



## **Trip Report** Visit to the Silicon Valley and Washington DC, January 20 – 28, 2020

Joint mission undertaken by a delegation from the Ministry of ICT, Innovation and Youth Affairs and the United Nations





#### Foreword

I am delighted to attach the full report of the joint Government of Kenya (GoK) – United Nations (UN) mission to Silicon Valley and Washington DC that occurred in January 2020. The mission's main objective was to harness the potential of partnerships, financing, and innovations for the delivery of the Government of Kenya's Big Four Agenda, Vision 2030, and the Sustainable Development Goals (SDGs).

I am convinced that Kenya can thrive in the opportunities that the "4th Industrial Revolution (4IR)" brings, especially for the employment and empowerment of our youth who comprise the largest segment of our population and represent a potential demographic dividend for Kenya and across Africa. Kenya is rising, and its opportunities are unlimited. However, the ability to thrive in the 4IR era and become a global leader will be down to harnessing the immense opportunities it has, coupled with building deep and meaningful partnerships with global partners like the UN and other private and development sector players across the world.

For this reason, and recognizing the ground-breaking potential of twinning the innovation, research, and enterprise capabilities of Silicon Valley in the United States and the Silicon Savannah in Kenya, we signed a **communiqué** on the September 21st, 2019 in New York with the Center for Effective Global Action at the University of California, Berkeley (CEGA), and the Rockefeller Foundation. This communiqué was to allow us to leverage strategic partnerships between the Government of Kenya, the UN system, CEGA, and Rockefeller for optimizing connections, financing, and technology to realize the SDGs. This trip was one of the follow up actions following the signing of the communiqué,

To advance this strategic partnership, we undertook this latest joint GoK – UN mission to the USA from January 21st to 28th 2020 to engage with a diverse range of selected strategic partners from Silicon Valley. As this report shows, big-data, technology, innovation, and blended financing are critical to advance our development agenda in Kenya through the new pathways built and commitments mobilized.

I want to thank the UN for their continued support, a collaboration that will help us leapfrog Kenya's Big Four Agenda and promote Kenya's youthful talent in support of Generation Unlimited agenda. Through this support, Kenya's SDG Accelerator lab, which will convene, connect and catalyze the drive, skill, expertise, and resources of multiple actors across diverse sectors and geographies for the greater good of our nation, society, and the planet is already starting to bear fruit.

I would like to recognize our partners in Kenya, the Silicon Valley, and Washington DC, for assisting in making this visit a resounding success. Our follow up actions are clear as detailed in the report.

I look forward to continuing this journey for Kenya as we deliver for our youth and on Kenya's Big Four Agenda.

JOE MUCHERU, EGH CABINET SECRETARY MINISTRY OF ICT, INNOVATION AND YOUTH AFFAIRS





#### Members of the Delegation

- 1. Joe Mucheru, Cabinet Secretary, MoICT
- 2. Siddarth Chatterjee, UN Kenya Resident Coordinator
- 3. Rose Mosero, Legal Advisor, MoICT
- 4. Jane Munga, Economic Expert, MoICT
- 5. Carol Thuku, Personal Assistant, MolCT
- 6. Manwa Magoma, Communications Advisor, MoICT
- 7. June Chepkemei, Communications, Konza Technopolis
- 8. Arif Neky, SDG Partnership Platform Coordinator
- 9. Eddine Sarroukh, Advisor, UN Kenya

#### Silicon Valley, January 20 – 25, 2020

The Government of Kenya, represented by Joe Mucheru, Cabinet Secretary, Ministry of ICT, Innovation and Youth Affairs and the United Nations, represented by Resident Coordinator Sid Chatterjee, visited the Silicon Valley from January 21-26, 2020 to engage in partnership dialogues with local technology companies, investors, universities, and philanthropists. CS Mucheru and Chatterjee also spoke at the Africa Diaspora Investment Symposium (ADIS 2020) and engaged in roundtables at Stanford University and University of California, Berkeley.

Below is a summary of bilateral partnership discussions with corporates and others, including next steps. The vehicle for follow-up with potential partners will be the SDG Accelerator Lab, a new initiative of the Government of Kenya announced in September 2019 during the UN General Assembly. This Lab serves as a strategic development platform for Kenya that brings together the government, private sector, civil society, philanthropy, academia, and young people to reimagine development for the 21st century.

