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The Politics Behind the Phasing Out of the 14-seater Matatu in Kenya

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ABSTRACT

Matatu transport is an important means of paratransit public transport in the city of Nairobi. It is mainly composed of the 14-seater type vehicles that ply many routes not only in the city but also the entire country. There has been much debate as to whether the 14-seater matatu should be phased out. This is based on the notion that their number increases gridlock in the city, are mostly driven by unruly operators and do not promote environmental sustainability. Strong policy direction came about in December 2010 when the Government of Kenya imposed a ban on importation of 14-seater vehicles. The idea was to reduce the number of 14-seater matatus operating and encourage operators in the industry to invest in higher capacity vehicles. The following year was characterized by debate from different stakeholders, some opposing the phase out while others supporting the Government directive. After two years of implementation, the Government rescinded the directive. By focusing on the perceptions among stakeholders on phasing out of the 14-seater, this paper examines how various interests affected the implementation of the directive.

This paper uses primary data on phasing out of 14-seater matatus collected through in-depth interviews in two phases of research on business strategies of paratransit operators and regulatory compliance. The paper also relies on secondary data published in local media on the debate on the 14-seater phase out.

There were operators who viewed the phasing out of the 14-seater matatu as timely as it would improve operations in the transport sector. There are those who viewed it as unjust as they were being forced to purchase larger capacity vehicles which were unaffordable to some operators. Among these were those who were sceptical about the whole process which they believed was driven by vested interests. There were also those who had the notion that the directive would be abandoned once general elections were around the corner, this would be so as to get votes from the operators. A deep understanding of policy effects is required prior to implementation hence the importance of stakeholder participation in the political process of decision making.

Key Words: paratransit, vehicle size, policy, decision making

1. INTRODUCTION

Public transport in developing countries such as Kenya comes in a variety of physical forms. Due to the privatized nature of the sector in Kenya, public transport vehicle sizes vary from the large buses to the commonly operated paratransit vehicles known as Matatus[1]. Matatus originated in Nairobi in the 1950s, they were mainly used by Africans to move goods as well as people to and from nearby rural areas to their residence in the city (Khayesi, 2002; Aduwo, 1990). The then existing bus transport system did not cater for these residential areas thus the emergence of the matatus filled this transport vacuum (Khayesi, 2002). Matatu means of transport grew in numbers in the period after independence due to the influx of migrants into Nairobi in search of employment opportunities (Graeff 2009). As the city began to expand demand for public transport began to increase, matatus became the most important form of paratransit. They operated illegally until 1973 when a presidential decree allowed matatus to carry fare paying passengers without obtaining a Transport Licensing Board (TLB) license (Chitere, 2006; Khayesi, 2002; Graeff, 2009). Today they operate as licensed Public Service Vehicles (PSV) although still part of the private sector. Matatus constitute the bulk of Kenya's public transport system and one vital mode of travel for both urban and rural populations.

The sizes and types of vehicles used as matatus have evolved over the years. The Ford make omnibus and converted pickups were the main types of vehicles used to ferry passengers in the 1960s and 1970s. The Ford make vehicles were mainly owned by the middle class who could afford to buy them brand new. There were those who began to see the business as lucrative but could not afford new vehicles. In response to this, informal vehicle repair and vehicle conversion workshops began to emerge. These workshops specialized in the conversion of pickups and vans into matatus by adding seats and windows. Most of these vehicles were Peugeot 404s and 504s. By the 1980s some operators gradually started to introduce minibus Isuzu type vehicles. These were either bought brand new or second hand. The 1990s saw an increase in investment in Nissan type vehicles which were mainly imported from Japan and fitted with seats for 18 passengers. In 2004, the implementation of Legal Notice 161 by the Government resulted in the reduction in the number of seats from 18 to 14 in the Nissan type vehicles. Over the years the high costs of Nissan spare parts compelled some smaller capacity operators to invest in Toyota vans which were cheaper with affordable and readily available spare parts (Personal interview, July 2012). Today there are more 14-seater licensed PSV countrywide than minibuses or large buses.

