KENYA CIVIL AVIATION AUTHORITY

STRATEGIC PLAN 2012/13-2016/17

Abridged Version

Office of the Director General

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ABBREVIATIONS

ACI	Airports Council International
AFI	African and Indian Ocean
AIP	Aeronautical Information Publications
AIS	Aeronautical Information Services
ANS	Air Navigation Services
ASSR	Aviation Safety Standards and Regulation
ATM	Air Traffic Management
ATS	Air Traffic Services
ATC	Air Traffic Control
ATO	Approved Training Organization
CAA	Civil Aviation Authority
CAB	Civil Aviation Board
CASSOA	Civil Aviation Safety and Security Oversight Agency
CUE	Commission for University Education
CNS	Communication, Navigation and Surveillance
COMESA	Common Market for Eastern and Southern Africa
DCA	Directorate of Civil Aviation
EASA	East African School of Aviation
GNSS	Global Navigation Satellite System
IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
ICT	Information Communication Technology
ICVM	ICAO Coordinated Validation Mission
ISO	International Standards Organization
JKIA	Jomo Kenyatta International Airport
KAA	Kenya Airports Authority
KAAO	Kenya Association of Air Operators

KATA	Kenya Association of Travel Agents
KCAA	Kenya Civil Aviation Authority
KRA	Kenya Revenue Authority
M&E	Monitoring and Evaluation
MIA	Moi International Airport
MTP	Medium Term Plan
NCTIP	Northern Corridor Transport Improvement Project
NEMA	National Environment Management Authority
NOTAM	Notice to Airmen
PANOPS	Procedures for Air Navigation Services- Aircraft Operations
PBN	Performance Based Navigation
R&D	Research and Development
RVSM	Reduced Vertical Separation Minima
SAR	Search and Rescue
SARPs	Standards and Recommended Practices
SMS	Safety Management System
SSP	State Safety Programme
SWOT	Strengths, Weaknesses, Opportunities and Threats
USAP	Universal Security Audit Programme
USOAP	Universal Safety Oversight Audit Programme
VSAT	Very Small Aperture Terminal

1.0   INTRODUCTION

Kenya Civil Aviation Authority (KCAA) was established on 24th October 2002 by the Civil Aviation (Amendment) Act, 2002 to take over the functions of the then Directorate of Civil Aviation (DCA) and the Civil Aviation Board (CAB) in the Ministry of Transport. The Act has since been repealed and replaced with the Civil Aviation Act No.21 of 2013. The formation of KCAA reflected the Government's policy of shifting the responsibility of funding aviation activities to the users of aviation services through the application of the "user pays" system. These developments were in line with the International Civil Aviation Organisation (ICAO) requirements that civil aviation activities be de-linked from the mainstream civil service in order to provide the necessary independence and autonomy for effective delivery of services.

During the initial years (2002-2005) of transformation, the Authority had no formal strategic plan as it implemented its restructuring processes. In 2005, KCAA drafted its first Strategic Plan covering the period 2005-2010. During the same year, the Government introduced Result Based Performance Management system through Performance Contracts in State Corporations. The objective of the Government was to improve the delivery of public service by State Corporations.

Since the introduction of Performance Contracts, KCAA has been implementing the annual work plans derived from the Strategic Plan using the Performance Contracts. These are signed at the all levels of the Authority for implementation by different departments and individuals and this ensures that the tasks carried out contribute to the achievement of the Authority's goals. The first Strategic Plan was successfully implemented using the annual Performance Contracts that were evaluated at the end of every year to determine the progress achieved. The approach of negotiating and entering into Performance Contracts in which the obligations of the two parties were clearly outlined contributed to enhancing transparency in the management of public resources and accountability for results in line with the Constitution.

Developing a Strategic Plan outlining the Authority's priorities and entering into Performance Contracts establishes clarity and consensus about priorities for action to be implemented to improve public service. These include; establishment of systems to ensure equality of all users of public services and impartiality and fairness in the process of delivery of public services and continuity of public services under all circumstances.

The Authority takes cognisance of the requirements by the Government to work towards improving delivery of public service to the people of Kenya. Systems will be established to enable adaptability of public services to the needs of the users, ensure professionalism and ethics in service delivery and promotion and protection of rights of users of public services. In addition, the Authority will institutionalize a culture of accountability, integrity, transparency and promote values and principles of the public service. The Authority will also ensure effective, efficient and responsible use of public resources and responsiveness by public servants in delivery of public service.

These efforts are critical in creating the desired transformation of KCAA and the delivery of public service to the industry and its relationship with stakeholders. KCAA will ensure that these are implemented to create a self-sustaining Authority that is able to deliver quality services to the public and contribute to the achievement of aspirations of the Vision 2030.

2.0 KENYA'S DEVELOPMENT CHALLENGES: GLOBAL, REGIONAL AND NATIONAL

2.1 Global

The growth of the global economy has been slowing down over the last three years. During 2010 the world economy grew by 5.3% but this declined to 3.9% in 2011 and further to 3.1% in 2012. The decline experienced continued into 2013 during which the global economy grew by 3.0%. According to World Economic Outlook of April 2012, the global economic recovery is still faced with challenges arising from the Euro Zone debt crisis among other threats and is only expected to reverse the slowdown in 2014. With the setting in of the reversal, the global economy is projected to grow at 3.7% in 2014 and 3.9% in 2015.

2.2 Regional

In Sub-Saharan Africa, the economic growth is projected to increase from 4.8% in 2012 to reach 5.1% and 6.1% in 2013 and 2014 respectively. Growth in the region will be driven by strong commodity prices and domestic demand as well as the relatively lower impact of constraints in developed countries on the region. The strengthening global economy will result to more growth in the region due to increased exports of primary commodities.

Growth in the economies in Africa and especially East Africa is critical as Kenya is increasingly exporting finished products to the region. Instability and insecurity in several key markets especially Egypt and South Sudan is likely to influence growth in the Agricultural sector.