**Visa** is prioritizing Kenya as it grows its business in Africa. Their aim is to enable all channels of commerce -- from peer-to-peer payments and online purchases, to point-of-sale mobile payments - through new technologies that support MNOs, banks, merchants, and direct consumers. They are particularly focused on helping small merchants through rapid onboarding, zero up-front cost, and support for supplier and employee payments. We discussed specific opportunities in: 1) processing Government to Person (G2P) digital payments, e.g. through the national Post Offices wallet; 2) integration of automated payments into new mass transit infrastructure (a longer term priority); and 3) building services that sit atop Kenya's digital identity infrastructure, including fraud detection. <u>Next step</u>: Request a proposal on G2P payments (high-level approach) from Visa by Feb 2nd. Invite a visit to Nairobi in 2020 Q1 from Visa colleagues Akshay Chopra and Mamadou Biteye, to begin designing projects and explore launching a base in the physical SDG Accelerator Lab.





**Planet Labs** offers high resolution satellite imagery, refreshed daily, of the entire earth. We discussed leveraging their technology to monitor building footprints (for revenue generation), mining activities, infrastructure construction, refugee camps, and agricultural production. One key hurdle is identifying the right analytics partners to derive insights from Planet's satellite imagery.

**Next Steps:** Invite Planet's Zara Khan to DC for President Kenyatta's visit, to present on monitoring of infrastructure (e.g. ports, roads, railways, mines) and cross-border issues (for security). Ultimate aim is for GoK to be able to access Planet's monthly basemaps product for analysis by third-party contractors. Further engagement with Planet will need to follow a longer-term process, potentially including financing for training/capacity building via World Bank (grants).

**Zenysis** builds health system integration software that leverages administrative data to create situational awareness for the health sector. They indicated that they had already presented to the Kenya Ministry of Health, including opportunities to support the HIV Situation Room.

**Next Steps:** Explore the possibility of inviting Zenysis CEO to DC for a meeting with H.E. President Kenyatta's visit, to demo their technology and outline a potential "UHC Situation Room," which would use existing administrative data to improve the efficiency and effectiveness of UHC (Universal Health Care) as it rolls out. Initial focus would be on detecting consumer fraud (e.g. ghost patients, ghost prescriptions) and supply chain losses (e.g. tracking stocks in facilities, potentially health worker absenteeism). Existing data sources that can be integrated by Zenysis include NHIF, DHIS, and county-level health administrative data. A 1-page concept note on the project is forthcoming from Zenysis, and the SDG Accelerator Lab will help identify funding for delivery of a prototype software platform within 6 months.

**Salesforce** has a new Impact Lab focused on developing indicators that customers can use to track their progress toward the SDGs. We discussed how existing Salesforce data might be used to track the impact of corporates and other organizations, for example via provision of education, health, and other social services. Another opportunity is to leverage the extensive library of Salesforce training materials to engage Kenyan youth in remote ICT consulting opportunities. We were not able to discuss ways to build a services infrastructure on top of Huduma Centres (i.e. Huduma Namba) but this is of future interest.

*Next Steps:* Send a proposal to Salesforce outlining government interests, including incorporation of "Trailhead" into Ajira. Schedule follow-up meeting with appropriate US team to discuss how to leverage Salesforce technology for the Huduma Namba digital infrastructure (which could potentially be funded by OPIC-financed Digital Kenya program).

**Branch.co** is a fintech startup with one of the most downloaded Android apps in Kenya, having some 14 million users across the country. We discussed their proposed interest-bearing savings product, which would leverage Branch's high penetration to create wealth -- not just credit-- for Kenyan households. Their challenges are understanding government regulation of digital savings, and aligning strategically with banks and other market incumbents. <u>Next Steps</u>: Engage in further policy discussions as requested by Branch.co. Explore a potential linkage to Kiva.org to expand their college lending program, which finances higher education through 10-year loans with a 6-year grace period.





**Stripe** is a payments infrastructure company that supports small businesses globally. They offer a product, Atlas, that enables SMEs anywhere to register as a US corporation at low cost. This could be of interest to Kenyan startups seeking to attract US venture capital and other investments. Stripe expects to expand its presence on the African continent in 2020 and will surely open an office next year.

*Next steps:* Remain engaged around possibility of a Kenya office. Find ways to advertise Stripe Atlas within Kenyan start-up community, particularly those seeking to raise capital from US investors.

**Atlas AI** is a satellite analytics company that offers post-harvest estimates and forecasts of Kenyan maize yields, at the resolution of individual smallholder plots. They are already working with MoALF, through an agreement with McKinsey, to produce maize yield estimates for the national Food Balance Sheet.

**Next Steps:** Explore the possibility of inviting Atlas AI CEO to DC during President Kenyatta's visit, to present on Kenya maize yield estimates and forecasts. Altas will develop a concept note for a dashboard with agriculture maps to diagnose yield gaps and identify appropriate interventions. The Lab will explore if funding can be obtained from McKinsey for development of this dashboard. Atlas may also be included in the SDG Accelerator Lab's presentation at the Kenya Agriculture Summit.

