



EMBU COUNTY GOVERNMENT

**PRIVATE SECTOR ENGAGEMENT
FRAMEWORK**

2023

Embu County Government

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FOREWARD

The Constitution of Kenya 2010 establishes the foundation for economic and business activities, that guarantees the protection of property rights, contract enforcement, and promoting economic freedom. It emphasizes the importance of public-private partnerships in driving economic growth and development. Pursuant to the County Government Act 2012, Public-Private Partnership Act 2021 and Embu County Public Participation Act 2015, the Embu County Government is in conformity with the legal provisions to enhance, promote and facilitate public-private engagement in governance and development processes.

This framework seeks to encourage investment and business growth through supportive policies and incentives that foster innovation and entrepreneurship by providing necessary resources and infrastructure. It further promotes job creation & skill development to empower the local workforce and enhance collaboration through public-private partnerships in order to address infrastructure and service delivery needs through provision of technical and financial support.

Availability of mechanisms that support inclusive multi-stakeholder partnerships to address complex development challenges and harness the development contributions of different types of private sector partners (small and medium-sized enterprises, multinational companies and business associations) as well as foundations, knowledge partners, CSOs and multilateral organizations and development finance institutions.

It is my wish that the framework provides opportunities for synergies, linkages and integration of business engagement between public and private sectors.

H.E HON. CECILY M. MBARIRE, MGH
THE GOVERNOR, EMBU COUNTY

ACKNOWLEDGEMENT

The creation of this private sector engagement framework is a testament to the dedicated efforts and collaboration of numerous individuals, groups, and organizations. This product has been developed through public -private dialogues in the county.

The preparation of this document was through a consultative public -private sector dialogue to establish the needs and potential of both sector in order to achieve sustainable economic development in the county. This framework further went a thorough scrutiny from executive and county assembly.

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It is my prayer that this framework is diligently implemented to ensure holistic implementation and enhancement of unreserved infrastructural development and service delivery to the residents of Embu County.

AMY RURIA RCrim
COUNTY SECRETARY & HEAD OF PUBLIC SERVICE

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LIST OF ACRONYMS AND ABBREVIATIONS

BOLT	Build-Operate-Lease-Transfer
BOO	Build-Own-Operate
BOT	Build-Operate-Transfer
CECM	County Executive Committee Member
CEREB	Central Region Economic Bloc
CMA	Capital Markets Authority
C.O	Chief Officer
CS	County Secretary
CSR	Corporate Social Responsibility
DBOT	Design-Build-Operate-Transfer
KNBS	Kenya National Bureau of Statistics
KPHC	Kenya Population and Housing Census
LDO	Lease-Develop-Operate
M&E	Monitoring and Evaluation
MER	Monitoring, Evaluation, and Reporting
OMT	Operate-Maintain-Transfer
PPPs	Public-Private Partnerships
PSE	Private Sector Engagement
PSEF	Private Sector Engagement Framework
ROI	Return on Investment
SMEs	Small and Medium-Sized Enterprises

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EXECUTIVE SUMMARY

Embu County is one of the 47 counties which were created by the Constitution of Kenya 2010. The county had an estimated population of 641,769 persons by the end of 2022. The administrative capital of the County is Embu town, formerly the Eastern Province headquarters. The County covers a total area of 2,818 sq. km and is divided into four (4) constituencies and twenty (20) Wards.

The County is inhabited predominantly by the Embu, Mbeere and Kamba ethnic communities. It is a home to major tourist attraction sites, that include: Mwea National Reserve, the Seven Forks dams, Mt. Kenya Forest, Nthenge Njeru and Mbui Njeru waterfalls, Kirimiri forest, and Karue hill.

The framework is divided into six chapters with different areas of focus.

Chapter one comprises of overview, status, challenges and key considerations in private sector engagement. Chapter two details the vision, objectives and the guiding principles. Chapter three depicts the legal and institutional framework while chapter four tackles the strategies for engagement and the policy framework and reforms. Chapter five deals with risk management and conflict resolution, while, chapter six contains monitoring, evaluation, and reporting matrix.

CHAPTER ONE

INTRODUCTION

1.1 Overview

1.1.1 Private Sector Engagement Framework

The Private Sector Engagement Framework (PSEF) is a document that continuously guides County's engagement with the private sector. It is enriched and adapted as circumstances change, ensuring that the framework is able to continuously identify the most sustainable business solutions. Private Sector Engagement (PSE) refers to the interest of private sector to work more strategically and systematically with the County government to meet mutual sustainable development goals.

The framework is grounded in overarching development co-operation objectives with a holistic approach to private sector engagement that makes use of modalities including knowledge and information sharing, policy dialogue, technical assistance, capacity development and finance, harnesses synergies and linkages between modalities and includes a wide range of partners.

Good practice when establishing private sector engagement includes ensuring that mechanisms are available to support inclusive multi-stakeholder initiatives as well as individual partnerships and use of centralized & decentralized engagement mechanisms. This provides a conducive private sector engagement as a specific initiative and criteria for integration of responsible business conduct.

Private sector framework is a means to an end, where development objectives and desired results for holistic development underlie the private sector engagement portfolios. Engagement mechanisms should be aligned to overall development co-operation priorities. In addition, the engagement with the private sector is rooted in a theory of change in order to realize specific development results.