Prior to the implementation of Legal Notice 161, economic and social factors drove changes in the types of vehicles used as matatus. The implementation of Legal Notice 161 marks the first

[1] The Kenya Traffic Act CAP 403 defines a matatu as a public service vehicle having a seating capacity of not more than twenty-five passengers exclusive of the driver, but does not include a motor car. According to Chitere (2009), the word matatu is used to refer to smaller and medium-sized Public Service Vehicles (PSVs)—Nissans, Mini-buses and built-up Peugeot pick-ups with seating capacities ranging from 14 to 41 passengers; however the term matatu itself is Kikuyu in origin referring to the three ten cent coins (mang'otore matatu) that was the standard fare when these vehicles began operating in the 1950s (Khayesi, 1999).

instance where Government introduced reforms in the seating capacity of PSVs operated. Legal Notice 161 is an amendment of sections of the Kenya Traffic Act Cap 403. Its aim was to address the increasing number of accidents, careless driving and disorganized operations of the Matatu industry (Mitullah and Asingo, 2007). Although the Legal Notice introduced speed governors and seat belts in PSVs, it also resulted in the implementation of regulations concerning the seating capacity of vehicles as specified in the Traffic Act. Section 85 of the Act specifies the distance between the backs of the seats on a motor omnibus while section 86 specifies that the seating capacity of a matatu shall be determined by the certifying officer at the time of mandatory inspection. This is on the basis of the difference between the tare weight of the vehicle (including any modification work), and the gross weight of the vehicle as specified by the manufacturer. The subsequent sections of the Traffic Act prohibit standing in Public Service Vehicles by passengers. The implementation of these sections resulted in the reduction of the seating capacity of small capacity matatus from 18 to 14 passengers, i.e. 13 passengers and a conductor. In the past passengers were squeezed in the vehicles including standing or leaning or sitting on others, the new law required each passenger to occupy his/her own seat and wear a seat belt (Chitere and Kibua, 2004). A lot of scepticism however surrounded the implementation of Legal Notice 161, with operators stating that its implementation was meant to enrich importers/suppliers of speed governors and seatbelts at the expense of the operators.

The directive on phasing out of the 14-seater was informed by the Integrated National Transport Policy (INTP) (GoK, 2010). The ultimate policy intention of INTP in regards to small capacity PSV was that existing low capacity vehicles be progressively phased out in the medium term (five to seven years) by encouraging local entrepreneurs (cooperative societies, financial institutions and local investors in the public transport sector) to invest in higher capacity vehicles (buses). The aim of the policy was to ease congestion on the roads by reducing the number of vehicles on the roads while increasing the number of passengers transported. This would eventually pave way for the introduction of a Bus Rapid Transit (BRT) system.

According McCormick et al. (2011) an assumption existed among Government officials and operators of larger capacity vehicles that owners didn't manage14-seater matatus very well. In particular there was a wide spread belief that daily operations were done by the crew without much supervision from the owner and that this practice led to rampant violation of traffic regulations. Higher capacity vehicles under management companies were seen to be more orderly and perceived to be highly compliant with traffic regulations. These views resulted in the directive that 14-seater matatus should be eliminated. In October 2010, prior to the announcement of the directive, a meeting between industry operators and Government officials was held in order to propose policies to improve road safety. Among the proposals was the phasing out of the 14-seater vehicles. The industry operators who were in attendance asked the Government to allow vehicles to be slowly phased out rather than giving deadlines for their total exit. In December 2010 the Ministry of Transport through the Transport Licensing Board issued two directives, the first was that all PSV investors were to register in transport SACCOs (savings and credit co-operatives) or transport management companies. The second was that it would stop licensing new 14-seater matatus so as to reduce the number of 14-seater vehicles

operating on the roads and encourage operators to move to higher capacity vehicles. The following year was characterized by debates from various stakeholders, some opposing its phasing out while others supporting the government directive. The directive on phasing out of the 14-seater has since been shelved and operators have been allowed to purchase 14-seater vehicles though Matatu Savings and Credit Cooperative (SACCO) (The Star , 2012e).Of interest is that the Kenyan Government has not been successful in implementing its plans to phase out the14-seater matatu.