**Facebook** would like to be the world's leading corporate contributor to the SDGs, by leveraging their unique data assets and machine learning expertise. We discussed support for data analytics capacity building within KNBS (or other government agencies), including custom analyses and/or technology development.

**Next Steps:** Identify a set of questions that can be uniquely answered by Facebook data, focused on "mood of the country" (sentiment analysis). Output would be a government dashboard to independently track political/economic/social sentiment at county-level resolution. The proposed set of questions could also extend to youth employment opportunities, gender, firms (a survey of employment needs), or mobility. The Lab will also invite a secondment of a Facebook engineer to the UN, to create opportunities for future partnership. The Lab proposes to work in partnership with Berkeley researchers to define the right specific analyses required to answer key questions.

**Google** is a member of Digital Kenya through support of Project Loon. They also have unparalleled infrastructure to develop new algorithms for the African context, but new AI applications require training data. There may be opportunities to create youth employment in Kenya through generation of new training data (via firms like CloudFactory and SamaSource). Working with university researchers, the Lab could also develop search tools to connect formal sector employers with workers. We also discussed the need for NLP/translation for vernacular and pidgin languages. Assistance on mapping of infrastructure or mobility, using Google Maps, could be helpful in future.





*Next Steps*: Bring Google onto the SDG Partnership Platform. Invite secondment of a Google engineer to UN Kenya to create opportunities for future partnership. Explore a partnership of CEGA (Berkeley), the Google Search team (perhaps with LI) on solving for the job market matching problem in Kenya, with CEGA developing and evaluating new matching algorithms using Safaricom records and survey data. The Google search team could be leveraged for unstructured data, and LinkedIn for structured job content.

**Oracle** is a key actor in Digital Kenya. We will invite them to join the SDG Partnership Platform.

**Micron** has a venture arm investing in sustainability-focused startups, particularly those in the Al space. It also has a foundation that can support technology pilot projects. <u>Next Steps</u>: Invite Micron to the SDG Partnership Platform and explore Andy Byrnes' participation in the platform's Advisory Board. Develop a concept note for post-harvest yield technology project with Stanford, to be funded by Micron Foundation. Request intro to Ready Robotics, a new Micron investment building an operating system for tomorrow's manufacturers by standardizing robotic arm programming. This could build job opportunities and upskilling for Kenyan youth (via Konza Technopolis & Ajira). Request an intro to Legal.io regarding Kenya's effort to digitize the judiciary.

**Cisco** is a key partner in Digital Kenya and continues to expand its Network Academy (NetAcad) presence in the country. It has recently introduced a job matching platform called Talent Bridge, which can link employers to graduates of the NetAcad. <u>Next Steps</u>: Meet with Cisco staff in Nairobi to discuss 1) connecting Cisco's Network Academy library to Ajira; 2) developing custom content for Ajira; and 3) engaging more actively at the policy level, including on Digital Kenya.

**LinkedIn** is already offering governments several useful products: 1) analytics on anonymized user data to track labor flows, 2) enterprise services to develop custom dashboards or job matching platforms; and 3) promotion of investment opportunities (FDI) to investors on the African continent and beyond. <u>Next Steps</u>: Bring LinkedIn into the SDG Partnership Platform. Encourage all youth touched by Ajira to sign up for LinkedIn, to enhance data collection on African workers. Request an in-kind contribution of a data analytics (i.e. quarterly updates on Kenyan labor market). Also request further information on IP protection through LinkedIn. Invite a secondment from LinkedIn to UN Kenya to create opportunities for future partnership.

**CEGA** is a signatory to the communique establishing the Kenya SDG Accelerator Lab. It is a West Coast network of scientists and engineers working to advance the SDGs through technological and social innovation. Next steps are to:

- Build an ICTD partnership between University of California and University of Nairobi, potentially including faculty/student exchange and joint research projects.
- Initiate strategic research projects with faculty members at US universities affiliated with CEGA, including:





