

Understanding Kenya's 2014/2015 National Budget

Technology

PwC insight and analysis

Digitising government

The 2014/2015 budgetary allocation to ICT is aligned to priorities identified in the government's long term strategy.

Alignment to Vision 2030

Vision 2030 identifies ICT as a key enabler of our country's economic development. Similarly, the government seeks to leverage on ICT to improve citizens' lives. The 2014/2015 budgetary allocation to ICT is aligned to ICT priorities identified in the government's policy statements. Specifically, the Cabinet Secretary seeks to allocate KES 2.5bn to three e-government projects: the Kenya National Electronic Window System, IFMIS (Integrated Financial Management Information System) rollout and national digital services.

Automating revenue collection & financial management

The National Electronic Window system was allocated KES 1.1bn and seeks to modernise the current manual customs clearing processes. It is envisaged that the system will automate the clearing process resulting in reduced turnaround times, lower revenue leakage and streamlined cross border trade in the East African Community. Successful rollout of the National Electronic Window and i-Tax systems is key to achieving the increased efficiency required to meet KRA's higher revenue collection targets.

IFMIS was initiated ten years ago to improve transparency and accountability in government finances by automating budget formulation,

government accounting, public procurement and revenue management. The system has gone through several upgrades over the years. The Cabinet Secretary seeks to allocate KES 0.8bn for further system enhancements and roll-out to the counties to support transformation of our public financial management systems given the needs of a devolved system of government. The enhancements are also required to enable the shift to e-procurement.

IT-driven service delivery

The Cabinet Secretary seeks to allocate KES 21.99bn to enhancing internal security with a sizable portion of this amount funding ICT projects including deployment of CCTV surveillance systems and set up of a command and control centre. Additionally, the government plans to implement a national digital registry to consolidate all citizen information and provide a central data repository to support the roll-out of 3rd generation identity cards. A secure integrated citizen registry will form the foundation for other initiatives such as tracking of individuals' financial history to control tax evasion and corruption.

The KES 17.4bn proposed for deployment of laptops and computer laboratories to schools constitutes the largest ICT investment in the current budget. Challenges faced with implementation of the free laptop programme for Standard one pupils

have forced the government to change tack. The modified approach seeks to set up a computer laboratory for class 4 to class 8 pupils in schools across the country, the development of digital content and training teachers on IT. Delivery of the project will require innovative solutions to key infrastructure challenges such as the lack of connectivity, electricity and capacity to support the computer equipment in remote areas.

Implementation challenges

- **Public procurement processes**
Experience shows that large scale ICT projects have either failed or experienced significant delays as a result of inflexible procurement guidelines.
- **Network infrastructure**
The country does not have a reliable and scalable country wide network infrastructure to support the roll out of nationwide e-government initiatives.
- **Capacity**
Given the current low level of IT adoption in key government agencies such as the police, successful implementation and subsequent use of envisaged systems will be a challenge.
- **Change Management**
Adoption of ICT based systems will constitute a significant change to current ways of working. A comprehensive, all inclusive change management programme is an effective way of securing their buy-in and in doing so, transforming them to agents of change.
- **Inter-agency collaboration**
Duplicated efforts will not only increase the cost of implementation, but also compromise delivery of expected

benefits. E-Government initiatives are underpinned by setting up a centralised data repository and shared service delivery centres. This can best be achieved through collaborative efforts.

Possible solutions

We must learn from previous experiences and adopt new ways of doing things, such as:

- **Leadership and stakeholder engagement** through an all-inclusive and collaborative process which includes all key stakeholders;
- **Leveraging existing network infrastructure** by establishing strategic partnerships with both public and private sector entities who have already invested in nationwide network infrastructures and
- **Focusing on benefits** by enhancing awareness of e-governance benefits. People will embrace what benefits them.