

# Kenya

Type of Market: Small/Frontier

**Kenya, the second highest ranked country in this Report from the African continent (behind South Africa), has made noteworthy progress in developing a sound policy foundation to manage the rollout of Health IT in the country. Besides adopting a National e-Health Strategy extending through 2017, a Health Law is currently under stakeholder review that would develop policy for many subjects impacting the introduction of Health IT. Although a small Health IT market (between \$10-20 million), Kenya established sectoral policies early with strong stakeholder involvement, is recognized for general adoption and acceptance of modern technology, and has several large commercial projects currently underway. Therefore, Kenya is an appealing destination for companies looking for new markets for their mobile health and telehealth products and services.**

Overall Rank

48

Kenya's overall rank is in the bottom third of the rated countries because of very low per capita expenditure on health, modest Internet access and mobile phone subscription rates, and a relatively young, highly rural population. However, Kenya has already taken several noteworthy steps to create a favorable Health IT investment environment, particularly for telehealth and mobile health applications. As a result, the low rating should not be seen as a disincentive for U.S. companies to introduce telehealth and mobile health applications.

On the contrary, the mismatch of healthcare professionals based in urban areas in Kenya relative to a largely rural population; a policy environment receptive to new technologies; and a lack of widespread reliable power supplies makes the use of devices for mobile health/telehealth interventions a more likely set of delivery mechanisms to communicate and gather health information. The relatively young population may also be more likely to embrace mobile technologies for transacting business and tracking their health condition.

In August 2011, Kenya instituted a six-year National e-Health Strategy ("Strategy") for the deployment of Health IT, the culmination of a three-year period of stakeholder engagement at both the policy and technical levels, including involvement by stakeholders from the public and private sectors, civil society and academia. The World Bank Group's Healthcare in Africa initiative worked with the Ministry of Health (MoH) and played a key role in developing the Strategy's implementation framework. Five "Strategic Areas of Implementation" are highlighted in the

Strategy: Telemedicine, Health Information Systems (HIS), Mobile Health, e-Learning, and Information Systems. Health cards are becoming increasingly available for individuals and families to spend on mobile health. Another motivation for the e-Health Strategy was to realize the citizenry's right to health contained in Kenya's Constitution.<sup>58</sup>

In November 2013, at a U.S. Agency for International Development-organized mHealth conference in Addis Ababa, Kenya reported that the country had established an mHealth Committee containing public and private sector participants, comprised of three working groups: research; stakeholder mapping; and how best to link supply and demand. In addition, MoH completed a stakeholder mapping exercise, established a separate e-Health office, and was involved in ongoing discussions with the Communication Commission of Kenya (CCK) regarding affordable tariffs for mHealth applications.

In 2014, a Health Bill was introduced in Kenya that seeks to establish a unified health system and specifically focuses on Health IT as a recognized mode of health. The Bill provides for the enactment of legislation to facilitate electronic transactions covering:

- 1) The administration of health information banks, including provisions addressing appropriate standards for interoperability, data interchange and security;
- 2) Collection and use of personal health information;
- 3) Managing disclosure of personal health information;
- 4) Protecting privacy;
- 5) Business continuity, emergency and disaster preparedness;

- 6) Health service delivery through mHealth, eLearning and Telemedicine;
- 7) eWaste disposal; and
- 8) Health tourism

The Health Bill is currently undergoing a stakeholder review and consultation process.

### Challenges in the Market

The Kenyan Constitution, updated in 2010, permitted the formation of 47 new county-level governments in 2013. These governments are both distinct and interdependent with the national government. Healthcare delivery is one of the services that have devolved to the county-level governments. The proposed 2014 Health Bill seeks to coordinate the relationship between the national government (represented by MoH) and the 47 county government health systems. With specific regards to Health Information Systems, while the proposed bill states that MoH shall facilitate the establishment and maintenance of a comprehensive Health Information System (HIS), it also acknowledges that county governments can make laws with regards to HIS for that specific county and the city, urban and municipal areas within that county.

Although all Kenyan government procurement is guided by the Public Procurement and Disposal Act of 2005 and Public Procurement and Disposal Regulations of 2006, there may be some early challenges in obtaining approval from the county-level governments on new mobile health and telehealth projects, resulting in possible delays in launching some of these projects. In addition, while consultations leading to the introduction and (possible) passage of the aforementioned Health Bill are taking place, there may be some hesitancy on the part of the local government to approve new projects until the rules under which the counties can make these decisions are finalized.