- Energy sector: Work with Berkeley spin-out nline.io on bringing wifi connectivity together with the company's novel sensors for electricity utility management. The CS will meet with co-founder Noah Klugman in Nairobi in February 2020.
- Urban planning: Work with CEGA faculty to optimize transit infrastructure and regulation for better labor market outcomes, using satellite imagery available to academics. Identify how to optimally site affordable housing and ecosystem services to maximize economic and welfare outcomes.
- Judiciary: Work with CEGA Research Director Bilal Siddiqui on project to evaluate the impacts of digitizing the judiciary, including the impacts of training programs to help judges improve performance based on feedback.
- Training: Explore low-cost behavioral interventions to improve soft skills and youth aspirations through GoK's Community Innovation Hubs (CIHs). Conduct a survey of Kenyan firms to understand required worker skills, and pilot new TVET/CIH curricula to improve workforce readiness.
- Youth Employment: Explore how call detail records from Safaricom could be used to create a "employability score" for young graduates (akin to a creditworthiness score), to assist with job matching and retraining. Require TVETS and other training programs disclose outcomes for alumni (leveraging Safaricom data), so that prospective students can make more informed choices.
- Health insurance: Explore working with NHIF to pilot results-based financing at the facility level. This could be similar to well-evaluated programs in Rwanda with the World Bank, but focused on insurers' reimbursements to health care facilities.
- Primary care: Explore potential Cellscope deployments in primary health centers (for infectious diseases as well as diabetes). Also consider replication of an ongoing Uganda pilot study using biometric tracking of health workers to reduce absenteeism.

**Stanford** is home to the King Center on Global Development, which coordinates research on sustainable development across the campus. They partner closely with SEED, a Stanford initiative training entrepreneurs in emerging economies around the world. Next steps include:

- Advancing strategic research projects, including work on sanitation infrastructure for affordable housing; and
- Identifying opportunities to scale SEED's entrepreneurship training in Kenya, potentially through Ajira.

**ADIS** will focus on publicizing the proposed African IP Protection Fund, encouraging contributions from the African diaspora. The team will also follow up with Almaz Negash to discuss a Communique outlining goals for an ADIS-SDG Accelerator Lab partnership.

**Santa Clara University:** Thane Kreiner, Executive Director of the Miller Center for Social Entrepreneurship spoke with the team. Future conversations will explore synergies - including perhaps with a program at the Santa Clara Business School, led by Naren Agarwal, that engages corporates.





Stanford University: Invite to join the SDG Partnership Platform.

#### Washington, DC Leg, January 27 – 28, 2020

On January 27 – 28, 2020 the Government of Kenya (represented by CS for Innovation, ICT and Youth Affairs and the UN (represented by Regional Coordinator (RC), UNDP, UNICEF and FAO) visited Washington DC to engage in dialogues with representations from State Department, Senate, DFC, Chamber of Commerce, World Bank, USAID and ASME.

Meeting with U.S. Chamber of Commerce Date: Monday, January 27, 2020 Venue: Washington, D.C.

This meeting was hosted by the US Chamber of Commerce and was attended by representatives from IBM, Microsoft, Oracle, UN Information Center, International Regulatory Affairs and the Africa Business Center. The meeting was held ahead of His Excellency the President of the Republic of Kenya's official visit to Washington, DC from February 5-6, 2020 where he was expected to have high level meetings and bilateral discussions with the US Government (USG).

The meeting started with a round of introductions after which the Cabinet Secretary (CS)elaborated the purpose of his mission in the US, which started at the West Coast where he held meetings with various Silicon Valley companies. Below is a highlight of the discussions held at this meeting.

Kenya's location places it at the heart of Africa geographically and also figuratively because it represents a double digit economic growth by 2050. It is therefore timely to put a new "Marshall Plan" in place for the country, which must be private sector led because of the huge market potential that Africa's young population presents. Kenya had made remarkable transformations in the reduction of maternal mortality ratios and the galvanization of Big Data will push these efforts further. A digital blueprint for development at scale can be achieved through Africa with Kenya as the starting point.

Most of the large corporations that use Artificial Intelligence (AI) still leverage Human Intelligence in the form of young people some of whom are in Kenya, through companies such as Cloud Factory and Samasource based in Nairobi. Kenya has invested heavily in the infrastructure and the country is about to get its 5<sup>th</sup> and 6<sup>th</sup> fiber optic cables landing in Mombasa. Alphabet's/Google's Project Loon is also about to launch their balloons in Kenya to provide 4G connectivity across the country. The cost of labour in Kenya is four (4) times higher than that of India. Kenya also has high wages and high unemployment rates and there is currently no platform to support skilled youth with job matching to enable them secure employment. Agriculture is the bedrock of Kenya's economy. However, the average age of farmers in Kenya is 62 years in a country whose life expectancy is 65 years. Countries such as China have expressed a desire to import avocados at large scale from Kenya but currently there is no system or process that exists to cater and sustain the complete value





chain from farm-to-produce-to-storage-to-transport-to-market. Kenya has in place a Data Protection and Privacy Act but this is currently being contested in court due to allegations that it was not subjected to adequate public consultation. The country is also investing in the development of additional National Data Centres to provide redundancies.

