

MINUTES OF THE 1st BOARD MEETING HELD ON 23rd DECEMBER 2002 IN THE BOARDROOM OF COMMUNICATIONS COMMISSION OF KENYA, LONGONOT PLACE 5TH FLOOR, KIJABE STREET, NAIROBI

PRESENT:

Mr. Richard Bell	-	Member
Mr. Samuel K Chepkong'a		Director-General
Ms Mwende Njiraini		Representing the Administrative Manager of KENIC
Mrs. Mercy Wanjau		Acting Secretary

On realization of the quorum, the chairman called the meeting to order at 9.45 a.m.

MINUTE NO. 1/1/2002 NOTICE OF MEETING

The Board noted that the Notice of Meeting did not meet the requisite 7 day notice period as required and decided to waive the requirement of notice in order to hold the meeting. The proposal to waive the notice period was made by Mr. Bell and seconded by Mr Chepkong'a

MINUTE NO. 2/1/2002 - AGENDA

The Agenda was adopted as circulated.

MINUTE NO. 3/1/2002 - APPOINTMENT OF THE CHAIRMAN

In order for the meeting to formally constitute itself, the meeting noted that there was need to appoint a Chairman. Since the articles require the chair to come from the private sector and the other two Directors present were from CCK, it was proposed that Mr Richard Bell be appointed Chairman. This motion was proposed by Mr Chepkong'a and Ms Njiraini seconded this proposal.

**MINUTE NO.4/1/2002 - APPOINTMENT OF SECRETARY
(BOARD PAPER NO.1/2002)**

In compliance with Article 25 of the Memorandum and Articles of Association of KENIC and pursuant to formal constitution of the Board, the meeting noted that there was need to appoint a Secretary to the Board. The Board was invited to consider the appointment of Mrs Mercy Wanjau to act in this capacity. The proposal to make this appoint was made by Mr Bell and seconded by Mr Chepkong'a.

**MINUTE NO. 5/1/2002 - IMPLEMENTATION OF THE
KENIC MANDATE
(BOARD PAPER NO.2/2002)**

The meeting noted that towards the implementation of the .KE registry mandate, KENIC was to draft policies and procedures *inter alia*, which would be subjected to public discussion before adoption. It was necessary to initiate the drafting of policies, procedures and rules through the formal appointment of the Policy Subcommittee.

After due deliberations, the Board resolved to adopt the previous sub-committee constituted by Mr M Katundu, Mr B Longwe and Mr R Bell that had been undertaking this task. Mr R Bell was to chair the meetings.

**Minute No. 6/1/2002 OPENING OF BANK ACCOUNTS
FOR KENIC
BOARD PAPER NO.3/2002)**

In order to formally commence its transactions, the meeting was invited to authorize the opening of a Bank Account(s) for KENIC. After deliberations, it was agreed that the Account(s) be opened with the First American Bank – a reputable bank that was already adopting e-banking solutions to its customers.

The Board was also invited to consider the transfer of KENIC funds that were in the custody of the East African Internet Forum (EAIF) to the KENIC

Bank Account once opened. The proposal to transfer funds was made by Mr Bell and was seconded by Mr Chepkong'a.

**MINUTE 7/1/2002 -INTERIM ACCOUNT ON THE
PURCHASE OF HARDWARE OF
KENIC
(BOARD PAPER NO. 4/2002)**

Ms Njiraini introduced the Board paper and the attached excel spreadsheet detailing the income and expenditure. It was noted that out of an initial allocation of Ksh 8.76 million, Ksh 5,508,332 had been spent in equipment procurement. She also indicated that purchase of additional equipment for the technical setup was necessary and requested the Board to approve these additional purchases. This approval was granted.

She also introduced a letter of appreciation by KENIC to the Commission, for the financial and logistical support that had been extended towards the establishment of KENIC. On behalf of the Commission, Mr Chepkong'a indicated that the Commission was committed to ensure that KENIC was able to realize its mandate.