### Opportunities for U.S. Companies

In February 2015, President Uhuru Kenyatta announced that the national government would upgrade and modernize 2 hospitals per county throughout Kenya (a total of 94 facilities) over the next decade with the latest state-of-the-art medical equipment to address specific non-communicable diseases (cancer, diabetes, and kidney failure). Total purchases over the decade under this initiative are expected to be in the vicinity of \$4 billion, with

internationally known vendors (including General Electric, Philips, and Mindray Biomedical of China) receiving a majority of these orders. Using this new equipment to treat patients likely will result in mobile health and telehealth applications that U.S. vendors can deploy to treat these conditions in the Kenyan population, and may also lead to further healthcare investment in other treatment areas.

In addition, several Health IT initiatives are currently underway in Kenya. Some notable examples are:

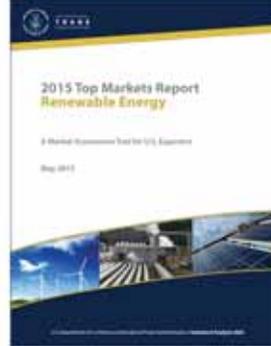
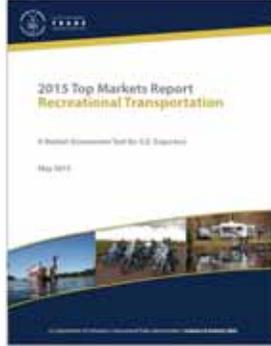
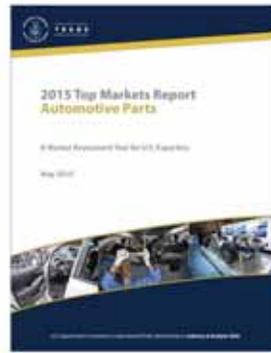
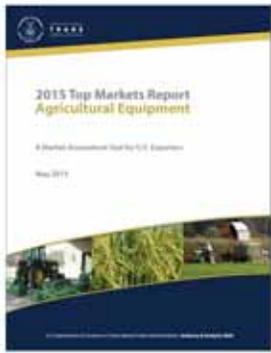
1. The Kenyan Government, Hewlett Packard (HP) East Africa, and the Clinton Health Access Initiative (CHAI) jointly launched an initiative in 2011 to develop an Integrated Disease Surveillance and Response (IDSR) system that enables health workers to detect and manage disease outbreaks through 250 HP Palm Pre-Smartphones via a Web Operating System (WebOS).
2. Safaricom, Kenya's leading mobile network operator (MNO), in partnership with "Call-a-Doc," launched in November 2011 a mobile health service called "Daktari1525" that enabled Safaricom's subscriber base of over 21 million to call doctors at any time of the day and receive expert advice on health issues. However, due to some unanticipated hitches, Safaricom has suspended the service.

Safaricom, and its philanthropic arm, mPesa (globally recognized as a leading platform for use of mobile money), see mobile health as an innovative way to deliver "innovative, commercially viable and sustainable solutions that transform the lives of Kenyans by increasing their access to services."<sup>59</sup> The company sees that there are unmet needs given (for instance) low doctor/patient ratio and high maternal and child mortality, and knows that their network may be the only access to the outside world for many people. Safaricom has also introduced a messaging service and a Micro Health Insurance scheme.

3. Also in 2011, it was reported that a South African IT firm, Pharos Avantgard was also looking for partners to use its mobile phone application that uses USSD and SMS platforms to monitor and manage medical therapies. Dubbed "M-Nurse", the application is used in South Africa by HIV/AIDS patients on antiretroviral (ARV) drugs and also allows third party monitoring to aid early intervention through notifications and monitoring trends.
4. The Center for Health Management Information

(CHMI), an organization funded by the Department for International Development (DFID), the Bill & Melinda Gates Foundation, and the Rockefeller Foundation, promotes programs, policies and practices that make quality health care delivered by private organizations affordable and accessible to the world's poor. CHMI has recently profiled 187 programs in Kenya – the second highest number of programs in any one country in the database and the most of any African nation.<sup>60</sup>

In addition, there has been significant health-related R&D investment in Kenya over the last 1.5 years. This includes IBM's establishment of its first Africa Research Lab in Nairobi, and Medtronic's interest in establishing an R & D facility in Nairobi. Additionally, Dutch technology firm Royal Philips announced in March 2014 of its plan to establish its first Africa research laboratory in Nairobi.



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