The **US Chamber of Commerce** appreciated MoICT's openness under the leadership of the Cabinet Secretary adding that the private sector was actively engaged in the development of the Digital Economy Blueprint as well as the Data Protection Laws in Kenya. **Oracle's** Prosser Sterling congratulated the CS and the Ministry for the enhanced portfolio that includes youth docket, which is in tandem with the digital economy. He highlighted the importance of education and training to ensure digital literacy, noting that more and more corporations are choosing Nairobi as their regional and/or Africa headquarters. However, specialists often called upon to provide support services because the skills do not exist in Nairobi at the moment but are hampered by stringent immigration requirements in processing work permits. The CS clarified that the process was being streamlined to cater for previous flaws that were being exploited by some companies engaging expatriates even for jobs that can be done by locals. As part of the **procurement reform processes**, the CS requested oracle to look into how best to provide the procurement and HR modules for the Integrated Financial Management Information System (IFMIS) that is operated by Oracle.

**IBM** noted that it would be good to have digital trade capital inclusion in the US-Kenya Free Trade Agreement (FTA) discussions between GOK and USG. Digital identity and inclusion can only be effective with countrywide roll out using the right infrastructure that has been deployed countrywide. IBM expressed desire to be involved in the deployment. **Microsoft** noted that in Kenya, a population of approximately 3.5 million is benefiting from the TV White space infrastructure deployed by Microsoft (Mawingu project) to provide connectivity.

It was also noted that the **Foreign Corrupt Practices Act (FCPA)** limits the amount of investment in Kenya by US companies. A partnership with the UN will provide a cushion as it will enable companies to be de-risked through the SDG Accelerator Lab. It is expected that this will also encourage the Diaspora to invest in the country. Most of the American companies therefore prefer to work through third parties as opposed to working directly with the government but the FCPA is expected to enhance engagement. The Public Private Partnership (PPP) process started in Kenya within the health sector, a key pillar under Big 4 (Universal Health Care) where US\$150 million has so far been raised with the engagement of the private sector and the Kenya Government. These kinds of partnerships are expected to enhance the development velocity.

However, given that corruption in itself is a chapter within the FTA, it is expected that standardization will be achieved as Kenya has already qualified for the **millennium challenge fund** due to the President's push on the elimination of corruption. It was proposed that a team from US/Kenya government should undertake an assessment to determine the constraints that currently exist so that a threshold can be established.





Still on the corruption issue in Kenya, it was noted that part of the resolution was stuck within the judiciary. However, the Mastercard Foundation has provided some funding to facilitate the digitization of the court processes to enhance the delivery of judgement. More partnerships and support re needed to ensure that this is achieved and sustained. The UNDP expressed a strong interest in the judiciary digitization project noting that under their governance and support pillar, supporting the justice sector as part of their mandate. Further dialogue on supporting digital technologies was therefore proposed between the Ministry's team and the UNDP's enabler sub-projects and accelerator labs.

A briefing was provided by **4Wave Incorporated**, a company that is an early adopter of the Big 4 agenda under the manufacturing pillar. The company specializes in nanotechnology and material sciences where a big gap currently exists on where Kenya is vis a vis other countries across the world. The company took 3-5 years to study the environment and observed that a large group of educated young people who are jobless and it therefore make inroads in high technology such as nanotechnology that is valued at USD112bn and semi-conductors valued at USD500bn. It was noted that companies such as IBM, Microsoft and Micron can also tap into the USD1.23tn agribusiness potential that currently exists within the African market. 4Wave also pointed out that emerging technology does not necessary follow a linear path and their target is to create employment for 60% women as they have a greater potential of transforming communities especially in the African set up. **Partnerships with academic institutions** in developing countries such as Kenya also enables capacity building and skills transfer and 4Wave noted that it was already in partnership with the Dedan Kimathi University of Science and Technology, which is already aligning its faculty to fit with the broader vision of leveraging technology for development. The company invested USD21million in capital dollars straight out of its balance sheet and more investment in training is anticipated. Partnerships with government are also important and an active relationship with the US universities to support exchange programmes with students and professors as part of supporting workforce development can be explored to secure confidence from the MNCs.

It was noted that indeed university partnerships are a key priority under the **Prosper Africa Partnership** with the USG and that the SDG Accelerator Lab has plans to establish physical presence at the University of Nairobi and the Konza Technopolis amongst other strategic areas within Kenya.

Kenya's **Data Protection Act** was also discussed briefly with the US Chamber of Commerce requesting clarity on the issue of data usage and transfer outside Kenya. It was clarified that the Act makes provision for the establishment of Data Commissioner's office and that companies would be required to provide safeguards before personal data can be transferred to other countries.