The private sector engagement is informed by good development practice, principles for effective development co-operation, that is integrated into private sector engagement strategies. The mechanism is to ensure county ownership, alignment, harmonization, value for money, transparency & accountability, and establish inclusive partnerships. The engagements are informed by clear criteria that considers responsible business conduct, due diligence procedures and consideration of economic, social and environmental impacts and risks.

Private sector engagement (PSE) is a strategic approach to development where the county government consults, strategizes, aligns, and implements activities with the private sector for greater scale, effectiveness, and sustainable outcomes. This working relationship will promote a dynamic source of ideas, innovation, expertise, investment, and resources that will continue to yield growth and development.

1.1.2 Embu County

Embu County is one of the 47 counties which were created by the Constitution of Kenya 2010. The county had an estimated population of 641,769 persons by the end of 2022 as per Kenya Population and Housing Census, 2019. The administrative capital of the County is Embu town

which is currently the regional headquarter for Eastern region. The County covers a total area of 2,818 square kilometres and is divided into four constituencies, namely: Runyenjes, Manyatta, Mbeere South and Mbeere North. The major towns in the county are Embu, Runyenjes, Kiritiri, Siakago, Manyatta, Ishiara, Kianjokoma, Kanyuambora, Makutano and Karaba.

The County is inhabited predominantly by the Embu, Mbeere and Kamba ethnic communities. The major rivers include; Thuci, Tana, Rupingazi, Thiba, Kapingazi, Thura and Ena. The major hills are Kiang’ombe, Kiambere, Karue, Kianjiru, Kiriiri and Ndune. The major tourist attraction features include Mwea game reserve and attractive waterfalls such as Ndunda, Nthenge Njeru and Gitwa Falls. Masinga, Kamburu, Kindaruma, Kiambere and Gitaru dams are the major reservoirs in the county. The County is part of the Central Region Economic Bloc (CEREB) which comprises ten counties namely: Embu, Kiambu, Kirinyaga, Laikipia, Meru, Murang’a, Nakuru, Nyandarua, Nyeri and Tharaka-Nithi.

The location of Embu County in the CEREB is depicted in figure 1.

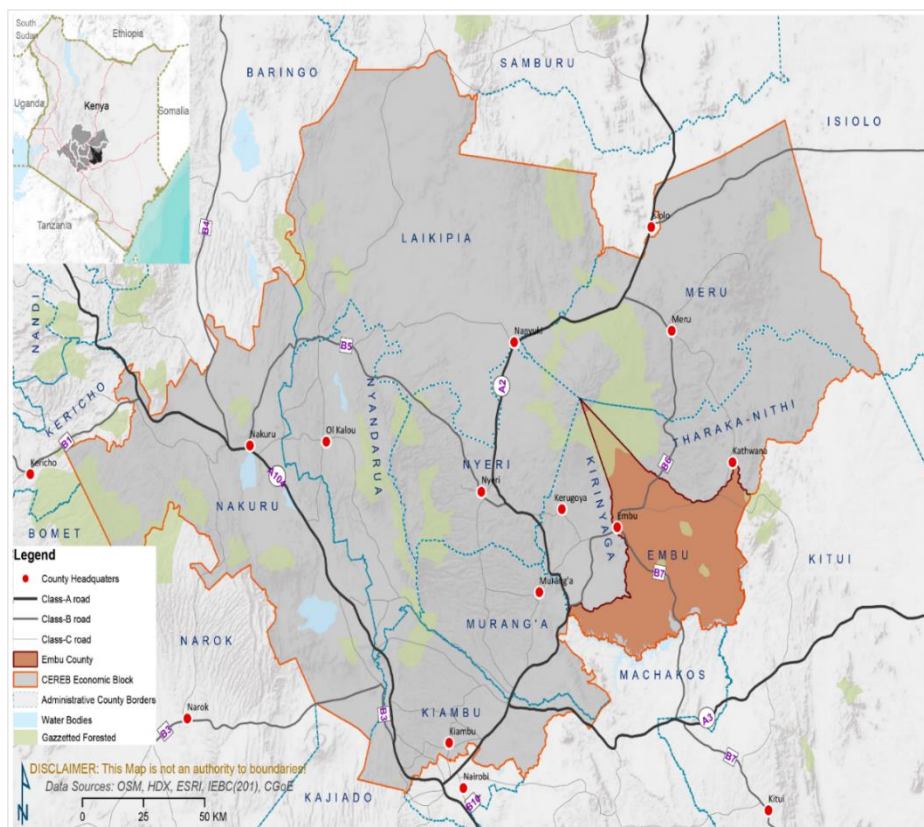


Figure 1: Location of EMBU in CEREB Region Block

The major economic activity is agriculture with 70 percent of the population deriving their livelihood from crop production and livestock keeping. The main commercial crops are coffee, tea, macadamia and khat (Muguka); while the main food crops include maize, beans, Irish potatoes, sweet potatoes, cassava, green grams, cowpeas, sorghum and millet. Notably, drought-tolerant and resistant food crops such as green grams, cowpeas, sorghum and millet

tend to be concentrated in Mbeere North and Mbeere South. The other crops grown in this area include tomatoes, butternut, sun flower, French beans and watermelon.