2. THEORETICAL AND EMPIRICAL UNDERPINNINGS

In the 1980s a series of policies on the optimum size and type of buses were developed which gave priority to public transport to try and deal with traffic congestion in large urban areas (Dell' Olio et al, 2012). In an attempt to determine the optimal vehicle size, Jansson (1980) modeled relationships between demand, bus size, and frequency. He argued that bus sizes would generally be smaller and service frequencies would generally be higher, particularly during the off-peak (Del Mistro and Behrens, 2012). Vijayakumar (1986) noted that although models for determining vehicle size had been developed and implemented in the public transport systems of developed countries, vehicle size was particularly important in developing countries since different types of vehicles were frequently in competition with one another. At the institutional level Vijayakumar (1986) stressed that when provision of public transport was left entirely to the private sector, then the choice of vehicle to purchase was determined by the technical and economic benefits of the different vehicle sizes. This would result in a mix of public transport vehicle sizes. Research on public transport vehicle size has since shifted from the previous emphasis on optimization models for calculating the best size for passenger carrying vehicles in urban cities to determining the optimal mix of public transport vehicles suitable for urban cities (Gronou, 2000; Wilkinson, 2010). In Kenya however, the economic consideration are undoubtedly distorted by the wide availability of imported second-hand vans, which are relatively cheap to buy and operate.

Paratransit in developing countries has often been associated with high road crashes, crime and violence as well as contributing to urban congestion (Shimazaki and Rahman, 2000; Gwilliam, 2002; Cervero and Golub, 2007). In Kenya the assumption is that small capacity paratransit vehicles are not well operated and contribute to congestion and road crashes (McCormick, 2011). The Government thus aimed to phase out of the 14-seater rather than have a mix of large and small capacity PSVs. Attempts to reform paratransit operations have in some instances resulted in resistance by operators hence stalling the process (Cervero and Golub 2007, Schalekamp and Behrens, 2009). In South Africa for instance paratransit operators were against the implementation of BRT systems because they felt they were not adequately consulted and that the livelihoods of many would be affected (Schalekamp and Behrens, 2009). Operators opted to violently demonstrate against the reforms. In Jamaica, the Government struggled to bring out a balance between private and public transport providers. This was hindered by the lack of institutional capacity and political will, tied to the prevalence of poverty and deprivation throughout the city (Cervero and Golub, 2007).

In his posthumously published book Needham (1983) propounded that as all economic actors (including the regulators themselves) pursued their own interests, consequently the outcomes of regulation were not always well aligned with the original intentions (Gwilliam, 2008). By focusing on the perceptions among stakeholders of phasing out of the 14-seater, this paper focuses on how various interests affected the implementation of the directive. The paper therefore looks at what informed the directive, the outcomes of implementation of the directive and the views among the various stakeholders concerned with the industry.

3. METHODOLOGY

This paper relies on primary data on phasing out 14-seater matatus collected during two phases of research on paratransit business strategies and regulatory compliance in Nairobi. The first phase was a scoping study of eighteen purposively selected key informants drawn from the Kenya Government (7), the private sector (10), and donor agencies (2). Research for this first phase aimed at identifying the main features of strategy development and implementation among Nairobi's paratransit operators as seen by knowledgeable observers.

The second phase was a case study of 15 matatu owners. The cases were chosen through purposive multi-stage sampling, involving selection of three corridors from among the seven major corridors leading to and from Nairobi City, followed by selection of specific routes from each corridor, and identification of one business from each of the selected routes. The resulting sample of 15 matatu owners was not intended to be representative, but to include businesses which differ from one another in resources, strategies, and levels of regulatory compliance. The main data collection method for both phases was in depth face to face interviews. The phasing out of the 14-seater matatu was among the issues discussed in these interviews.

The paper also relies on secondary data from local newspapers and online articles that touched on the directive and on observation of operators and vehicles on the road. Although primary data was collected from Nairobi, secondary data collected from local newspapers and non participant observation of matatu operators allows one to raise issues on the implementation and impact of the 14-seater phase out directive in other parts of the country.

Data collected from the in depth interviews was thematically analysed. Data on vehicle sizes and perspectives on the directive of phasing out of the 14-seater was extracted and further analysed into subthemes i.e. perspectives of those who supported the directive and those who did not support the directive. Thematic analysis was also carried out on news paper articles to derive the diverse views of Government officials and industry operators.

4. FINDINGS

The following section begins by discussing the implementation of the directive and its implications on the road public transport sector. This is then followed by the perspectives in support of the directive and those against the directive.