**MINUTE 8/1/2002 -PREPARATION OF A KENIC SEAL
(BOARD PAPER NO.5/2002)**

Mrs Wanjau introduced the Board Paper on this issue noting the necessity to prepare a seal so that KENIC would formalize its transactions. The meeting approved the preparation of the seal and further indicated that the same should remain in the custody of the Communications Commission of Kenya, for the time being.

**MINUTE 9/1/2002 -CUSTODY OF CERTIFICATE OF
REGISTRATION OF KENIC
(BOARD PAPER NO.6/2002)**

Mrs Wanjau introduced the Board Paper on this matter and invited the Board to consider providing safe custody of the certificate of incorporation of

KENIC by depositing it with the Communications Commission of Kenya. The Board granted their approval.

MINUTE 10/1/2002- APPLICATION BY KENIC FROM EXEMPTION FROM PAYMENT OF CORPORATE TAX AND VALUE ADDED TAX (BOARD PAPER NO.7/2002)

Mrs Wanjau introduced this Board Paper indicating that in view of the tax incentives being enjoyed by the ICT sector in Kenya, application for a tax exemption for KENIC would be in order.

The meeting noted that whereas an application for corporate tax exemption was likely to succeed given the charitable nature of KENIC, this did not appear to be the case for a VAT exemption. After due deliberation, the Board agreed that the KENIC Administrative Manager write to the Kenya Revenue Authority seeking audience to discuss this issue.

MINUTE 11/1/2002 - SIGNING OF THE ICANN MOU (BOARD PAPER NO. 8/2002)

Ms Njiraini informed the meeting that she Mr Katundu had signed the ICANN MoU in the previous month. The meeting noted Mr Katundu's efforts with appreciation

MINUTE 12/1/2002 - KIXP AND JAMBONET LEASED LINE (BOARD PAPER No 9/2002)

Mr Bell informed the meeting that Telkom Kenya Limited was willing to donate a leased line to KENIC on condition that they were invited into the membership of KENIC. Further that, the KIXP was willing to interconnect with KENIC.

The Director-General proposed that in the meantime a radio link between Kabete and Bruce House could be deployed. Mr Bell confirmed that this was a viable alternative solution and Mr Chepkong'a proposed the installation of the new link. Ms Njiraini seconded this proposal. The meeting noted the need

to source for radio equipment on 5.8 GHz and to purchase the same on a priority basis as part of the KENIC equipment. Mr Bell and Ms Njiraini were mandated to develop the specifications of the required equipment.

**MINUTE 13/1/2002 -REMUNERATION OF KENIC
ENGINEER
(BOARD PAPER No 10/2002)**

Ms Njiraini took the meeting through the relevant Board Paper and indicated that the projection envisaged receipt of money to KENIC as soon as 2000 domains had been invoiced. She also introduced the draft letter of employment for the Engineer, noting that the same had a direct financial implication as it had been backdated to September, 2002.

The meeting noted that caution should be exercised in making financial commitments at a time when KENIC did not have any money and recommended that this matter be deferred to the next meeting by which time, the financial commitments of KENIC would have been consolidated. The meeting also agreed that the Engineer would be taken up as an employee of KENIC but recommended that the letter of appointment also be deferred to the next meeting by which time KENIC would have secured some finances.

ANY OTHER BUSINESS

(a) DFID

Mr Bell informed the meeting that there was a possibility of obtaining funding from the DFID and that he was awaiting a concrete response after the Christmas holidays. He will report on the progress made in the next meeting.

(b) TIME-LINE

Ms Njiraini noted that whereas the invoicing was to start on 1/1/2003, as per the time-line, the necessary equipment configuration and the link were not yet in place. It was also noted that for optimum results, it would be prudent to first adopt the Brazilian software. In this regard, the meeting noted that it would not be possible to strictly abide by the time-line and proposed that while every effort would be made to have the system up and running, the billing be scheduled to commence after adoption of the Brazilian software.

There being no other business, the meeting ended at 11.00 am. The next meeting will be held on January 14, 2003 at 9.30am at the same venue.

Confirmed on this.....14th.....day of.....January.....2003


CHAIRMAN


SECRETARY