1.2.1 Position and Size

Embu County is located approximately between latitude 0° 10' and 0° 55' South and longitude 37° 15' and 37° 55' East. It borders Kirinyaga County to the West, Kitui County to the East, Machakos County to the South, Murang'a County to the Southwest, Tharaka Nithi County to the North and Meru to the Northwest. The County covers a total area of 2,818 sq. km and is divided into six sub-counties, namely: Embu West, Embu North, Embu East, Mbeere South, Mbeere North and Mwea. The depiction of the location of Embu County in Kenya is provided in figure 2.

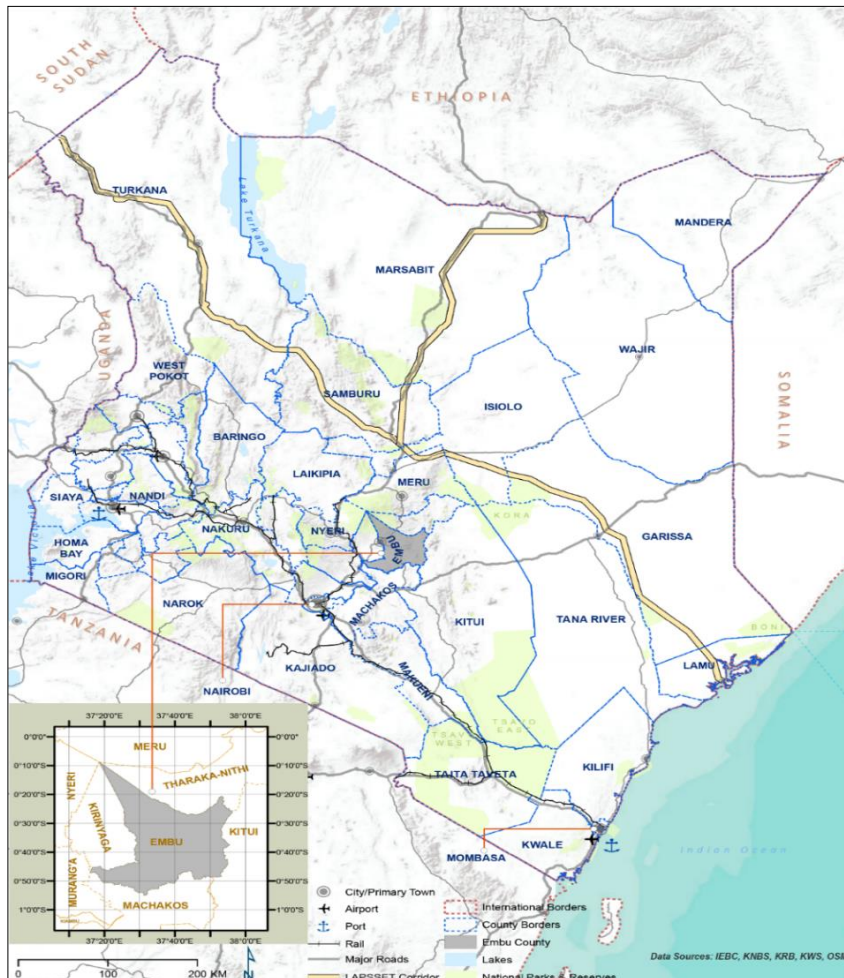


Figure 2: Location of Embu County in Kenya

1.2.4 Demographic Features

1.2.4.1. Population size and composition

The 2019 Population and Housing Census recorded a population of 608,599 persons for Embu County consisting of 304,189 males and 304,364 females. This population is projected to rise to 655,034 in 2024 at population growth rate of 1.65 percent per annum. Table 2 provides a breakdown of population by sub-county.

Table 1: Population Projections (by Sub-County and Sex)

Sub- County	Census (2019)			2022 (Projection)			Projection (2024)			Projection (2025)		
	M	F	T	M	F	T	M	F	T	M	F	T
Embu East	64,571	64,991	129,562	67,279	69,359	136,638	68,582	70,882	139,463	69,233	71,643	140,876
Embu North	39,665	39,888	79,553	41,329	42,569	83,898	42,129	43,503	85,632	42,529	43,970	86,499
Embu West	63,125	63,966	127,091	65,773	68,265	134,038	67,046	69,764	136,810	67,683	70,513	138,196
Mbeere North	53,517	55,360	108,877	55,762	59,081	114,843	56,841	60,378	117,219	57,381	61,026	118,407
Mbeere South	51,758	49,215	100,973	53,929	52,523	106,452	54,973	53,676	108,649	55,495	54,252	109,747
Mwea	31,553	30,944	62,497	32,876	33,024	65,900	33,513	33,749	67,261	33,831	34,111	67,942
*Mt Kenya Forest			22									
*Intersex			24									
Total	304,189	304,364	608,599	316,948	324,821	641,769	323,084	331,950	655,034	326,152	335,515	661,667

Source: - KNBS Kenya Population and Housing Census (KPHC) Report, 2019

Embu East sub-County is expected to have the highest population in 2024 at 139,463 persons, comprising 68,582 males and 70,882 females. Mwea Sub-County is expected to have the lowest population of 67,261 comprising 33,513 males and 33,749 females.

