

LEGAL NOTICE NO.

THE KENYA INFORMATION AND COMMUNICATIONS ACT
(Cap. 411A)

**THE KENYA INFORMATION AND COMMUNICATIONS (UNIVERSAL SERVICE
FUND) REGULATIONS, 2026**

ARRANGEMENT OF REGULATIONS

Regulation

PART I—PRELIMINARY

- 1—Citation
- 2—Interpretation
- 3—Application

PART II—OBJECT AND FUNDING MECHANISMS OF THE FUND

- 4—Object and purpose of the Fund
- 5—Manner of funding programmes and projects

PART III—ADMINISTRATION OF THE FUND

- 6—Universal service levy
- 7—Returns by licensees
- 8—Participation of licensees
- 9—Identification of programmes and projects
- 10—Management of the Fund
- 11—Advisory Council
- 12—Fund accounts
- 13—Annual report
- 14—Investment of the funds of the Fund

PART IV—MISCELLANEOUS PROVISIONS

- 15—Enforcement
- 16—Revocation
- 17—Savings and transitional provisions

THE KENYA INFORMATION AND COMMUNICATIONS ACT
(Cap. 411A)

IN EXERCISE of the powers conferred by section 84P of the Kenya Information and Communications Act, the Cabinet Secretary for Information, Communications and the Digital Economy, in consultation with the Communications Authority of Kenya, makes the following Regulations—

**THE KENYA INFORMATION AND COMMUNICATIONS (UNIVERSAL SERVICE
FUND) REGULATIONS, 2026**

PART I—PRELIMINARY

Citation.

1. These Regulations may be cited as the Kenya Information and Communications (Universal Service Fund) Regulations, 2026.

Interpretation.

Cap. 411A.

2. In these Regulations, unless the context otherwise requires—

“Act” means the Kenya Information and Communications Act;

“Advisory Council” means the Universal Service Advisory Council established under section 102K of the Act;

“Authority” means the Communications Authority of Kenya established under section 3 of the Act;

“Cabinet Secretary” means the Cabinet Secretary for the time being responsible for matters relating to information, communications and the digital economy;

“co-financing” means financial support under which a beneficiary contributes part of the cost of a project funded by the Fund;

“Fund” means the Universal Service Fund established under section 84J of the Act;

“grant” means financial or other assistance from the Fund to support a universal access or universal service programme or project, subject to specified conditions;

“implementation plan” means a plan approved by the Authority for the implementation of specific universal service programmes and projects;

“subsidy” means financial assistance provided from the Fund to offset the cost of providing communications services in unserved or underserved areas;

“underserved community” means a population with limited access to communications services due to geographic, economic, social or other constraints;

“universal access” means the availability of communications services to the public at affordable prices, within a reasonable distance or reach and at an acceptable level of quality;

“universal service” means the availability of communications services at an individual, household or institutional level, at affordable prices and at a specified level of quality, enabling users to subscribe to and use the services, and includes—

- (a) public voice telephony;
- (b) internet access;
- (c) postal and courier services;
- (d) broadcasting services; and
- (e) other communications systems and services;

“universal service levy” means the levy charged by the Authority on licensees for the purposes of the Fund;

“universal service programme” means the general macro-level universal service initiatives aimed at achieving one or more of the universal service objectives; and

“unserved area” means a geographic area where communications services are not available at the minimum levels determined by the Authority.

Application.

3. These Regulations apply to the administration and management of the Universal Service Fund and to the implementation of universal access and universal service programmes and projects.

PART II—OBJECT AND FUNDING MECHANISMS OF THE FUND

Object and purpose of the Fund.

4. (1) The object of the Fund is to support the achievement of universal access and universal service in accordance with the Act.

(2) Without prejudice to the generality of sub-regulation (1), the Fund shall be applied to—

- (a) support the provision of communications services in unserved and underserved areas;
- (b) facilitate access to communications services by underserved communities;
- (c) support initiatives which enhance the affordability, accessibility and usage of communications services;
- (d) support innovation and capacity development relating to communications services; and
- (e) finance programmes and projects approved by the Authority in accordance with these Regulations.

Manner of funding programmes and projects.

5. The Authority may, in administering the Fund, finance universal service programmes and projects through—

- (a) subsidies;
- (b) grants;

- (c) co-financing arrangements; or
- (d) any other funding mechanism approved by the Authority which is consistent with the Act and these Regulations.

PART III—ADMINISTRATION OF THE FUND

Universal service levy.

6. (1) The universal service levy imposed under section 84J(3) of the Act shall be charged on all licensees offering communications systems and services on a commercial basis.

(2) The annual universal service levy payable by a licensee is the levy prescribed for the relevant category of licence under the general licensing regulations, subject to a minimum annual levy of ten thousand shillings.