In conclusion, both the CS and the UN Resident Representative thanked the US Chamber of Commerce for their patronage and made a passionate appeal to companies within the Chamber to





join the SDG platform and also consider seconding technical expertise to work with the UN and GOK on the initiative.

#### Meeting with Senate Foreign Relations Committee Staff

**Date**: Monday, January 27, 2020 **Venue**: Washington, D.C.

The meeting started with a round of introduction from the Senate Foreign Relations Committee staff and the Kenya delegation team. A brief rundown of the activities undertaken in San Francisco was shared with the committee including the establishment of the SDG accelerator lab.

The CS noted that part of the current leadership's mandate was to transform Kenya into a digital and knowledge based economy. To leverage their service provision within Kenya, he noted that a consortium of US companies has come together with the aim of establishing a government to government agreement that will see them support the digital Kenya initiative. He however noted that there is a lot of competition from other services providers and to some extent this has slowed down the conclusion of the discussions that will enable the operationalization of the consortium. This is partly due to the fact that US companies have not been engaging actively with the government instead choosing to work through their local vendors, who introduce markups and may not have the same expediency as some of the competitors.

It was noted that some of Kenya's key services were backed by infrastructure from US companies and Cisco routers were cited as an example. However, the committee was informed that competitors have studied the Kenyan market thoroughly and seem to have caught up and are able to provide almost similar services with the US companies but at more competitive prices and terms. It is therefore imperative for US companies to engage proactively with the government and not delegate this task to vendors who are often purely commercially driven. The enhancement of business intelligence by commercial officers within the US Embassy was also proposed as an added strategy to advancing the interests of US companies.

Other strategic US companies with interests in Kenya that were mentioned during the meeting include Visa Inc which is converting mobile numbers into visa card numbers and seeks to roll out a payment gateway with the Postal Corporation of Kenya. It was also noted that the American Towers Company (ATC) had purchased towers from Telkom Kenya Limited (TKL) and this in particular is a strategic infrastructure that requires further investment for instance in building landing gateways among other things. Amazon Web Services (AWS) has also established its presence in Nairobi and this is probably due to the traffic generated from robust online transactions from Kenya. Another avenue that the US companies can use to invest in Africa is through the large diaspora network, which is always seeking for investment opportunities.





On its part, the Senate Foreign Relations Committee acknowledged the certainties of doing business in Africa hence the USG's deliberate intent to consider a Free Trade Agreement (FTA) with Kenya, post the American Growth and Opportunity Act (AGOA). If successful, Kenya would be the first country in Sub Saharan Africa (SSA) to sign an FTA with the USG – a significant milestone!

As part of the USG's efforts to reinforce African policy, it was noted that robust engagements with Kenya can have a multiplier effect to other African countries especially within the East Africa region. Already strategic partnerships were under discussion with other jurisdictions such as the UK government and the USG is therefore keen not be left out.

It was also noted that USAID has a "basket fund" that provides election support and this can be used to empower Kenyan organizations to enhance awareness to young Kenyans on their voting responsibilities. Funding through this kitty has also benefited the IEBC as well as efforts towards combating gender based violence. A follow up on this will be made.

# Meeting with the World Bank, Africa Group Executive Director and the Bank representation from US, Nordisk countries and Estonia Date: Monday, January 27, 2020 Venue: Washington, D.C.

The meeting started with a round of introductions after which the discussions focused on the digital economy transformation of Kenya and the learnings from Estonia that can be beneficial. Deployment of block chain technology may be an important enabler in Kenya's digital transformation. Estonia has been able to digitize the country and there is an opportunity for the Estonian companies to join the SDG Accelerator Lab to access Kenya as a market, share learnings and support in accelerating the digital agenda. US companies are concerned about their value in countries where the lowest bidder gets the deal.

Effective procurement is key to enable engagement. The CS explained the procurement challenges within Kenya and the importance of having propositions addressing different angles including price. He expressed his interest in collaboration with Estonia and noted that Kenya already initiated the process of signing an MOU with Estonia as a way of attracting Estonian business to Kenya and concretizing collaborations between the two countries. If this comes into effect, the SDG Accelerator Lab will facilitate the process to identify areas for collaboration.

A request was made by the Kenyan delegation for intellectual and human support in form of Technical Assistance Support from the Bank, to work with the UN-SDG Accelerator Lab team and GOK, to address the challenges and create the enabling environment in Kenya. It was also agreed that the Kenyan delegation would summarize 2-3 asks for consideration by the Bank.