2.3 National

Kenya's economic growth has continued to grow steadily since the adverse internal and external shocks of 2008 and 2009. Economic growth rate increased from 1.5% in 2008 to 5.8% in 2011. During 2012, which was the year preceding the elections of March 2013, the economy grew by 4.6% compared to 4.4% in 2011. All sectors of the economy recorded positive growth with agriculture, wholesale and retail trade and transport and communication accounting for 17.6%, 15.2% and 10.8% to the overall GDP growth. Improved rainfall during the period contributed to expansion in agriculture and increased generation of hydropower, which is cheaper than thermal electricity.

The level of inflation improved from an annual average of 14.0% in 2011 to 9.4% in 2012. This was mainly due to better food harvests and the tightening of the monetary policy during 2012. The trade deficit widened further in 2012 to stand at Ksh.856.7 billion compared to a deficit of Ksh.788.1 billion in 2011. This shows that the value of imports continues to rise at a higher rate than the value of exports.

3.0 KENYA'S DEVELOPMENT AGENDA

3.1 Macro-economic Framework

Kenya's development agenda as outlined in Vision 2030 aims at putting the economy on a high growth path, to ensure that double digit economic growth is achieved, by the end of the plan period. Overall GDP growth rate is expected to grow from 4.6% in 2012 to 10.1% in 2017. This will entail

expanding economic activities and increasing the growth rates in agriculture from 3.8% in 2012 to 7.2%, in 2017. Industry will be expected to grow from 4.5% in 2012 to 10.2% in 2017 while services will grow from 4.8% to 10.1% during the same period.

3.2   Foundations for National Transformation

The Government recognises that successful implementation of the enablers will determine the realisation of the objectives and targets of the national agenda. In order to provide effective foundation for the achievement of the targets, effort will be made to effectively implement the enablers.

3.2.1   Infrastructure

The Government's objective is to develop and deploy world class infrastructure facilities and services by providing efficient, accessible, and reliable infrastructure that lowers the cost of doing business and improves the country's global competitiveness. Infrastructure development will also contribute to improved security and improved livelihoods to Kenyans.

3.2.2   ICT

The objective is to create a knowledge economy. The transformation of the economy into a knowledge based economy is recognised as one of the critical foundations for achieving economic growth based on innovation as a key driver of growth in agriculture, industry and services in the country. ICT will be used to expand human skills and to influence production, distribution and consumption to improve productivity in the economy.

3.2.3   Science Technology and Innovation

The harnessing of science, technology and innovation and its effective use in improving regional and global competitiveness is acknowledged as one of the key foundation for economic development. The Government explicitly places a high premium on the generation and management of a knowledge based economy and the need to raise productivity and efficiency.

3.2.4   Land Reforms

The Government's strategy is to use land to improve the livelihoods of Kenyans. Land is the most important natural resource that Kenya is endowed with and is a critical source of livelihoods and material wealth as it hosts natural resources. The Government will improve access to land, sustainable land use planning and equitable distribution of land for food and nutrition security, attraction of foreign investors, employment, foreign exchange earnings, growth of industries and the socio-economic development. This will be achieved by modernising land registries, developing national spatial plan, undertaking land reforms and conducting land settlement.

3.2.5   Public Sector Reforms

Reforms in the public sector will be aimed at ensuring that public officers observe the principles of efficiency, human rights and good governance, integrity, transparency, accountability and sustainable development. This will be achieved through implementation of Results Based Management systems,

one stop Integrated Service delivery model, competency based training and capacity building and tax reforms.

3.2.6   Labour and Employment

The Government recognises that despite improvement in economic growth, the economy has not generated sufficient employment opportunities for entrants into the labour market. The objective of the Government is for every Kenyan to have a decent and gainful employment and targets to create an additional 1.43 million job opportunities by 2017.

3.2.7   National values and ethics

The national values and principles of governance are aimed at promoting a strong national identity, effective representation and leadership, equitable allocation of resources and opportunities, good governance, and sustainable development.

This will be achieved through inculcation of national values and principles of governance at the various levels of education and training, transforming public sector institutions to establish systems, structures and processes that promote the national values and the principles of governance. In addition, the private sector will also be encouraged to promote national unity and cohesion.

3.2.8   Ending Drought Emergencies

Drought is the single most disastrous natural hazard in Kenya and occurs frequently causing damages and losses. The Government will focus on creating drought resilience by providing security, infrastructure and human capital. The Government will improve security to make it easier for people to migrate when necessary to access services and resources.

3.2.9   Security, Peace Building and Conflict Resolution

The creation of a nation free from danger and fear is critical for establishing a foundation in which every individual can pursue their dreams and realise them. Peace provides an enabling environment for individuals and businesses to thrive. The focus will be on creating capacity of the Government to protect its citizens and property. To achieve the Government will undertake a modernisation programme of the security infrastructure and improvement of equipment, personnel and facilitation for effective and efficient provision of security policing. An integrated approach to security management will also be implemented.

3.3   Key Pillars

The long term development strategy of the Government aims at creating a globally competitive and prosperous country with a high quality of life by 2030 by transforming the country into a newly – industrialising, middle income country. This vision is anchored in three pillars; economic, social and political governance.

3.3.1   Economic Pillar

The economic pillar aims at achieving an average economic growth of 10 per cent per annum and sustaining the same up to 2030. During this Plan period the Government expects to improve the rate of economic growth to achieved 10.1 per cent by 2017. This will be achieved by amongst others, growing the tourist arrivals from 1.8 million in 2012 to 3.0 million by 2017 and increasing tourist earnings from Ksh.96.0 billion to Ksh.200 billion.

In agriculture the focus will be the adoption of climate smart agriculture such as harnessing farm waste as a source of organic fertilizer, use of bio-fertilizer that does not contribute harmful emissions, better weather forecasting, growing resilient food crops managing post-harvest losses and crop insurance. The target will be to grow the sector by an average of 4.3 per cent per annum. To improve trade, the Government will focus on building wholesale hub markets, creating and profiling of producer business groups, building tier-1 retail markets, establishing the national electronics single window, establishing a credit guarantee scheme and establishing of micro small medium enterprises centres of excellence in all counties.