1.2.4.2 Population Distribution by Ward

The total population for the 20 wards of the county in 2019 was 608,599 comprising of 304,189 males and 304,364 females. This population is projected to increase to 655,034 comprising of 323,083 males and 331,950 females. The distribution of the population in the wards is tabulated in Table 3

Table 2: Population Projection by Ward

Ward Name	Census (2019)			2022 (Projection)			Projection (2024)			Projection (2025)		
	M	F	T	M	F	T	M	F	T	M	F	T
Ruguru Ngandori	15,243	15,460	30,703	16,074	16,303	32,378	16,407	16,640	33,047	16,573	16,809	33,382
Kithimu	10,647	10,397	21,044	11,228	10,964	22,192	11,460	11,191	22,651	11,576	11,304	22,880
Nginda	14,633	14,679	29,312	15,431	15,480	30,911	15,750	15,800	31,550	15,910	15,960	31,869
Mbeti North	23,559	23,510	47,069	24,844	24,792	49,636	25,357	25,305	50,662	25,614	25,561	51,175
Kirimari	18,353	19,479	37,832	19,354	20,541	39,896	19,754	20,966	40,720	19,954	21,178	41,132
Gaturi South	7,506	7,430	14,936	7,915	7,835	15,751	8,079	7,997	16,076	8,161	8,078	16,239
Gaturi North	12,849	12,899	25,748	13,550	13,603	27,152	13,830	13,884	27,714	13,970	14,024	27,994
Kagaari South	12,870	12,527	25,397	13,572	13,210	26,782	13,853	13,483	27,336	13,993	13,620	27,613
Central	12,788	12,909	25,697	13,486	13,613	27,099	13,765	13,894	27,659	13,904	14,035	27,939
Kagaari North	13,338	13,778	27,116	14,066	14,530	28,595	14,357	14,830	29,187	14,502	14,980	29,482
Kyeni North	10,896	11,354	22,250	11,490	11,973	23,464	11,728	12,221	23,949	11,847	12,345	24,191
Kyeni South	14,679	14,423	29,102	15,480	15,210	30,689	15,800	15,524	31,324	15,960	15,681	31,641
Mwea	16,761	17,014	33,775	17,675	17,942	35,617	18,040	18,313	36,353	18,223	18,498	36,722
Makima	14,792	13,930	28,722	15,599	14,690	30,289	15,921	14,993	30,914	16,082	15,145	31,228
Mbeti South	22,168	20,322	42,490	23,377	21,430	44,808	23,860	21,873	45,734	24,102	22,095	46,197
Mavuria	20,901	20,268	41,169	22,041	21,373	43,415	22,496	21,815	44,311	22,724	22,036	44,761
Kiambere	8,689	8,625	17,314	9,163	9,095	18,258	9,352	9,283	18,635	9,447	9,377	18,824
Nthawa	19,864	19,174	39,038	20,947	20,220	41,167	21,380	20,638	42,018	21,597	20,847	42,444
Muminji	9,417	9,804	19,221	9,931	10,339	20,269	10,136	10,552	20,689	10,239	10,659	20,898
Evurore	24,236	26,382	50,618	25,558	27,821	53,379	26,086	28,396	54,482	26,350	28,684	55,034
Mt. Kenya Forest	19	3	22	19	3	22	20	3	23	21	3	24

Source: - KNBS Kenya Population and Housing Census (KPHC) Report, 2019

Population density is a measure of the population per square Kilometer, while the distribution is the spread of people in a particular area. Kirimari ward is projected to have the highest population density at 1,733 persons followed by Mbeti North ward at 930 persons. The population density in the wards is tabulated in Table 4:

Table 3: Population distribution and density by Ward

Ward Name	Area (KM2)	Census (2019)		2022 (Projection)		Projection (2024)		Projection (2025)	
		Population	Density	Population	Density	Population	Density	Population	Density
Ruguru Ngandori	42.7	30,703	719	32,378	758	33,047	774	33,382	782
Kithimu	47.5	21,044	443	22,192	467	22,651	477	22,880	482
Nginda	41.6	29,312	705	30,911	743	31,550	758	31,869	766
Mbeti North	54.5	47,069	864	49,636	911	50,662	930	51,175	939
Kirimari	23.5	37,832	1,610	39,896	1698	40,720	1,733	41,132	1750
Gaturi South	21.6	14,936	691	15,751	729	16,076	744	16,239	752
Gaturi North	37.8	25,748	681	27,152	718	27,714	733	27,994	741
Kagaari South	78.2	25,397	325	26,782	342	27,336	350	27,613	353
Central	32	25,697	803	27,099	847	27,659	864	27,939	873
Kagaari North	43.8	27,116	619	28,595	653	29,187	666	29,482	673
Kyeni North	29.8	22,250	747	23,464	787	23,949	804	24,191	812
Kyeni South	69.4	29,102	419	30,689	442	31,324	451	31,641	456
Mwea	180.7	33,775	187	35,617	197	36,353	201	36,722	203
Makima	336.7	28,722	85	30,289	90	30,914	92	31,228	93
Mbeti South	255.4	42,490	166	44,808	175	45,734	179	46,197	181
Mavuria	266.4	41,169	155	43,415	163	44,311	166	44,761	168
Kiambere	272.9	17,314	63	18,258	67	18,635	68	18,824	69
Nthawa	134.7	39,038	290	41,167	306	42,018	312	42,444	315
Muminji	233.9	19,221	82	20,269	87	20,689	88	20,898	89
Evurore	415	50,618	122	53,379	129	54,482	131	55,034	133
Mt. Kenya Forest	203	22	0	22	0	23	0	24	0

Source: - KNBS Kenya Population and Housing Census (KPHC) Report, 2019

1.3 Status of Private Sector Engagement in Embu County

The Embu County Government recognizes the critical role of the private sector in fostering economic growth, job creation, and sustainable development. This framework outlines the methodology for engaging and collaborating with the private sector to drive innovation, investment, and overall economic prosperity within Embu County.