(3) The levy charged on a licensee in respect of any year shall not exceed one per cent of the gross revenue of the licensee derived from the licensed services.

(4) The Authority shall issue to each licensee a notice specifying the amount of the levy due and the payment period, which shall be not later than sixty days from the date of the notice.

(5) The Authority may, in accordance with the Act, exempt a licensee or a class of licensees from the payment of the levy where—

- (a) the licensee provides non-commercial or public interest communications services; or
- (b) the exemption is necessary to promote the universal access and universal service objectives.

Returns by licensees.

7. (1) A licensee shall, by the fifteenth day of July in every year, submit to the Authority—

- (a) the audited accounts of the licensee for the previous financial year; and
- (b) a return of the gross revenue derived from the licensed services, in accordance with the audited accounts.

(2) The Authority may assess and charge the levy on the basis of the estimated gross revenue aggregated from the previous submissions made by a licensee, where the licensee—

- (a) fails to submit its audited accounts or the return of the gross revenue derived from the licensed services;
- (b) under-reports its gross revenue; or
- (c) fails to clarify or correct anomalies in its financial returns as directed by the Authority.

Participation of licensees.

8. (1) Every licensee is eligible to participate in a competitive selection process in relation to a particular bid under the Fund.

(2) A licensee may be disqualified from taking part in a universal service programme or project where the licensee—

- (a) owes outstanding levy contributions to the Fund;
- (b) has failed to deliver on the contractual obligations of a previously contracted project;
- (c) has failed to comply with a condition attached to any of its licences issued by the Authority; or
- (d) has failed to comply with an obligation under the Act or under any regulations made under the Act.

Identification of programmes and projects.

9. (1) The Authority shall identify and approve the universal service programmes and projects to be funded from the Fund.

(2) In identifying programmes and projects under sub-regulation (1), the Authority shall—

- (a) prioritise unserved and underserved areas and communities;
- (b) promote efficient, sustainable and scalable interventions;
- (c) take into account the availability of funds;
- (d) ensure that funding is targeted at areas where communications services are not commercially viable without intervention; and
- (e) consider the impact of the programme or project.

Management of the Fund.

10. The Authority shall, pursuant to section 84J of the Act—

- (a) administer and manage the Fund;
- (b) implement universal service programmes and projects;
- (c) establish the criteria for the identification and evaluation of programmes and projects;
- (d) apply transparent and competitive processes in the allocation of funds, where appropriate;
- (e) monitor and evaluate the implementation of funded programmes and projects; and
- (f) prepare implementation plans for the Fund.

Advisory Council.

11. The Advisory Council shall—

- (a) advise the Authority on policy and strategic matters relating to the Fund;
- (b) provide recommendations on the implementation of universal service programmes and projects; and
- (c) perform such other functions as may be assigned to it under the Act or by the Authority.

Fund accounts.
Cap. 412A.
Cap. 412B.

12. (1) The Authority shall administer the Fund in accordance with the Public Finance Management Act.

(2) For the purposes of the effective management of the Fund, the Authority shall open and maintain one or more accounts in one or more reputable banks in Kenya.

(3) The Authority shall put in place appropriate financial management and risk control measures for the Fund.

(4) The Authority shall maintain proper accounts and records of the Fund.

(5) The accounts of the Fund shall be audited and reported on in accordance with the Public Finance Management Act and the Public Audit Act.

Annual report.

13. (1) The Authority shall, within three months after the end of each financial year, prepare and submit to the Cabinet Secretary an annual report containing—

(a) the audited financial statements of the Fund; and

(b) the details of the activities and programmes supported by the Fund.

(2) The Authority shall publish the annual report of the Fund on its website.

Investment of the funds of the Fund.
Cap. 412A.

14. The Authority may invest the funds of the Fund which are not immediately required, in accordance with the Public Finance Management Act and with the approval of the Cabinet Secretary responsible for the National Treasury.

PART IV—MISCELLANEOUS PROVISIONS

Enforcement.

15. A person who contravenes these Regulations is subject to enforcement action by the Authority in accordance with the Act, including the imposition of administrative sanctions.

Revocation.
L.N. No. 70 of 2010.

16. The Kenya Information and Communications (Universal Access and Service) Regulations, 2010 are revoked.

Savings and transitional provisions.

17. (1) Proceedings, rights, obligations and liabilities subsisting under the revoked Regulations immediately before the commencement of these Regulations continue as if made or incurred under these Regulations.

(2) Where a period of time specified under the revoked Regulations is running at the commencement of these Regulations, the period continues to run as if these Regulations had been in force when the period began.

Made on the, 2026.

WILLIAM KABOGO GITAU,
Cabinet Secretary for Information, Communications and the Digital Economy.