In order to enhance the contribution of manufacturing to economic growth, the Government will establish special economic zones, develop SME and industrial parks, develop industrial clusters, develop integrated iron and mini steel mills, skills development for technical human resource for the manufacturing sector and natural products initiatives. Kenya targets to become the top off shoring destination in Africa by establishing ICT infrastructure and connecting every region.

In the Financial services sector, Government will focus on reducing the level of exclusion from financial services, reducing the cost of credit, increasing access to finance for SMEs, increasing the level of penetration of insurance services and increasing the number of people covered by pension schemes. In the new sector of oil and other minerals the focus will be to develop an appropriate institutional and legal framework for the exploration, exploitation and development of natural resources to ensure that they benefit the people and contribute to national development.

3.3.2   Social Pillar

The social pillar focuses on developing education and training that is linked with the labour market and that creates entrepreneurial skills and competencies, mainstreaming national values and strong public and private partnerships. The key focus will be to actualise the right to free and compulsory basic education, enhancing quality and relevance of education and training, integrating ICT into teaching and learning, improving governance in the sector, enhancing post basic education and education in Arid and Semi-Arid Areas.

In health the focus will be to ensure realization of right to health by providing equitable, affordable, and quality health care to all citizens. This will be achieved by improving access to referral systems, scaling up of community health high impact interventions, construction of model level 4 hospitals, health subsidisation, improve numbers and quality of health personnel, improvement of systems for acquisition and distribution of health products and technologies, establishing e-health hubs and mainstreaming research and development in health.

In the Environment, Water and Sanitation Sector the overall goal is to attain a clean, secure and sustainable environment. This will be done by strengthening environment governance, waste

management and pollution control, rehabilitation and protection of water towers and urban rivers, forest and wildlife conservation, water resource management and irrigation and drainage infrastructure.

In order to cater for the growing population which is expected to reach 46.7 million in 2017, the Government plans to implement the Population Policy for National Development, implement strategic development and investment plans in six metropolitan regions to create jobs, produce 200,000 housing units annually, undertake slum and informal settlement improvement programmes, implement measures to manage population growth and undertake policy, legal and institutional reforms to manage population, urbanisation and housing.

To support the gender mainstreaming, youth, women and vulnerable groups, the Government will work towards compliance with international and regional obligations on gender equality, women empowerment and vulnerable groups. In Kenya, sports, culture and arts have proved to be a major contributor to socio-economic development. The Government will set up International Academy of Sports, rehabilitate sports stadia, establish International Arts and Culture Centre and undertake necessary policy, legal and institutional reforms to improve the sector to position it to contribute more to national development.

3.3.3   Political Pillar

The Constitution adopted in 2010 provides for governance of the country under a two tier system; a national government and 47 county governments which are distinct but interdependent. The implementation of Devolution during the plan period is expected to provide every Kenyan with the social and economic benefits that they are entitled to under the Constitution. In order to fully make devolution work, the Government will ensure that appropriate human resources are available at the counties, civic education on devolution is conducted and resources mobilised and utilised for effective implementation of the devolution process. The effective and efficient delivery of services to the public at the county level will also be improved through development of integrated development plans and adoption of performance management systems.

Under Governance, Justice, Law and Order Sector (GJLOS) the focus will be on implementing critical programmes aimed at improving the sector. There include programmes on: the Constitution and Legal Reforms; Leadership, Ethics and Integrity; National Cohesion and Integration programme, Legal Aid Awareness and Judicial Transformation.   These are aimed at ensuring that governance and the rule of law are improved through implementation of the constitution and the practice of the national values and principles of governance. This will contribute to national cohesion and reconciliation, effective operation of devolution, and improvement of the livelihoods and freedoms of Kenyans.

4.0   ROLE OF KCAA

4.1   Mandate

The Authority plays a critical role in ensuring that an appropriate air transport system is established and sustained to support the development of the country. As a regulator, the Authority promotes a regulatory environment that is conducive to the growth of a vibrant and competitive air transport

industry while as a service provider the Authority provides air navigation services infrastructure and training facilities at the East African School of Aviation.

The Authority's role is to support the infrastructure enabler and air transport operations in the country. The detailed mandate as provided for in the Civil Aviation Act No. 21 of 2013 is as follows:

- Licensing of air services;
- Provision of air navigation services, planning, development and formulation for safe and efficient utilisation of Kenyan airspace;
- The establishment and maintenance of a system for the registration and the marking of civil aircraft;
- Securing sound development of the civil aviation industry;
- Advising the Government on matters concerning civil aviation
- Coordination and direction of search and rescue services;
- Facilitation and provision of all the necessary support for the aircraft accident and incident investigations conducted by the investigator in charge;
- Carrying out investigations on incidents that are not classified as accidents and serious incidents;
- Safety, security and economic and technical regulation of civil aviation;
- Dealing with incidents of unlawful interference with aviation security;
- Establishment, coordination and maintenance of State Safety Security Programmes;
- Certification of aircraft operators;
- Enforcement of approved technical standards of aircraft;
- Licensing and monitoring of aeronautical personnel;
- Provision of technical services for the design; installation, and modification of electronic, radio, and other equipment used in the provision of air navigation services;
- Ensuring integrity of the systems, equipment and facilities of the Authority;
- Issuance and dissemination of the publications referred to in the civil Aviation Act;
- Production of accurate, timely comprehensive and relevant air transport information for planning and decision making purposes;
- Approval, certification and licensing of aircraft maintenance organisations and regulation of aviation training institutions
- Establishment, management and operation of training institutions for the purposes of the Authority
- Registration of rights and interests of aircraft;
- Planning, development and formulation of the airspace master plan for the safe and efficient utilisation of Kenya Airspace;
- Establishment, cordination and maintenance of state aviation safety and security programmes;
- Licensing and certification of aerodromes regulated agents and air navigation service providers;
- Performing economic oversight of air services, protecting consumer rights, environment and ensuring fair trading practices;
- Giving effect to the Chicago Convention and other international agreements relating to civil aviation to which Kenya is party; and

- Performance of such other functions as may, from time to time, be conferred on it by the Cabinet Secretary or by any other written law

KCAA discharges its mandate through three operational and one support directorate namely: Aviation Safety Standards and Regulation, Air Navigation Services, East African School of Aviation and Corporate Services. The first three provide the services which are core to the mandate of KCAA, while Corporate provides support services.