The framework is designed to address the existing challenges hindering Embu County economic growth and propel the County forward on its journey to self-reliance. It includes a commitment to developing “win-win” solutions that make business sense while addressing development challenges. By building lasting partnerships within the private sector, the framework ensures that investments are directed to programs that ensure long-term growth and sustainable development.

1.4 Challenges to Business Growth in Embu County

Embu County ranks among top counties in Kenya with a great ease of doing business, which promotes a conducive business enabling environment for investment. However, there are challenges that hinder private sector growth including but not limited to; difficulty accessing capital; lack of work force diversity; and inadequate practical skills.

1.5 Key Considerations in Private Sector Engagement

- i. Availability of mechanisms that support inclusive multi-stakeholder partnerships to address complex development challenges and harness the development contributions of different types of private sector partners (small and medium-sized enterprises, multinational companies and business associations).
- ii. Opportunities for synergies and linkages between modalities and mechanisms.
- iii. Integration of responsible business conduct across all modalities for private sector engagement.
- iv. Availability of centralized and decentralized private sector engagement mechanisms.
- v. Examination of how mechanisms fill gaps in existing support mechanisms provided by other government institutions and harness multilateral initiatives for private sector engagement in development co-operation.

1.6 Private Sector Profile

Key areas or sectors within the private sector encompass a wide array of industries and domains that drive economic activity, innovation, and employment. Without limiting to the services and activities of the private sector, the county government shall engage the private sector in the following areas:

1.6.1 Manufacturing and Industry

Manufacturing encompasses the production of goods across various industries.

1.6.2 Service Sector

This sector includes a broad range of services such as financial services, telecommunications, information technology, healthcare, hospitality, and professional services (legal, accounting, consulting).

1.6.3 Agriculture and Agribusiness

Includes farming, agro-processing, food production, and agricultural technology.

1.6.4 Real Estate and Construction

Involves property development, construction, architecture, and real estate services.

1.6.5 Energy and Utilities

Encompasses various forms of energy production (renewable and non-renewable) and utility services such as electricity, water, and gas supply.

1.6.6 Retail and Consumer Goods

This sector covers retail operations, consumer goods manufacturing, and distribution.

1.6.7 Financial Services and Banking

Includes banking, insurance, investments, and other financial institutions.

1.6.8 Technology and Innovation

Encompasses IT services, software development, hardware manufacturing, and technological innovation across various industries.

1.6.9 Transport and Logistics

Involves transportation services, logistics, and supply chain management.

1.6.10 Telecommunication and Media

Encompasses telecommunications companies, broadcasting, print media, digital media, and entertainment.

1.6.11 Health and Pharmaceuticals

Involves healthcare services, pharmaceuticals, medical devices, and biotechnology.

1.6.12 Tourism and Hospitality

Encompasses the tourism industry, including accommodation, travel agencies, and related services.

1.6.13 Education and Training

Involves private educational institutions, vocational training, and professional development services.

1.6.14 Environment and Green Sector

Covers industries involved in environmental conservation, renewable energy, sustainability, and eco-friendly products.

These sectors within the private industry are vital contributors to economic growth, employment, and innovation within a region. Collaborating with these sectors presents an opportunity for the public sector to enhance service delivery, infrastructure development, and economic progress.

CHAPTER TWO

VISION, OBJECTIVES AND PRINCIPLES

2.1 Strategic Direction of the County

Vision

“A Thriving Partnership for Inclusive Economic Growth and Sustainable Prosperity”

Mission

"Empowering Collaboration, Innovation, and Sustainable Progress through Private Sector Engagement"

2.2 Objectives

The objective of engaging the private sector within Embu County is to encourage private sector involvement in order to catalyze economic growth and foster a collaborative ecosystem that supports entrepreneurship, innovation & job creation.

2.2.1 Specific Objectives

Without prejudice to the foregoing, the engagement framework seeks to:

- i) Encourage investment and business growth through supportive policies and incentives.
- ii) Foster innovation and entrepreneurship by providing necessary resources and infrastructure.
- iii) Promote job creation and skill development to empower the local workforce.
- iv) Enhance collaboration through public-private partnerships to address infrastructure and service delivery needs.
- v) Provide technical and financial support.

2.3 Guiding Principles

The following guiding principles will govern the engagement and collaboration between the Embu County Government and the private sector:

- i) **Transparency and Accountability:** All engagements will be conducted transparently, and accountability will be upheld in all interactions and agreements.
- ii) **Mutual Benefit:** All collaborations will aim for mutual benefit, ensuring shared value between the private sector and the county's development goals.
- iii) **Inclusivity and Diversity:** The framework will support and encourage participation from diverse sectors and businesses, including small, medium, and large enterprises.
- iv) **Innovation and Sustainability:** Encouragement of innovative practices and sustainable initiatives to drive economic growth while preserving the environment and community welfare.
- v) **Compliance with Regulations:** Adherence to laws, policies, and regulations governing business operations within the county.