#### Meeting with the International Development Finance Corporation (DFC)

**Date**: Tuesday, January 28, 2020 **Venue**: Washington, D.C.

The Development Finance Corporation (DFC) is the successor of the former Overseas Private Investment Corporation (OPIC). The delegation was informed that the initial US\$29billion investment cap for the Corporation had been doubled to US\$60 and now allows more flexibility to enable the Corporation provide debt financing, political risk insurance, equity financing and technical development and assistance.

The Corporation focuses on getting capital to support development challenges with key focus on development impact. In October 2019, a new CEO was appointed to the Corporation, with a background in health care and innovation as well as equity investing and supports a portfolio of 700 projects. With the move from an opportunistic approach to more strategic, DFC has developed strategic areas, with ICT as high priority for Africa. Ethiopia is one of the focus countries but the Corporation has invested US\$700 million in 17 projects in Kenya and also invested in ICT infrastructure in Kenya in 2017 in projects such as the Mawingu wireless connectivity project. There is an appreciation that ICT provides strong development impact due the leveraging of data to inform strategic investment, economic and policy decisions. The Connect Africa Project focuses on ICT, Value Added Manufacturing and Logistics and Transport. On the US companies consortium spearheaded by Cisco that aims at providing services through a government to government arrangement through DFC, one of the outstanding issues is on who the borrower is.

The Kenya delegation explained how GoK, the UN and Private Sector are working together to galvanize towards the achievement of the BIG-4 agenda. The focus is to create an environment where business are comfortable to do business in Kenya. It was also noted that an Investor Incentive Agreement (IIA) aimed at encouraging US companies to invest in Kenya had been signed with GOK but did not kick off due to some issues around taxation that were highlighted by the Kenya Revenue Authority (KRA). However, there is optimism as when Free Trade Agreement takes effect it will send powerful signals to potential investors about the trade opportunities that exist in Kenya.

There was consensus on the importance of resolving tax issues to attract investors, these issues are already being addressed. There is sense of urgency to unlock the bottlenecks to clear the way for the CISCO consortium project.

A request was made by DFC for the Ministry of ICT, Innovation and Youth Affairs to follow up with the National Treasury for an assurance and commitment letter on the availability of the project funding. This will unlock the next steps needed by the consortium to pursue funding from the DFC and effectively facilitate the project roll out.





#### Meeting with the State Department Trade Policy and Negotiations Bureau

**Date**: Tuesday, January 28, 2020 **Venue**: Washington, D.C.

This meeting was hosted by Mr. David Miller, the Deputy Assistant Secretary. After a round of introductions, the UN Resident Representative gave a rundown of the delegations mission in the Silicon Valley and Washington, D.C. noting that it was all about rolling out a "Marshal Plan" for Africa, starting with Kenya. He noted that one of the objectives of the mission was to information exchange and a cross pollination of ideas with a view to unlocking funding for innovation under Kenya's Big 4 Agenda. Working with UNDAF will enable seamless delivery as One UN and the SDG Partnership Platform as flagship and co-created by Government of Kenya and UN. Kenya is in a position to remove barriers and mobilize for human capital and utilize technology to achieve the attainment of the development agenda as well as galvanize support for US companies.

Prosper Africa is the proposed vehicle to gain US support in the development. This should also enable opportunities to mobilize US Universities human capital to support in the human resource development in Kenya, for example vocational training. Kenya has made significant strides in the digitization process which include the development of a Digital Economy Blueprint, which other African countries can use to develop their own.

A possible support streams for Kenya is the linkage of Kenyan universities with American universities, which will serve the purpose of building skills and enhancement of research and development. The State Department noted that an active universities partnership program is already in place with Ethiopia and the same can be extended to Kenya, which has the second largest digital footprint in Africa.

UNICEF will follow up on a white paper on the human capital development and connecting academia to develop youth. There is a University Partnership Program **Nagy** that can be leveraged for human capital development.

### Meeting with States Department, Global Partnerships

**Date**: Tuesday, January 28, 2020 **Venue**: Washington, D.C.

The meeting started with a round of introduction following which the managing director of Global Partnerships highlighted two initiatives that could be relevant for Kenya to leverage.

The first is Unreasonable Goals, now taken by the unreasonable group, an initiative to address the SDGs by social enterprises. Yearly, 16 social enterprises are selected with the best ideas/solutions





for the first 16 SDGs. Several Multinationals are supporting this initiative and collaboration with the SDG Accelerator Lab will identify synergies and opportunities for Kenya.

The second initiative is WiSci: Women in Science, an initiatives to teach girls skills in science and technology which can be a game change in the human capital development.