The Authority ensures efficient management of civil aviation operations by continuously evaluating its oversight and service delivery processes in an effort to sustain high safety and security standards. Through audits and implementation of corrective action plans, the Authority is able to continuously learn and improve its services.

Establishment of a vibrant and highly competitive civil aviation industry is critical for the development of any country. In recognition of the foregoing role, KCAA encourages investments from both domestic and international air operators. In so doing, it promotes the principles of fair competition in the aviation industry.

4.2   Services Provided

4.2.1   Aviation Safety and Security Regulation (ASSR)

The main function of this directorate is to ensure enforcement of aviation safety and security oversight, and carry out economic regulation of the industry in Kenya. This function is discharged through six departments as listed below:-

a) **Flight Operations:** Responsible for issuance of Air Operators Certificate (AOC), in-charge of aircraft operation safety oversight, approval and monitoring of AOC holder training programmes, station facility inspections and evaluation/approval of flight training simulators;

b) **Airworthiness:** Responsible for overseeing aircraft inspections, airworthiness of aircraft approvals, licensing of Aircraft Maintenance Organisations (AMOs) and Aircraft Maintenance Engineers (AMEs), and continual monitoring and surveillance of AMOs, AOCs, Aviation Training Organizations(ATOs) and AMEs;

c) **Personnel Licensing:** Responsible for aircraft registration, aviation personnel licensing, surveillance and ATO certification;

d) **Aviation Security:** Responsible for Airport Aviation Security system audits, Operator Aviation Security Programmes approvals, Certification of cargo handlers, Management of the Kenya National Civil Aviation Security Programme, and continual monitoring and surveillance of operators' security programmes;

e) **Aerodrome, ANS and Meteorology:** Responsible for certification and surveillance of aerodromes, ANS operations and aviation meteorology;

f) **Air transport:** Responsible for economic regulation of the air transport sector, issuance of air service licenses, ad hoc clearances, aircraft lease approvals, and participation in Bilateral Air Service Agreements (BASAs).

4.2.2 Air Navigation Services (ANS)

The Directorate is responsible for providing air navigation services within the Kenyan airspace and other airspaces delegated to Kenya by ICAO. In order to provide the required air navigation services for safe landings, take-offs and over flights, the Directorate has installed equipment in various parts of the country. Due to the heavy capital investment made in the past few years through acquisition of ANS equipment, Kenya currently benefits from some of the most modern air navigation infrastructure in Africa.

This Directorate is responsible for the operation and delivery of a range of air navigation services which include:

a)   Air Traffic Management Services

There are various types of services offered by air traffic control for the purposes of ensuring safe and expeditious flow of air traffic;

i) En-route Control: These are offered at JKIA by Area Control Centre for over flights, landing and departing aircrafts. These services enable aircrafts to navigate through the airspace and are backed by ground equipment situated all over the country;
ii) Approach Control: these are offered in all the airports manned by KCAA except Lokichoggio and Wajir;
iii) Aerodrome Control: These are offered in all the eight major airports. These services allow aircrafts to come and leave the aerodromes. These are backed by the instrument landing systems that enable aircrafts to land and take off safely;
iv) Air Traffic Flow Management (AFTM): The objective of this service is to ensure optimum flow of Air Traffic to or through areas during times when demand exceeds, or is expected to exceed, available capacity of the Air Traffic Control System;
v) Search and Rescue: this involves the coordination and direction of search and rescue services with all partner agencies for aircrafts in distress.

b)   Aeronautical Information Services

These entail timely collection, processing and dissemination of aeronautical data/information on safety, regularity, and efficiency of air navigation. These services are offered through five core units namely:-

i) The International NOTAM Office (NOF): Responsible for the promulgation of NOTAM and facilitates the international exchange of NOTAM;
ii) AIS aerodrome: This facilitates flight plan management and pre-flight briefing services at the 8 airports manned by KCAA;
iii) AIS Headquarters: Responsible for collection, collation, compilation, processing and dissemination of aeronautical data through regular updates to the AIP and issuance of AIP Supplements, Aeronautical Information Circulars and list of valid NOTAM.
iv) Cartography unit: the unit develops and maintains aeronautical maps and charts, coordinates WGS 84 surveys and manages electronic terrain and obstacle data base. It also deals with the construction and maintenance of visual and instrument flight procedures.

v) PANS Ops Involved in construction and maintenance of visual and Instrument flight procedures within Kenya airspace

c)   Engineering Services

It is responsible for planning, development, implementation and maintenance of appropriate CNS/ATM facilities in line with global ICAO CNS/ATM Plan, AFI Air Navigation Plan, and domestic requirements.

4.2.3   The East African School of Aviation (EASA)

In the recent past, EASA has undertaken infrastructural upgrade in core areas of business aimed at improving its capacity to deliver quality aviation training programmes. The School is currently implementing a modernisation programme that focuses on attracting and retaining its customers who currently extend beyond Kenya's borders. EASA was accredited by IATA in 2006, and is one of the 16 ICAO recognised aviation training institutions in the world. These milestones will reposition the School as a strategic business unit in KCAA. The School is responsible for providing aviation training in the following areas:

a)   Aeronautical Engineering;
b)   Air Traffic Services;
c)   Aeronautical Information Services;
d)   Communication, Navigation and Surveillance Equipment Maintenance;
e)   Aeronautical Communication Operations;
f)   International Air Transport Association courses (IATA);
g)   Aviation Security;
h)   Aviation Safety;
i)   Aviation Management Programmes and
j)   Search and rescue.

4.2.4   Corporate Services

There are eight corporate functions that offer support services to the above three operational directorates, namely;

a) Finance;
b) Human Resource & Administration;
c) Information Communications Technology (ICT);
d) Corporate Communication;
e) Procurement;
f) Corporate Planning;
g) Internal Audit and Review; and
h) Corporation Secretary/Legal Services.