Effective partnerships are built on trust, credibility, and transparency. The Program recognizes that success hinges on its ability to build trust and “speak the language of business” with the private sector and to view engagement opportunities through a business lens. When using the principles above to develop constructive partnerships with the private sector, the Program will include mutual benefits, common agreed-upon and

clearly defined objectives, roles, and responsibilities, regular communication, and a collaborative approach toward risk management and sustainability across all activities.

CHAPTER THREE

LEGAL AND INSTITUTIONAL FRAMEWORK

3.1 Constitution of Kenya 2010

The Constitution establishes the foundation for economic and business activities, guaranteeing the protection of property rights, contract enforcement, and promoting economic freedom. It emphasizes the importance of public-private partnerships in driving economic growth and development.

3.2 County Government Act 2012

Pursuant to Section 115 (1) and (2) of the County Government Act 2012, public participation forms part of the planning process provides for public participation in county planning

3.3 Public-Private Partnerships Act (2021)

This legislation provides the legal framework for collaboration between the public and private sectors. It outlines procedures for initiating, implementing, and managing public-private partnerships, facilitating infrastructure development and service delivery.

3.4 Capital Markets Authority (CMA)

Regulatory Bodies and Institutions such as the CMA regulate and oversee the capital markets, ensuring compliance and fostering investor confidence. Regulatory bodies like the Competition Authority and the Energy Regulatory Commission oversee various sectors, ensuring fair practices and consumer protection.

3.5 Companies Act (2015)

This legislation regulates the establishment, operation, and governance of companies, providing guidelines for their formation, administration, and dissolution. It offers legal structures for business entities, including private companies, partnerships, and corporations, ensuring compliance and promoting accountability.

3.6 Labour Laws

Employment laws, including the Employment Act and Labor Relations Act, regulate labor relations, minimum wage, working conditions, and dispute resolution, ensuring fair treatment and protection of the rights of employees and employers.

3.7 Tax Laws and Incentives

Taxation laws and policies offer various incentives and concessions to encourage investment, job creation, and business growth. These include tax breaks, investment deductions, and special economic zones to stimulate economic activities. The legal framework in Kenya provides a supportive environment for private sector engagement, emphasizing collaboration, fair competition, investment protection, and governance. Additionally, ongoing reforms and initiatives seek to continually enhance and improve the legal infrastructure, encouraging economic growth and development through private sector participation.

Investment Promotion and Protection Agreements: Kenya has signed various bilateral and multilateral agreements to encourage foreign investment. These agreements protect the rights of investors, including provisions for dispute resolution, creating a favorable investment climate.

3.8 Competition Act, 2010

This law promotes and maintains fair competition, protecting consumers and ensuring a level playing field for businesses. It prohibits anti-competitive practices and regulates mergers and acquisitions to prevent monopolistic behavior.

3.9 Embu County Public Participation Act 2015

Pursuant to section 3 of Embu County Public Participation Act 2015, the County Government is in conformity to enhance, promote and facilitate public participation in governance processes and in particular to give effect to the principles of public participation as provided for in Articles 1(2), 10(2), 33(1)(a), 35, 69(1)(d), 118, 174(c) and (d), 184(1)(c), 196,201(a) and 232(1)(d) of the Constitution; promote democracy and participation of the people in accordance with Article 10 of the Constitution; promote transparency and accountability in decision making; enhance public awareness and understanding of governance processes; promote community ownership of public decisions; and promote public participation and collaboration in governance processes.

3.10 Departments, or Bodies Responsible for Implementation and Oversight

The legal framework in Kenya provides a supportive environment for private sector engagement, emphasizing collaboration, fair competition, investment protection, and governance. Additionally, ongoing reforms and initiatives seek to continually enhance and improve the legal infrastructure, encouraging economic growth and development through private sector participation. The executive of the Embu County Government shall implement projects, programmes and activities aiming at achieving Private sector engagement while the County assembly is mandated to offer oversight

CHAPTER FOUR

STRATEGIES FOR ENGAGEMENT

4.1 Introduction

This framework undertakes specific **proactive approaches** to engagement that meet businesses where they are. Through these proactive approaches, the framework actively and intensively identifies and engages with businesses to understand and address their core challenges, ensure solutions that align with core business operations and contribute to the development of the County at large. The graphic below outlines the framework's proactive approach to engagement.

Engaging the private sector by a county government involves various strategies and approaches to foster collaboration, economic growth, and sustainable development. Here are several strategies for engaging the private sector:

4.1.1 Public-Private Partnerships (PPPs)

Facilitate partnerships between the county government and private entities. This can involve infrastructure development, service provision, and other joint projects. These partnerships often lead to better service delivery and economic growth.

4.1.2 Policy and Regulatory Reforms

Develop and implement policies that create an enabling environment for businesses. This can include simplifying procedures, reducing bureaucracy, and creating incentives for private investment.

4.1.3 Consultative fora and Task Forces

Establish platforms for dialogue and collaboration between the government, private sector representatives, and other stakeholders. This allows for shared decision-making and problem-solving.

4.1.4 Capacity Building and Skill Development

Support programs that focus on skill development and capacity building. This includes training and education initiatives to meet the needs of the local job market.

4.1.5 Support for Entrepreneurships and SMEs

Provide support to small and medium-sized enterprises (SMEs) by offering funding, technical assistance, and mentorship to foster innovation and growth.