4.1 Implementation and Outcomes of the Directive

Implementation of the phasing out of the 14-seater directive of began in January 2011. Some operators welcomed the move to higher capacity vehicles. In-depth interviews of matatu operators revealed that there were owners who had adhered to the directive and began moving to higher capacity vehicles, i.e. minibuses and buses. This was done by taking up asset financing opportunities offered by various financial institutions. Prior to the issuing of the directive, there were efforts to encourage the shift to higher capacity vehicles by some institutions. This was for instance seen in the partnership between the Cooperative Bank, the local assemblers such as General Motors Kenya, and the Matatu Owners Association (Daily Nation, 2010). This partnership was to encourage local owners to access loans from Cooperative Bank or any other bank offering asset financing so that they could purchase locally assembled vehicles. Matatu Owners Association was to encourage owners to take up this opportunity through the SACCOs and management companies.

According to one private sector key informant incentives by financial institutions included up to 100% financing. The owner would however have to get comprehensive insurance cover for the vehicle, of which the banks were also willing to finance. Some owners opted to use SACCOs and management companies as guarantors in order to access loans. This form of arrangement was highly encouraged by banks as it reduced risks of nonpayment of loans by individuals. Some investors saw this as an opportunity to move away from individual ownership of vehicles to group ownership of vehicles. A case respondent who was also a manager of a transport company stated that he had encouraged members in his company to save money so that they could purchase higher capacity vehicles together.

Following the implementation of the directive, there was a significant increase in the number of higher capacity vehicles operating in the country particularly the minibus vehicles compared to the 51 seater vehicles. However the number of 14-seater vehicles being imported for PSV use reduced significantly. There was also a decrease in the number of 14-seater matatu operating in various routes in the country. The reduction of 14-seater vehicles had unintended policy consequences. For instance a case respondent revealed that since there were no new 14-seaters coming into the country, there was an increase in demand for the vehicles. Tour operators who owned Nissan and Toyota vans had taken this opportunity to sell their vehicles at exorbitant prices. The costs of a second hand vehicle rose to almost 1 million Kshs (USD 11,806), which was the price for a brand new vehicle.

Implementation of the directive resulted in a reduction in the supply of 14-seater vehicles, yet there were various regions in the country that were highly dependent on these small capacity vehicles. What ensued was a situation where there was high travel demand and low supply of PSVs. In order to fill in the demand and supply gap brought about by the directive there was an increase in smaller capacity operators such as motorbikes, Tuk Tuks (Auto Rickshaws) and the conversion of personal vehicles such as the Toyota Probox and Toyota Noah to public service vehicles (The Star, 2012b). This was especially in rural areas and in the periphery of major urban towns. The Toyota Probox, Tuk tuk and the Toyota Noah were observed to carry more

than the licensed capacity. The Toyota Probox was for instance observed carrying passengers in the vehicle boot! Motorbikes were reported to increase road carnage as most of the drivers did not have proper training on how to drive a motorbike and the safety regulations that they need to adhere to (The Star, 2012b).

Rivalry between operators began to emerge in some urban and rural routes. This was between operators who had purchased higher capacity vehicles and those who continued to operate 14-seater vehicles. For instance in the Thika- Nairobi route a long existing SACCO that managed 14-seater vehicles sought to stop the operations of a new management company that had introduced higher occupancy vehicles in the route (The Star, 2012d). In Nairobi, some SACCOs managing 14-seater vehicles barred larger capacity vehicles in their routes. This was mainly in routes predominated by 14-seater vehicles. Owners who had purchased higher capacity vehicles and had registered in SACCOs were forced to look for alternative routes of operation to operate on. Routes with a mix of higher capacity and 14-seater vehicles experienced an increase in minibus and bus operations. However many routes in Nairobi that were only served by 14-seater matatus did not allow larger capacity vehicles to operate.

Following the increase in other smaller capacity operators and the in ability to afford higher vehicles, owners opposed to the directive vowed to go on strike if the Government continued with its implementation plans. The strike was meant to paralyze the industry so that the Government would listen to the operators. Operators objecting the phasing out of the 14-seater proposed to hold nationwide strikes that would paralyze the entire industry (Mayeku, 2012; The Star, 2012c; Rubadiri, 2012). About two years into the implementation of the directive, the government decided to rescind on its decision on phasing out of the 14-seater. After discussions with stakeholders in the industry, it was decided that individuals through matatu SACCOs would be allowed to import new 14-seater vehicles.