As a regulator of the civil aviation industry, KCAA's role is to ensure the expansion of air transport infrastructure and the operation of a safe and secure industry to support the national transport infrastructure. In addition, the Authority is also mandated to ensure the development of a vibrant and competitive industry in the country, which provides increased accessibility to social services, employment, markets and leisure. The Authority also provides support to the infrastructure enabler by providing air navigation services for the purposes of safe control and separation of aircraft.

5.0 SITUATIONAL ANALYSIS

5.1 Business Environment

Kenya being part of the global aviation community is affected by developments in the international aviation industry as they necessitate change in the delivery of services and investment patterns. The developments have not only had significant impact but they will also continue to shape the future of international civil aviation.

5.1.1 Aviation Safety

The compliance of an aviation industry with ICAO Standards and Recommended Practices is highly essential to achieving the goal of aviation safety. ICAO initiated the Universal Safety Oversight Audit Program (USOAP) with the objective of ensuring that global aviation safety standards are achieved. The audits consist of regular, mandatory, systematic and harmonised safety checks to determine the status of implementation of safety-related SARPs.

In October 2004 ICAO adopted the comprehensive systems approach for audits conducted under USOAP. This broadened the ICAO Oversight Audit Programme to cover all safety related ICAO SARPs. In an effort to improve safety, KCAA started undertaking various safety measures including a review of legislation related to safety. KCAA developed all the relevant safety regulations and guidance materials and recruited and trained flight safety inspectors. KCAA will undertake a continuous implementation of the Corrective Action Plans agreed after audits to improve the level of compliance.

5.1.2 Aviation Security

The strengthening of Aviation Security is both a goal and a challenge due to the threat of global terrorism attacks on civil aviation industry. The attacks that occurred in September 2001 demonstrated that the consequences of inadequate security can be more severe and tragic than previously imagined. Since the attack, the industry has initiated a number of efforts designed to strengthen the security of all aspects of commercial civil aviation.

ICAO established a plan of action for strengthening aviation security which included a programme of regular, mandatory, systematic and harmonised audits to evaluate aviation security in all member states and to help identify and correct deficiencies in the implementation of security related SARPs. Consequently, the Universal Security Audit Program (USAP) began in November 2002 and Kenya was first audited in June 2004 and again in June 2008. KCAA continuous to implement the Corrective Action Plan developed after the audit in order to address deficiencies identified.

5.1.3 Air Transport

As the primary mode of long distance transport within and between nations, air transport has become a crucial facilitator of economic activity. The 6th ICAO World-wide Air Transport Conference of March 2013 discussed and established a consensus on a framework for the improved accessibility of markets by air operators, air carrier ownership and control, consumer protection and fair competition amongst other critical issues facing the industry. In the area of market access, States are expected to continue to pursue liberalization of market access at a pace and in a manner appropriate to needs and circumstances, giving due regard to the interests of all stakeholders, the changing business environment and infrastructure requirements. As the industry grows, ICAO expects States to take into account the interests of the industry, air travellers and other aviation stakeholders and to ensure that the needs of consumers of air transport services are protected.

The focus in the future is to have States liberalize air carrier ownership and control, according to needs and circumstances, through various existing measures, such as waiver of ownership and control restrictions in bilateral air services agreements. The strategy in Africa is to achieve efficiency of air transport by enhancing and creating open markets under regional economic arrangements. At the EAC level, the competition rules are being developed to provide the expansion of air transport and improved accessibility of the Common Market. Currently economic regulation of airlines and oversight responsibilities are done by KCAA using the Licensing of Air services regulations to manage entry into the market and operation to ensure increased accessibility of services to various parts of the country.

5.1.4 Air Navigation Services

ICAO keeps up with the latest technological developments and ensures that SARPS are developed that are in line with future air navigation infrastructure plans. Each of the standardised technologies has specific performance characteristics and features suitable for specific applications and scenarios within the framework of the global Air Traffic Management Operational Concept and the Aviation Systems Block Upgrade (ASBU).

ICAO has recommended the usage of satellite based technologies. This will entail an evolution from a ground based system to a satellite based system of air traffic management. This evolution is expected to provide effective solutions as the demand for airspace capacity increases. These developments will be realized through technological innovations in weather forecasting, data networking and digital communications. It will also entail implementation of the Safety Management System for operations.

KCAA is in the process of modernising its ANS facilities to cope with technological advancements. An example of such technology is the Performance Based Navigation (PBN) system which allows more aircraft to fly closely on direct routes. This results in reducing delays and providing benefits for the environment and the economy through reductions in carbon emissions, fuel consumption and noise. These will be implemented in order to establish systems and operations that improve on safety, efficiency and achieve a seamless civil aviation air navigation system.

5.1.5 Air Traffic Trends

The response by the international aviation community to improve safety and security aided by the growth of the world economy after the tragic events of 11th September 2001(USA) contributed to a sustained growth of the aviation industry until 2009. After 2009, scheduled passenger traffic declined by 3.1% with a load factor of 75.6% while freight declined by 15% with a load factor of 49.1%. The performance was the worst for the industry since 2001, caused partly by the global financial crisis. The decline was in all the regions except Middle East where carriers posted a 10% growth. Capacity offered by airlines in terms of available seat kilometres declined by 3.1% in response to the declining demand.

With the improvement of the world economy in 2010, a passenger traffic growth of 3.3% is expected with full recovery expected in 2011, when the growth rate is expected reach 5.5% per year. Freight traffic is also expected to grow as the world trade volumes pick up during 2010 and 2011.

In Kenya, total passenger traffic increased by 22.6% between 2005 and 2010 to reach 7.2 million. This was composed of 2.3 million domestic passengers and 3.7 million international passengers and 1.2 million transiting passengers. Passenger numbers increased to 8.5 million in 2012 while freight handled declined from 305,986 tonnes in 2011 to 296,395 tonnes in 2012.

5.2 Environmental Scan

During the strategy review process, data and information was collected on both internal and external factors that impact on attainment of KCAA's goals and objectives. The scan sought to create an understanding of both the external and internal environment in which KCAA operates; locally, regionally, and internationally. Apart from identifying internal factors (strengths and weaknesses), external factors (Opportunities and Threats) that will impact the Authority in attainment of its objectives were also identified.