4.1.6 Promotion of Investments

Actively promote the county as an attractive destination for investments. This includes marketing strategies, investment forums, and incentives for potential investors.

4.1.7 Sector-Specific Partnerships

Identify specific sectors that align with the county's strengths and development goals. Engage the private sector in these areas for targeted collaboration and growth.

4.1.8 Technology and Innovation Hubs

Develop hubs that promote innovation and technological advancements. Support tech start-ups and companies that can contribute to the county's development.

4.1.9 Resource Mobilize and Fund Allocation

Set up funds or mechanisms to attract financial resources from the private sector and channel them into local development projects.

4.1.10 Community Engagement Programs

Involve the local community in decision-making processes and project planning, ensuring that private sector engagement aligns with community needs and aspirations.

4.1.11 Sustainability and Social Responsibility

Encourage private sector actors to adopt sustainable practices and corporate social responsibility initiatives that benefit both the community and the environment.

4.1.12 Performance Monitoring and Evaluation

Regularly monitor and evaluate the effectiveness of private sector engagement initiatives, making adjustments based on the identified performance indicators.

4.1.13 Tactical Approaches to Private Sector Engagement

The Design and effective private sector engagement mechanism will involve a combination of approaches, policies, and strategies aimed at fostering collaboration between the private sector and the County Government as proposed here below:

4.2 Policy Framework and Reforms

4.2.1 Approach: Develop a comprehensive policy framework that encourages private sector participation by:

- Simplifying bureaucratic procedures.
- Creating a business-friendly environment.
- Providing incentives for investment.

Policies

- **Regulatory Reforms:** Streamline licensing, permits, and compliance requirements.
- **Tax/ Levy Incentives:** Offer tax breaks or incentives to businesses that contribute to local development.
- **Transparent Regulations:** Ensure clear, fair, and consistent regulatory practices.
- **Public-Private Partnership Laws:** Establish legal frameworks that facilitate public-private collaborations.

4.2.2 Public-Private Partnerships (PPPs)

Approach: Facilitate partnerships between the county government and private entities to jointly undertake projects and services. The commonly adopted models of PPP are:

- i) Build-Operate-Transfer (BOT)
- ii) Build-Own-Operate (BOO)
- iii) Build-Operate-Lease-Transfer (BOLT)
- iv) Design-Build-Operate-Transfer (DBOT)
- v) Lease-Develop-Operate (LDO)
- vi) Operate-Maintain-Transfer (OMT)

Policies:

- **PPP Framework:** Develop guidelines and mechanisms for initiating and managing PPPs.
- **Project Identification:** Identify key sectors where PPPs can be implemented effectively.
- **Risk Sharing:** Define the roles, responsibilities, and risk-sharing mechanisms between public and private partners.

4.2.3 Capacity Building and Support Programs

Approach: Provide support and resources to enhance the capabilities and competitiveness of local businesses.

Policies:

- **Training and Education:** Develop programs for skill development and education that match market needs.
- **Financial Support:** Offer grants, low-interest loans, or subsidies for SMEs and entrepreneurs.
- **Incubators and Innovation Centers:** Establish centers to foster innovation, providing infrastructure and guidance.

4.2.4 Consultative Forums and Task Forces

Approach: Create platforms for regular dialogue and collaboration between the county government, private sector representatives, and stakeholders.

Policies:

- **Task Forces:** Establish committees or task forces dedicated to specific sectors or issues for collaborative problem-solving.
- **Regular Meetings:** Organize regular forums for discussions, feedback, and planning.
- **Public Communication and Transparency:** Develop policies that promote transparency and accountability.

4.2.5 Resource Mobilization and Investment Promotion

Approach: Promote the county as an attractive investment destination and attract financial resources from the private sector.

Policies:

- **Investment Promotion Strategies:** Market the county's potential to investors through investment forums, roadshows, and marketing campaigns.
- **Fund Allocation:** Set up investment funds or mechanisms to pool private investments for local development projects.

4.2.6 Technology and Innovation Hubs

Approach: Foster innovation by creating hubs that support technology and entrepreneurial growth.

Policies:

- **Incubation Support:** Provide spaces, infrastructure, and guidance for technology start-ups.
- **Research and Development Incentives:** Offer incentives for R&D activities and technological innovations.

4.2.7 Sustainability and Community Engagement

Approach: Encourage private sector entities to adopt sustainable practices and involve the community in decision-making processes.

Sustainability: The very nature of the private sector, as local actors with a permanent market function, means that engaging them can enhance sustainability. As long as a private sector entity has the opportunity to achieve adequate profit or return on investment (ROI), it will be more likely to support and invest in an initiative beyond the County's involvement. ROI can include not only financial profit but also meeting organizational, social or environmental objectives.

Policies:

- **CSR Initiatives:** Encourage companies to engage in Corporate Social Responsibility activities that benefit the community and the environment.

- **Community Involvement:** Engage local communities in project planning and execution to ensure projects meet local needs.

4.2.8 Environmental and Social Responsibility.

Approach

Encourage private sector businesses to adopt environmentally friendly and socially responsible practices.

Policies

- Develop policies that set environmental standards, promote corporate social responsibility (CSR) programs and monitor compliance with sustainability goals.

4.2.9 Performance Monitoring and Evaluation

Approach: Regularly monitor and evaluate the performance of engagement initiatives for improvements and modifications.