4.2 Perspectives in Support of Phasing out of the 14-seater Matatu Directive

When the Minister of Transport announced the directive on phasing out of the 14-seater some officials within government and high capacity PSV operators supported the move stating that it was timely and that it would improve operations in the transport sector. The institutions in Government supporting the directive were the Ministry of Transport, Ministry of Cooperative Development, Ministry of Roads and the Transport Licensing Board. PSV industry operators in favour of the phase out included those who owned high capacity vehicles that were under management companies or SACCOs. Other key institutions supporting the phase out were the local vehicle assembly companies and financial institutions such as banks and insurance companies. Various views were expressed as to why the directive would be of benefit to the public transport sector (See Table 4.1).

Table 4.1: Views in supporting of Phasing out of the 14-seater

View	Stated by
14-seaters are a major cause of traffic jam	Government officials, High capacity PSV owner
Poorly managed	Government officials, High capacity PSV owner
Constantly violate traffic regulations	Government officials, High capacity PSV owner
Cause accidents	Government officials, High capacity PSV owner and Other
Promote local vehicle assemblies	Other

Source: Field Research(2010 – 2011) and Secondary Data

There was the general perception among Government officials and high capacity PSV owners that 14-seater matatus were a major cause of traffic jam (Mayeku, 2012). Thus phasing out the 14-seater would result in decongesting the NCBD (Nairobi Central Business District) area. Statistics on public service vehicle types showed that the most common vehicle type was the 14-seater. Relying on best practices from countries in South America and South Africa, the Government was of the view that higher capacity vehicles would take up more people and thus reduce congestion brought about by the many 14-seater type vehicles. This view was also shared by some case study respondents who owned minibuses and buses stating that removal of 14-seaters would ease congestion in the city.

Fourteen-seater matatus were perceived to be poorly managed because owners of these vehicles left all the operations to the crew. One case respondent explained that the crew hired for this type of vehicles is not permanent. According to him “Drivers of 14-seater matatus can be changed 3 times in a day. When they cause an accident, they run away and cannot be traced.” Other industry operators explained that the crew of the 14-seater are employed in the morning and fired in the evening. The level of employment permanency was regarded as lower in the 14-seater than in the minibus and large buses. Government officials were of the view that poor management of vehicles results in constant violation of traffic regulations and this ultimately results in an increase in road crashes. Both Government officials and owners of higher capacity vehicles stated that 14-seater matatus were known to surpass accepted speed limits in urban and rural areas. In urban areas they were known to commit traffic offences on major highways that would often result in the loss of life and property.

The ban on importing 14-seater vehicles for PSV use had resulted in an increase in demand for high capacity local vehicle assemblies (Business Daily, 2011). According to case study respondents, the local vehicle assemblies were overwhelmed with the demand for minibus type of vehicles. When calls for rescinding on the directive began to emerge, there was concern that the shift would result in reduction of demand for locally assembled buses that had picked up as a result of the directive. There was concern that it would also adversely affect sales of new motor vehicles and body building services. For instance Dodi Auto-tech Limited, a vehicle assembling company reported that it processed 50 bus orders a month compared to an average of 20 a month the previous year (Business Daily, 2011). Data from the Kenya Motor Industry

Association showed the new motor vehicle dealers sold 938 buses in the seven months to April 2011, up from 738 buses in a similar period the previous year, representing a 21 per cent growth (Business Daily, 2011).

4.3 Perspectives against Phasing out of the 14-seater Matatu Directive

Those that rejected the directive were 14-seater owners, industry institutions such as Matatu Owners Association, Matatu Welfare Association and Matatu Drivers and Conductors Welfare Association; officials in some matatu SACCOs and Management Companies. Individuals who were indirectly employed by the sector i.e. vehicle mechanics and spare part dealers were also against the directive. There were Government institutions that initially supported the directive but later on rejected it. This included officials from the Ministry of Transport, the Ministry of Cooperative and Development and the Ministry of Public Works (Sunday Standard, 2012). Members of parliament would later on add their voice in rejecting the directive (The Star, 2012a; The Star, 2012b). Various views were given as to why they were against the directive (see table 4.2).