5.2.1 Internal Environment (Strengths and Weaknesses)

The internal analysis of the Authority was carried out to determine the Authority's competences and capabilities (Strengths) and the hindering factors (Weaknesses) that will influence attainment of its objectives and ability to deliver on its vision and mission.

5.2.2 External Environment (Opportunities and Threats)

The external analysis identified gaps and factors that impact on the Authority's ability to achieve its vision and mission. The analysis covered macro-factors (local, regional, and global) that may influence KCAA's operations over the planned period. These factors presented KCAA with Opportunities and Threats.

5.3 Stake holder Analysis

KCAA being a regulator and service provider recognises the importance of a harmonious relation with the internal and external stakeholders. It will thus deliberately strive to provide a favourable environment for optimal operations. The management and staff are its internal stakeholders and they impact services, whereas the external stakeholders include those elements or groups that directly affect or are affected by KCAA's operations. The external stakeholders' concerns and interests are critical in decision making and these were analysed and targeted to be addressed.

5.4   Strategic Issues and Challenges

The Authority's core business is to ensure aviation safety and security in the civil aviation industry. In doing this the Authority is expected to recover operational costs and ensure effective delivery on its mandate. KCAA intends to address issues and challenges that have been identified as strategic to its operations over the next five years;

 i.   Financial sustainability
 ii. Effective Oversight and Delivery of Services
 iii. Management and Coordination
 iv. Modernisation of Air Navigation Services
 v.   Transformation of EASA into a leading centre of excellence in aviation training
 vi. International and Regional Obligations

6.0   STRATEGIC MODEL

6.1   KCAA Strategic Direction 2012/13 - 2016/17

This new strategic direction is informed by the past experiences, gaps identified during implementation of the previous plan and the need to take into account emerging issues and risks in the environment in which KCAA operates. The overall corporate strategy will focus on development of a sustainable revenue resource base, initiating institutional reforms that add value; undertaking organizational capacity development and strengthening implementation of planned activities over the next five years.

Mission

The Mission of KCAA is founded on the mandate of the Authority. We shall exist to:

"To develop, regulate and manage a safe, efficient and effective civil aviation system in Kenya"

We encourage active stakeholder participation in our programmes and consistently strives to uphold acceptable resource management practices to enhance efficiency and effectiveness in regulation and service delivery.

Vision

As an organization, we envision to:

"To be a model of excellence in civil aviation"

All stakeholders, both internal and external, will share with us this Vision into eternity.

Core Values

We shall adopt and promote relevant local, regional and global conventions and protocols relating to civil aviation. Our operations and decision making processes will be undertaken in consistence with the following six values (mortar for our pillars);

- **Commitment to Safety and Security**: We endeavour to maintain a safe and secure environment in all areas of our operations and entire civil aviation industry within our jurisdiction

- **Customer Focus**: We undertake to embrace, meet, delight and exceed our customers' expectations through passionate pursuit of service excellence. We shall invest in systems that continuously enhance quality service provision to our customers as a priority.

- **Commitment to Fairness and Equity**: We commit to be fair and promote equity in all our activities. We enforce our corporate Non-discrimination policy at an arm's length.

- **Commitment to Staff**: We undertake to continuously invest in our human capital to enhance professionalism and integrity.

- **Creativity and Innovativeness**: We recognize and encourage initiative, creativity and innovation aimed at adding value to our operations and supply chain command.

- **Respect for Diversity**: We recognize and appreciate differences in gender, race, disability, region, age and generation. The differences complement and bind us together as one family, KCAA.

6.2 Goals and Specific Objectives (2013-2017)

Key Result Area 1: Sustainable safety and security oversight system.

Specific Objectives:

(i) *Develop an effective aviation safety regulatory system that minimizes the number of accidents and incidents rates to achieve the world average*

The establishment of an effective safety oversight system is important for the development of the appropriate framework required for improved safety. It influences the number of accident rates and incidents which is an indication of the level of safety in a country. KCAA and the industry shall work together in an effort to minimize accidents. This will entail implementation of ICAO requirements and the recommendations of the ICAO Coordinated Validation Missions (ICVM) to ensure necessary interventions are identified and implemented to reduce accidents and incidents.

(ii) *Develop an effective aviation security regulatory system that minimizes incidents of unlawful interference with civil aviation activities.*

The achievement of a secure environment is dependent of effective security oversight systems that regulate civil aviation activities to ensure compliance with regulations and requirements. The ICAO Continuous Monitoring Approach requires security deficiencies to be identified all the time and not just during audits and corrected by KCAA and the industry to ensure compliance. This process of

identifying deficiencies and working together with the industry for resolution of security concerns is geared towards implementation of improved security control measures that lead to prevention of acts of unlawful interference.

(iii) Develop and ensure implementation of relevant Civil Aviation regulations and technical guidance materials.

The existence of appropriate regulations and technical guidance materials provides a framework for compliance by the civil aviation industry and enforcement by KCAA. Continuous updating of the regulations and guidance materials to reflect changes proposed in ICAO Annexes and follow up for implementation ensures that the industry is compliant with ICAO SARPs. Harmonization of these regulations and guidance materials in the East African Community will facilitate joint utilization of resources in the provision of oversight functions.

(iv) Minimize the adverse effects of aviation activities on environment

The operation of civil aviation contributes to the degradation of the environment. The major areas of concern relate to aircraft emissions and noise around the airports. There is need to promote the growth of the industry while at the same time ensuring that the operators observe the provisions of the regulations on environmental protection.

Key Result Area 2: Dynamic and sustainable air transport system

Specific Objectives:

(i) Develop and implement an effective and efficient economic regulatory system.

Air transport is a major contributor of economic growth through the facilitation of movement of passengers, goods and services and promotion of trade and tourism. It is therefore important that a conducive economic regulatory regime based on principles of good regulations (fairness, transparency, accountability, proportionality and consistency) be established and implemented. This will ensure that the industry expands and continues to play a leading role in the transportation of passengers, goods and services within the country and across the globe. It is also important that the industry is facilitated to increase its route networks and frequencies and improvement in the breakeven load factors.

