

90706

Automating Kenya's Permits System

PROJECT AT A GLANCE

COUNTRY/REGION KENYA/SUB-SAHARAN AFRICA

PRODUCT BUSINESS REGULATION

THEME INFORMATION AND COMMUNICATION TECHNOLOGY

The Kenya Investment Climate Program has assisted the government with implementing regulatory reforms since 2005. After unnecessary licensing requirements were eliminated, the government introduced a searchable e-registry of licenses. The next step was automating licensing processes. Construction permits were chosen as the demonstration model for online licensing because that system was viewed by business as particularly burdensome.

CONTEXT

The process of obtaining a building permit in Kenya was so cumbersome and time-consuming that it encouraged evasion and proved detrimental to the overall economy. For example, the City Council of Nairobi (CCN) traditionally only accepted building permit applications manually, and required ammonia blueprints and four copies of each plan.

RESULTS AND IMPACTS

- Reduction of more than two weeks in time required to obtain construction permits, inspections, and occupancy permits.
- Increased industry compliance expected to result in growth of issued construction permits beyond the current 400 per month.
- Reduced construction permit backlog expected to yield more projects and jobs.
- Eight jobs in local economy are created for every 10 construction jobs.
- Streamlined system will stimulate job growth, increase formalization rates among developers, and generate opportunities for greater economic growth.

IN PARTNERSHIP WITH [THE EUROPEAN UNION](#), [THE NETHERLANDS](#), [THE UNITED KINGDOM](#)

“We had to fill an entire car boot with drawings for some projects,” said architect Waweru Gathecha.

Many developers opted to bribe officials into allowing construction to commence, only to find that they could not access bank loans. The cumbersome system brought with it safety risks as well as efficiency problems. In 2011 alone, at least four high rise buildings in Nairobi collapsed during construction due to poor and unlawful building practices. The City Council and stakeholders including the Architectural Association of Kenya were eager and receptive to a reform that would enhance transparency and reduce processing times, potentially leading to cleaner building practices.

OUR ROLE

With support from the World Bank Group, the CCN took several steps to streamline and improve the issuance of construction permits.

- The CCN established a One Stop Center responsible for the construction permitting process. The Council introduced better information and workflow systems and physically re-organized the office floor to mirror the steps of the process.
- Bank Group investment climate teams then worked with a local software developer to build a web platform and automate the e-Construction Permit system.

“Architects and developers will be able to gain from improved speed of permit issuance, increased transparency, profiling of architects and enhanced public safety. The Council also stands to gain from increased efficiency and easier monitoring and enforcement of good construction practices.”

MR. PHILIP KISIA
Town Clerk
Nairobi City

- The CCN launched the first online construction permit system in Sub-Saharan Africa outside of South Africa in September 2011.

Key steps in the process can be accomplished with Nairobi’s new automated construction permit system, including: submission by architects for design approval; evaluation and approval within the CCN; monitoring status of submitted proposal using SMS and email; and issuance of the construction permit. The system includes management reporting at all stages of evaluation as well as archiving of building proposals submitted.



The data capture and retrieval functions enabled as part of the new system are vital to potential investors and entrepreneurs. The new system allows investors to access statistics on property development trends in Nairobi. It also provides a platform for the profiling of architects so users can identify those who see development projects to successful completion. Investors will be able to identify growth areas in the city. Because the statistics are online they will be easier to collect and this will foster transparency.

As a result of this initiative, architects, property developers, and City Council staff can conduct all their planning and approval functions online. The e-Construction Permit system that debuted in Nairobi is now seen as a model for a comprehensive e-licensing system for all of Kenya.

CONTACT

Frank Twagira | Operations Officer | Investment Climate
EMAIL: FTwagira1@ifc.org | TEL: 5735 + 629 | www.wbginvestmentclimate.org