#### Meeting with the American Society for Mechanical Engineers (ASME)

**Date**: Tuesday, January 28, 2020 **Venue**: Washington, D.C.

The ASME has a membership of over 1000 members and has student chapters that llowe membership. ASME is already active in Kenya with a number of initiatives like Design and Engineering Review, ISHOW and their support in the assessment of the housing agenda. They have collaborations with Kenyan partners like Gearbox.

ASME focuses on four main pillars :-

- i) Knowledge Pillar engineering for change targeting one million cross-disciplinary engineers. Online courses and webinars are organized.
- ii) Training targeting social entrepreneurship and academic where innovations are showcased annually in India, Kenya and the United States. From this, 8 of the most promising innovations are invited to participate in an annual bootcamp dubbed "Impact Engineer" held in New York City in October.
- iii) Research Fellowship this is oriented towards the workforce for development programme and the emphasis is on engineering for development targeting 60% women. Strathmore University is a key partner.
- iv) Platforms this is about the convening power for schools, academic institutions and partners.

It was noted that a science and technology forum was scheduled for May 2020 hosted jointly with the International Telecommunications Union (ITU). The ASME team expressed willingness to work with the relevant organizations in Kenya during this event. The ASME builds accreditation and training as one quick pathway to scale technical base across the globe. Fragmentation of the space where bankable ideas are housed hamper review and other barriers to scale arise therein.

The discussion concluded in developing proposals for collaboration with GenU, partnership with the Accelerator Lab, collaboration with Huduma Whitebox and Ajira, employability and addressing skills gaps, and the Intellectual Property protection in Kenya and Africa. ASME has planned event in April and May. These can be leveraged to finalize on agreements for collaboration. The need to engage private sector was emphasized because such linkages drive the demand for jobs. As much as an industry advisory body is in place, sometimes academia and industry do not operate at the same level.





ASME also noted that they had a platform with a database on innovations that is on open source and can be made available as the information is gathered for public good. They further noted that the had the potential to convene and convince a diverse network of their global experts. On support to the manufacturing sector and the whole supply chain, ASME observed that the accessibility to raw materials was confronted by so many roadblocks and they were willing share a study on manufacturing and development in Guyana.

#### Meeting with USAID

**Date**: Tuesday, January 28, 2020 **Venue**: Washington, D.C.

This meeting was hosted by Diana Putman, Deputy Assistant Administrator, Bureau for Africa within the USAID.

Once again, the Prosper Africa initiative was mentioned as a key vehicle for collaboration between the USG and GoK as an enable for American companies to establish their base in Africa. Digitizing the public services is high on the agenda, including the judiciary. USAID observed that countries cannot achieve self-reliance within the digital ecosystem unless they foster (i) Regulation and Policy; (ii)Infrastructure, Access to tools & services; (iii) public & private empowerment for utilization; and (iv) empowerment of communities for sufficient uptake.

USAID noted that they were in the process undertaking a digital Economy Country Assessment that would be kicked off in Columbia and Kenya in early February. Documents with Data and heat maps were re shared for learning and follow ups. The USAID team was happy to note that Kenya had already made some remarkable progress in their own assessment of the digital economy with a blue print already in place and digital economy strategy under development.

It was agreed that the USAID team would reach out to the Ministry so that the can learn more about their Digital Economy plans.

#### Meeting with World Bank Management

**Date**: Tuesday, January 28, 2020 **Venue**: Washington, D.C.

This meeting was hosted by Boutheina Guermazi and was a follow up to the meeting held the previous day still with the World Bank. This meeting focused on accessing human intellectual capital to support Kenya to digitize the judiciary.





A request was made for technical assistance to be seconded to the Accelerator Lab. The bank was also invited to participate and if possible to fund a proposed Silicon Savannah retreat proposed in November 2020. More details on this will be provided.

The bank showed interest in the single digital market and the role of Kenya to achieve it. The bank considers seed funding options to support this exercise next to technical support (through bank or consultant). It was noted that a high level IFC visit to Kenya is being planned and the bank will share the information with the UN. The IFC is keen to support entrepreneurship. The bank was also apprised of the proposed fund to protect Intellectual Property within Africa.

The Bank was informed that there are plans to establish a physical SDG Accelerator lab starting with the University of Nairobi, as the lab is currently virtual. UNDP accelerator labs have been rolled out in 60 counties and Kenya hosts one of the labs that is already staffed with experimentation, exploration and solution mapping heads.

Finally, the need to finalize of Kenya's digital transformation strategy that is currently under development in collaboration with the World Bank was emphasized.

#### Other Follow-ups:

**Website:** Working group of June, Jane, Eddine, Temina, and Radhika will develop new branding and content for <u>https://siliconsavannah.go.ke/</u>

IP Protection Fund: Establish a pocket within the Trust Fund