(ii) Develop an effective and sustainable Aviation Consumer Protection system.

Satisfaction of consumer needs and interests is a major focus of successful business undertakings including the aviation industry. It is therefore imperative to create efficient and effective aviation consumer protection machinery that: promotes quality in service, mutual confidence among stakeholders and patronage of the aviation industry. To achieve this objective, appropriate regulations and codes of conduct need to be developed to promote awareness of and respect for consumer rights and obligations, monitoring and regulation of the activities of aviation service providers to ensure that the rights of the consumers are protected and that they obtain value for services.

Key Result Area 3: Safe, orderly and expeditious flow of air traffic

Specific Objectives:

   (i)   *Modernize Air Navigation Systems*

The modernization of equipment is necessary to ensure that emerging technologies are adopted and implemented for the effective delivery of ANS services and improvement of safety. This will require installation of new facilities and replacement of ageing equipment. The Authority will develop appropriate programmes to ensure proper asset and facility management. KCAA will develop and implement training programmes for both technical and operational personnel in line with new developments.

   (ii)   *Prevent aircraft collision and minimize the number of operational incidents by 50% of current levels.*

Aircraft collisions and operational incidents should be avoided at all costs. The prevention of aircraft collisions and operational incidents will be achieved by reviewing the operational procedures employed in the provision of Air Traffic Services and the introduction of emerging concepts. Capacity building will also be enhanced and the "Just Culture" of voluntary incident reporting system which is non-punitive will be implemented. ANS directorate together with the legal department will develop legislation on voluntary non punitive incident reporting.

   (iii)   *Safe and efficient Management of quality Aeronautical Information*

The provision of aeronautical information is necessary for the safe conduct of air navigation. Efficient management of AIS will be achieved through the timely dissemination of quality information for safe aircraft operations. The current AIS will transition from providing product based services to digital Aeronautical Information Management (AIM) in accordance with ICAO Transition road map.

Key Result Area 4: Institutional Strengthening and business processes and systems

Specific Objectives:

   (i)   *Implement and maintain ISO 9001-2008 certification*

The implementation of quality management systems is crucial in the delivery of effective and efficient services. ISO provides the necessary framework for the improvement of service delivery in an organization. The implementation of quality management systems by the Authority will ensure consistent delivery of quality services to customers.

   (ii)   *Develop and implement annual Departmental operational plans*

The development of operational plans by all Departments is necessary for the effective implementation of this Strategic Plan, Performance Contracts and allocations of funds in the budget. Departments will be required to prepare annual operating plans at the beginning of each financial year.

(iii)   Implement Management Information Systems

Most of the Authority's operations are currently manual thus constraining its ability to offer services in a more effective and efficient manner. To reverse the foregoing, there is need to improve the current level of automation by implementing a comprehensive and integrated Management Information System (MIS).

(iv)   Acquire own head office premises

Since its inception in 2002, the Authority headquarters has been operating from rented premises. Acquisition of own premises will allow the Authority to have adequately branded offices designed to meet the needs of staff and customers. This in turn will contribute to improved visibility and the development of the Authority's own positive corporate identity. During the plan period necessary steps will be taken to acquire a headquarter premise for the Authority.

(v)   Develop appropriate legislative framework

The currently regulatory framework as provided in Civil Aviation Act requires to be reviewed to address the following issues; separation of the regulatory and service provision functions and also to clearly define the mandate of KCAA as a regulator. In addition, there is need to review existing regulations to bring them in tandem with developments in the aviation industry and strengthen the overall enforcement aspects of the regulations.

(vi)   Establish effective organizational systems for monitoring, evaluation and research

A major lesson learnt during the implementation of the first strategic plan is that although a number of programmes and projects were initiated, they were not fully implemented due lack of an effective mechanism for monitoring and evaluation. The key milestones defined in the plan will be achieved through the development and implementation of an effective monitoring and evaluation system. The Authority lacks clear policy on how to conduct research and undertake the necessary documentation on various areas of service provision. In order to bridge this gap, a framework will be developed to guide all activities pertaining to research, development and documentation.

(vii)   Promote good corporate governance practices

The Government has been laying a lot of emphasis on the need to enhance corporate governance as one of the key strategies to improve delivery of service in the public sector. During the Plan period the focus will be to train the Board and management to ensure proper utilization of resources and establishment of strong accountability systems. Also to be pursued is the restructuring of the Authority based on the recommendations of the study for the establishment of a framework for separation of the regulatory function from the service provision function.

Key Result Area 5: Performance driven human capital

Specific Objectives:

(i)   Implement the proposed organizational, grading and remuneration structures

The human resource consultancy report approved in 2011 established the need for appropriate organizational and remuneration structures that will facilitate KCAA to meet the requirements of the aviation industry. Implementation of the proposed structure will address current deficiencies related to redundant structures, reporting systems, lack of clear job descriptions and well defined person specifications. KCAA will require to strengthen the workforce profile, realize optimum staff levels and review remuneration to retain relevance with the market and to enable KCAA attract and retain competent staff.

(ii) *Enhance staff motivation and productivity to increase employee satisfaction by 2% points every year.*

Human resource is the most important resource in any organization. Attracting, retaining and inspiring staff to deliver targets is crucial as it leads to improved productivity of the organization. A highly motivated workforce provides quality services that delight customers and contribute to the development of the organization through their innovative ideas.

(iii) *Achieve positive corporate culture change*

An organizational culture defines the values that are upheld by the people in the organization and these affect staff morale, staff turn-over and productivity. It is important that an organization understands cultural issues of the work environment and works towards developing a positive work culture that is aligned to its strategy and aspirations as stated in its values. By addressing the negative issues of organizational culture in KCAA and deliberately implementing initiatives to develop a positive work culture an organization can increase staff morale and productivity.

