully take advantage of the benefits of Information technology.

There are citizens in some rural parts of this country who still have to travel long distances or climb on trees or mountain tops to use their mobile phones.

Ladies and Gentlemen,

Access to internet and data services is still at unsatisfactory levels in many parts of this country.

A dismal 7 percent of rural areas have access to the Internet, with less than 3% accessing broadband services.

In total, we have 1,119 sub-locations without access to voice service and as many as 6,256 sub-locations without Internet services.

One single institution or organization cannot bridge this gap – it has to be done through a concerted effort by all of us.

Ladies and Gentlemen,

As is spelt out in our manifesto and the ICT policy, the Government shall continue to partner with the private sector to invest in telecommunication infrastructure.

We recognize the need to extend the fiber optic network to all parts of the country, support the establishment of a National wireless network and build neutral data centers amongst other important interventions.

These cannot be handled solely by the private sector; the need for Government support is absolutely necessary and important.

We note that even governments of developed economies, including Canada, the United Kingdom, and Australia are investing in Broadband infrastructure.

The Australian government has committed approximately 60 Billion US dollars to build a national broadband network within the next 3 years which is their largest infrastructure investment but one recognized as critical to their advancement.

Ladies and Gentlemen,

We are aware that we will need to increase investment in ICT infrastructure. Consequently, as spelled out in the National Broadband Strategy, it is our aim to increase the ICT budget allocation from 0.5% of the total budget to at least 5% in the coming years.

We are a bit dismayed with the underutilisation of the Ksh5billion public funded National Optic Fibre Backbone which was constructed in 2009 to extend connectivity to all parts of the country including our border points.

I am aware of the critical nature of the fibre network to the ICT industry as it alleviates the heavy capital investment of deploying backhaul systems and I wish to assure you that the Government will address this long-standing issue.

I direct the Ministry of Information Communications and Technology to ensure full operationalization of the Fibre Network at the earliest opportunity.

We cannot at this time afford the opportunity cost that comes with not taking full advantage of this network that is the very bedrock of our broadband agenda.

I also wish to direct the immediate commencement of phase two of the project to ensure that all county governments are connected and that the redundancy and resilience for optimal performance of the cable is achieved.

Ladies and Gentlemen,

The Government recognises that the un-coordinated and disparate infrastructure initiatives are key weaknesses that result in unwarranted duplication of resources and ultimately leads to higher cost of services and inhibits further rollout of networks.

In this regard the government will harmonize related infrastructure development to alleviate the cost burden of deploying fiber networks of which civil works makes up for up to 70% of the overall cost.

I would like to ask Ministries responsible for infrastructure and energy to ensure that every road, railway, power, water and oil pipelines are designed with the provision of telecommunication ducts in mind.

I expect that the roads connecting Lamu to South Sudan and Ethiopia shall have this provision in order for us to extend international connectivity from our submarine cables at the coast to these landlocked countries and maintain a competitive edge within the region.

This expectation extends to all other infrastructure currently under development.

Ladies and Gentlemen,

In order to accelerate infrastructure deployment I wish to urge the County governments to rationalize the cost of way leaves.

We are aware that in certain cases investors have shied away from investing in ICT infrastructure in some towns due to the exorbitant costs levied upon them by local governments.

The Ministry of Information and Communications shall spearhead discussions with the county governments with a view to ensure way leave fees are not a barrier to broadband development.

Ladies and Gentlemen,

The Strategy we are launching is envisaged in a rich ecosystem that provides linkage between supply and demand to increase national absorption.

Through the laptop for each child project, the Government envisages a high digital literacy in the country.

This, combined with ICT literacy programs in colleges, universities and local community centres, shall go a long way in creating a vibrant knowledge society.

We are invigorated by the experience of South Korea that involved aggressive nationwide awareness campaigns and ICT literacy programs. Today the country has the highest broadband penetration in the world.

South Korea also gave subsidies and free computers to strategic segments of their population, which were critical to the success of their programs.

Kenya is not reinventing the wheel it is following in the footsteps of economic giants who, 50 years ago, were where we are today.

Ladies and Gentlemen,

Supporting innovation in ICTs is a key demand side strategy that the government is committed to.

Innovations can revolutionize various sectors of our economy as evidenced by mobile money services. The Government will promote the creation of ICT incubation centres in all our public universities.

In order to ensure that broadband thrives, the Government will take the lead role in availing relevant and local content.

The on-going initiatives to digitise primary and secondary school curriculum and government core registries in all Ministries will continue to receive the full support of the Government.

We recognise the critical role of e-government and e-learning to a vibrant broadband ecosystem. I urge the Ministry of ICT to closely monitor and ensure the full realisation of a digital government.

Ladies and Gentlemen,

Empowerment of our children and the general citizenry on the use of internet is a top priority of the government within the online safety aspect of our Broadband strategy.

We must ensure that while we make meaningful gains with information technologies, corresponding measures are taken to protect the public and in particular children against the adverse effects that exposure to the internet can present.

We are already witnessing the impact negative exposure to internet and other forms of modern media is having to the moral fabric of societies globally.

I urge the Ministry of ICT to quickly provide policy guidelines on this matter.

The Ministry of Education should keep pace with the advancements in technology and introduce mandatory media education that will ensure that our children have the knowledge to safely use the internet to nature future responsible citizens of this country.

Ladies and Gentlemen,

In conclusion, I want to recognize the technical support that was provided by the United States Agency for International Development and extend my appreciation to the American Government for its assistance in making this a reality.

I wish to call upon other partners to come and work with us in the delivery of the National Broadband strategy.

I take this opportunity to thank the Ministry of Information and Communication for steering this process and to everyone involved in making the National Broadband Strategy a reality.

It is now my honor to declare the National Broadband Strategy officially launched.

Thank you

<u>DEPUTY PRESIDENT</u>