Table 4.2: Views on rejecting the Phasing out of the 14-seater

View	Stated by
Phasing out will cause loss of livelihoods this has consequences such as increased insecurity	Government officials, 14-seater owners and Industry institutions officials
Lack of consultation	14-seater owners and Industry institutions officials
Larger capacity vehicles not economical for rural areas	Government officials, 14-seater owners, Industry institutions
High capacity vehicles not affordable	14-seater owners and Industry institutions officials
Investors of 14-seaters have loans to pay	14-seater owners
Rescinding of directive will happen once elections approach	14-seater owners

Source: Field Research (2010-2011) and Secondary Data

Phasing out of the 14-seater vehicles was seen as a move that would affect those directly and indirectly employed by the industry. Those directly employed included operators such as driver, conductors, stage workers and management companies. Those indirectly affected included mechanics and spare part dealers (The Star, 2012b). Owners of these vehicles would also lose their daily income. It was reported that industry operators and Government officials were concerned that more than 500,000 youth would lose their jobs with the phase out of the 14-seater vehicles (Rubadiri, 2012). There were fears that many youth would be rendered jobless and this would lead to insecurity. A key informant mentioned that the matatu industry had rehabilitated youth who had previously joined criminal gangs. There were high likelihoods that youth would revert to these groups once they lost their jobs due to the phasing out of the 14-seater directive.

Some industry operators felt that the Government did not give them avenues to participate in decision making. A few case respondents cited the phasing out of the 14-seater directive as one of the many instances where the Government sought to implement the directive without much consultation with industry stakeholders. Among some case study respondents there was the perception that lack of consultation led to increase in smaller capacity vehicles especially in rural areas to fill the gap brought about by the directive. Fourteen-seater investors were of the view that higher capacity vehicles were uneconomical especially in the rural areas. The Minister of Cooperative Development, who had previously supported the directive, stated that there were many rural areas that could not justify a big bus as the numbers carried per trip were small and that poor road conditions made it uneconomical to use big buses (Daily Nation, 2011).

High capacity vehicles were seen to be unaffordable because they cost three times the price of a brand new 14-seater. The chairman of Matatu Welfare Association argued that the cost of acquiring a 25 seater matatu was about Kshs4.2 million (USD 49,587) as compared to Kshs1.5 million (USD 17,709) for a 14-seater matatu (Rubadiri, 2012). This made it unaffordable to smaller capacity investors who normally purchase second hand vehicles. The scoping study on business strategies (McCormick et al 2011) revealed that in the year prior to the issuing of the directives, various financial institutions had promoted vehicle asset financing. Financing was given for any vehicle size and vehicle condition i.e. brand new and second hand vehicles. Consequently owners of 14-seaters who had taken up such loans regarded the directive as one meant to push them out of business since they still had loans to pay.

There were operators in the industry who remained skeptical about the directive, stating that based on past instances, it was obvious that the Government would rescind since general elections were around the corner. One case study respondent gave an illustration of Legal Notice 161 which during the political campaigns of 2007, the president informed matatu crew that they did not have to wear uniforms as indicated in the notice in an attempt to garner votes from them. Since the rejection of the 14-seater directive by some operators, there were government officials and members of parliament who came in support of these operators and also added their voice on rescinding of the directive. Of interest are Government officials who initially supported the directive but later came out against it because a significant majority in the industry was against it.

5. DISCUSSION

The perception among Government officials that higher capacity vehicles were better managed than the 14-seater is misinformed. Empirical evidence on business strategy and regulatory compliance by (McCormick et al, 2012) demonstrates that compliance to regulation is not pegged to vehicle size but survival in the industry. All operators are interested in making profits thus they have different business strategies that enable them to achieve this. On the one hand there are instances where high capacity vehicles under management companies have been observed violating traffic regulations. On the other hand there are instances where 14-seater vehicles under SACCO management are observed to adhere to traffic rules and regulations.

There was not much consideration on how the implementation of the directive would affect the livelihoods of those who are directly and indirectly affected by the directive. This might have largely occurred due to limited participation by the industry stakeholders. Not much discussion was put into the effects of this directive on the livelihoods of those who depended on the 14-seater vehicle. Also worth noting is the attendance of operators in the October 2010 meeting. Those who attended were operators from established public transport companies; Industry associations such as Matatu Owners Association and Matatu Welfare Association; up country matatu SACCOs and few long existing Nairobi matatu SACCOs. A majority of matatu owners were still operating as individuals thus had limited possibilities of giving their views on phasing out plans.