Key Result Area 6: Financial sustainability

Specific Objectives:

(i) *Maximize on revenue realization by increasing revenue earnings*

The maximization of revenue realization is a desire of any organization. This will enable KCAA to increase its revenue and allow it to undertake necessary investment and meet its operational obligations. With increased ability to meet its financial obligations and to attract the appropriate staff, KCAA will improve safety and security levels and enhance service delivery to customers.

(ii) *Ensure optimum utilization of resources to achieve higher productivity.*

The optimum utilization of available resources enables an organization to increase productivity while at the same time ensuring that gains achieved are re-invested to acquire more resources to serve new customers. KCAA need to secure ownership of all its assets by acquiring the necessary documents.

Key Result Area 7: Customer Service

Specific Objectives:

(i) *Improve quality of the services to increase customer satisfaction*

The delivery of quality services adds value to the businesses of customers and enhances the relationship between the Authority and its customer. An analysis of the customer satisfaction survey reports indicate a number of areas which needs to be addressed to ensure that the Authority is able to meet the requisite performance thresholds as indicated in the Service Charter. These areas include slow delivery of service, limited range of the products and services offered by EASA and lack of effective responsiveness to needs of the customer.

(ii) Improve KCAA Corporate Image

The Authority currently lacks a favourable and a positive corporate image. Further, there is a level of perception among the stakeholders that the Authority is not asserting itself and providing the required leadership to the aviation industry. The improvement of the Authority's image will therefore be important in the Plan period so as to enhance the impression created to the stakeholders.

Key Result Area 8: International aviation training centre of excellence

Specific Objectives:

(i) Achieve relevant regulatory approvals

EASA as a training institution is required by regulations to be registered by relevant bodies to qualify to train, examine and certificate, failure to which the certificates issued will not be recognized. During the Plan period EASA will seek to maintain approvals acquired in the recent past. These include approvals as an Approved Training Organization (ATO) and an ICAO TRAINAIRPLUS Centre.

(ii) Establish an EASA Academic Committee

The suitability of EASA to offer the envisaged higher aviation academic programmes depends on its ability to meet academic regulatory framework for institutions of higher learning as set out by the Commission for Higher Education (CHE) and other regulatory institutions. A governing body to oversee the effective Academic management of the School will be established

(iii) Enhance EASA's capacity to diversify and deliver quality products and services

The ability of any training organization to offer quality training is dependent on the skills (qualifications and competences) of the resource persons, the development of relevant curricula and the set-up of the entire training infrastructure. EASA will develop the training infrastructure and equipment, diversify its programmes and enhance its capacity to deliver quality courses and services that meet international aviation training requirements.

7.0 MONITORING, ACCOUNTABILITY AND RISK

7.1 Purpose of Monitoring and Evaluation

A monitoring and evaluation system is necessary to ensure that KCAA at corporate and directorate levels has timely, focused, objective and evidence-based information on the performance of its

activities. It requires observation, measurement, feedback, and guidance. In this regard, KCAA will, as a matter of priority, establish an effective monitoring and evaluation system consisting of:

(i)   Appropriate performance indicators
(ii)   Data collection and reporting system
(iii)   Evaluation and review mechanism

In this Strategic Plan control mechanisms have been put on quality, efficiency, innovation and customer responsiveness. This implies that the services offered by KCAA shall be of high quality.

7.2   M & E Framework, Monitoring Methodologies and Evaluation Mechanisms

(i)   The relevant Board Committee controls the evaluation process and undertake reviews that provides strategic directions
(ii)   The Planning Committee will monitor, evaluate and report progress to board
(iii)   A system of getting feedback shall be put in place to receive and manage feedback from all the directorates and departments – through the planning committee's monthly reports
(iv)   The tools for measurement of performance in various activities are given in the implementation matrix as performance indicators.
(v)   The envisaged M & E framework; monitoring methodologies; and evaluation mechanisms that will be put in place are as follows:

Directorate	Monitoring Methodologies; and Evaluation Mechanisms
Overall (KCAA)	**M&E Levels:** • Board • Directorate • Department **M&E Methods used:** • Mid- term review • Performance contract appraisals • Periodic Reports • Management review meetings • Audit inspections **M&E frequency:** • Monthly for Directorate & Departments (management) • Quarterly for Board and Management • Yearly for the Board
The monitoring and evaluation of the Strategic plan will be undertaken at three levels, the departmental/directorate, corporate management and Board level. This will be done through review meetings and reports which shall be generated monthly at directorate/departmental level, quarterly at management and board level	

7.3 Risk Analysis

The envisaged objectives of a plan will only be realized if the conditions in the internal and external environment (Assumptions) do not change in ways that are not anticipated at the time of its preparation. It is therefore necessary to qualify the success of the plan by making the assumption that the prevailing and anticipated conditions in the operating environment will not vary significantly from what is known. This qualification is particularly important for cases, such as in Performance contracting and Results Based Management push for transformative leadership, where specified levels of achievement are expected.

At the same time there may be potential factors and events (Risks), which if they occur, will threaten the degree to which the planned objectives may be met. Whereas these factors and events can happen, it is generally assumed that they will not occur during the plan period. The following are the assumptions for KCAA activities over the next Plan period:-

It is assumed that:
(i) Resources required for the implementation of this Strategic plan will be funded by the KCAA through annual budgetary allocations.
(ii) The restructuring of the Authority will be continued and supported by the central government.
(iii) Financial support from Government to fund or to guarantee loans for investment on capital projects.
(iv) The staffing levels in the Authority shall be optimally maintained.
(v) The ICT to be strengthened to respond to needs of the organisation.
(vi) Minimal staff turnover especially technical staff.
(vii) KCAA shall continuously review the scheme of service to avoid losing staff to other institutions
(viii) East African Community, KAA, industry players and other stakeholders will undertake the envisaged developments (i.e. Vision 2030 and Medium Term Plan).
(ix) Necessary legislations will be facilitated as appropriate by the relevant arms of Government.
(x) Traffic trends will be maintained and required revenue targets achieved.
(xi) Government restructuring of State Corporations and Government agencies will have minimal impact on KCAA.

7.4 Monitoring Framework

The monitoring framework for the Strategic Plan giving the main indicators selected from the Plan are attached as result matrix appendix A.