The Government failed to consider the unintended consequences of implementing the directive especially in rural areas and the peripheries of urban towns. Although there was an increase in minibuses and other higher capacity vehicles there was also an increase in smaller capacity paratransit operators. The reduction of 14-seaters resulted in introduction of other smaller capacity vehicles in order to fill the gap brought about by the directive. This beats the logic of phasing out 14-seaters when other smaller capacity vehicles are being imported in the pretext of personal use and being converted to operate as paratransit. The reduction in supply also brought about an increase in motor bikes as a means of travel. Perhaps if a pilot implementation was first carried out, then the Government would have identified the unintended consequences of the directive and sought ways of addressing them rather than taking up a 'big bang' approach to policy implementation.

Although the directive was initially technically motivated (i.e. it aimed at reducing congestion, encourage higher capacity vehicles and in the long-term lead the implementation of BRT) vested political interests seem to have affected the implementation of the directive. There was perhaps the urge by officials in the Ministry of Transport to be seen to be doing something in the road transport sector; consequently the passing of this directive without much consultation and technical analysis of unintended outcomes. The result was political expediency, where government officials and members of parliament would initially support the directive so as to be seen to be implementing reforms in the transport sector that would be of benefit to the public transport user. When complaints from operators began to emerge on the impact of the directive on the industry, the government officials and members of parliament abandoned their earlier stand and supported the industry operators. Such actions are based on the recognition that supporting industry operators against the directive would result in more political votes in the next general elections. This would result in their political survival. In this case political survival determined the support for the directive.

6. CONCLUSIONS AND RECOMMENDATIONS

Poor policy formulation by government i.e. the government's failure to look into unintended consequences of the directive, limited participation by stakeholders, the misconception of 14-seater vehicles and vested political interests led to the unsuccessful implementation of the

directive on phasing out of the 14-seater. Participation of stakeholders in the formulation of the directive was not all-encompassing. This was because the Government chose to discuss the plans with operators in long established transport SACCOs and Management Companies, leaving out other operators. This resulted in the rejection of the directive by a majority of the operators who felt 'excluded' from the decision making process. Participation of stakeholders would have been enhanced if the government had first opted to organize the industry i.e. the establishment of SACCOs and management companies. This would have allowed for proper representation of all stakeholders.

The implementation of the directive was also affected by political interest. Implementers are seen to support policies when it suits them, in disregard of the technical benefits and this affects reforms in the transport sector. Consequently adherence to reforms by transport operators is negatively affected when 'mixed signals' are observed among those tasked with formulation and implementation of a policy. In the case of the 14-seater directive, some operators opted to adhere and shift to higher capacity while others against it sought audience with politicians to rally for their interests.

Success in transforming the public transport sector requires that all stakeholders are involved in the policy formulation and implementation phases. This can be through adequate representation channels. Participation should be encouraged as this will boost 'ownership' by the stakeholders and enhance implementation of a policy if it is supported. A deep understanding of policy effects is required prior to implementation hence the importance of involving technocrats in the political process of decision making. Furthermore best practices in public transport reforms from other developing countries with similar contexts could also be adopted. For now 14-seaters remain in operation, partly because of politics. There is need for government to carry out reforms that are of benefit to the public transport industry rather than carry out politically motivated reforms. Kenya is currently undergoing political reforms with the aim of enhancing devolved governance, the extent to which technocrats will be involved in future public transport policy reforms processes is yet to be observed.

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List of Interviews

Scoping Study

Kenya Government ministries and relevant bodies

- Ministry of Transport (MOT)
- Transport Licensing Board (TLB)
- Nairobi City Council (NCC)
- Ministry of Nairobi Metropolitan Development (MNMD)
- Ministry of Roads
- Kenya Bureau of Standards (KEBS)
- Kenya Urban Roads Authority (KURA)

Private sector

- Transport Management Companies: 6
- PSV Insurance firms: 1
- Banks: 2
- Matatu Industry Associations: 1

Donor agencies

- JICA
- World Bank

Case Study

Type of vehicle	**Number of Respondents**
14 seater vehicles	3
14 –seater and High capacity vehicles	1
Only High Capacity (Buses and Mini bus)	11
Total	15

Personal Interview on history of matatu vehicle types

- Chairman Matatu Welfare Association