Policies:

- **Performance Metrics:** Develop indicators to measure the success of private sector engagements.
- **Feedback Mechanisms:** Collect feedback from both the private sector and the community for continuous improvement.

The success of these mechanisms relies on their coherence, effective implementation, and continuous evaluation. Regular reviews and adjustments will ensure that the policies and approaches evolve to meet changing circumstances and demands.

CHAPTER FIVE

RISK MANAGEMENT AND CONFLICT RESOLUTION

5.1 Introduction

Developing a private sector engagement framework involves mitigating risks, anticipating conflicts, and establishing robust management protocols to navigate potential challenges. Here is how to address these concerns within the framework:

5.2 Risk Mitigation Mechanisms

5.2.1 Risk Assessment

5.2.1.1 Identification

Identify potential risks associated with private sector engagements, such as financial risks, regulatory risks, operational risks, and reputational risks.

5.2.1.2 Evaluation

Assess the impact and likelihood of these risks, distinguishing between internal and external factors.

5.2.2 Risk Mitigation Strategies

5.2.2.1 Diversification:

Encourage diversified engagement strategies to reduce dependency on a single approach or partner.

5.2.2.2 Contractual Safeguards:

Implement robust contracts that clearly define responsibilities, deliverables, and exit strategies.

5.2.2.3 Insurance and Guarantees:

Use insurance policies or financial guarantees to cover potential financial losses.

5.2.2.4 Contingency Planning:

Develop contingency plans to address unforeseen circumstances or challenges.

5.3 Conflict Resolution Mechanisms

5.3.1 Establishing Protocols

5.3.1.1 Clear Dispute Resolution Mechanisms:

Define formal procedures for addressing conflicts or disputes, ensuring they are clear, accessible, and fair.

5.3.1.2 Mediation and Arbitration:

Provide mechanisms for mediation or arbitration to resolve conflicts outside of the courtroom.

5.3.1.3 Institutional Support:

Create a dedicated unit or team for conflict resolution, equipped with the necessary expertise and authority.

5.4 Transparent Communication

5.4.1 Open Dialogue:

Encourage open communication and transparency between the involved parties to mitigate conflicts early on.

5.4.2 Regular Reviews:

Conduct regular reviews of the engagement process to identify and address potential areas of conflict before they escalate.

5.5 Management Protocol

5.5.1 Accountability and Responsibility

5.5.1.1 Clear Governance Structure:

Establish a governance framework outlining roles, responsibilities, and decision-making procedures.

5.5.1.2 Accountability Mechanisms:

Define who is responsible for what within the engagement process to ensure clear accountability.

5.6 Regular Monitoring and Evaluation

5.6.1 Performance Metrics:

Set up indicators to monitor the progress of engagements against predefined targets.

5.6.2 Periodic Reviews:

Conduct regular assessments to ensure compliance and effectiveness of engagement strategies.

5.7 Flexibility and Adaptability

5.7.1 Adaptive Management:

Be prepared to adjust strategies based on changing circumstances, new information, or emerging risks.

5.7.2 Continual Improvement:

Encourage feedback and incorporate lessons learned into the framework for continuous improvement.

The success of these mechanisms lies in their proactive implementation and ongoing review. The framework should be dynamic and adaptable to address new risks, conflicts, and challenges that may arise during the engagement process. Regularly engaging stakeholders and fostering a culture of transparency can significantly contribute to successful private sector engagement.

CHAPTER SIX

MONITORING, EVALUATION AND REPORTING

6.1 Introduction

Monitoring and evaluation (M&E) is a process that involves collecting and analyzing data to measure progress toward achieving specific goals and objectives. This process helps organizations to identify what is working and what is not and to make informed decisions on how to improve their programs and projects.

The success of private sector engagement initiatives is contingent upon a structured Monitoring, Evaluation, and Reporting (MER) framework. This chapter delineates the methodology for assessing and reporting the effectiveness and impact of private sector engagements undertaken by the County Government.

6.1.1 Purpose and Scope

The framework is designed to systematically monitor, evaluate, and report the outcomes of private sector engagement initiatives. It encompasses all relevant activities aimed at collaborating with private sector entities for mutual development and growth.

6.1.2. Background

The County Government recognizes the vital role of the private sector in spurring economic growth and social development. As such, an effective MER framework is critical to ensure the success and impact of these collaborations.

6.2 Monitoring

Effective monitoring is the linchpin of understanding the progress of private sector engagement initiatives. It involves the continuous and systematic collection of data to track activities, achievements, and challenges. This includes:

6.2.1 Data Collection Mechanisms:

Establishing consistent methods for data collection to capture real-time information on project progress and potential issues.

6.2.2 Frequency and Timelines:

Determining the regularity and timelines for data collection and reporting to ensure up-to-date information.

6.2.3 Roles and Responsibilities:

Clearly defining roles and responsibilities for data collection and monitoring within the County Government and collaborating private sector entities.

6.3 Evaluation

Evaluating the impact of private sector engagements is crucial to understanding their effectiveness and identifying areas for improvement. This stage includes:

6.3.1 Evaluation Criteria:

Defining the standards against which the success of engagement initiatives will be measured.

6.3.2 Data Analysis and Impact Assessment:

Utilizing collected data to conduct a comprehensive impact assessment.

6.3.3 Tools and Methodologies:

Selecting and implementing appropriate tools and methodologies to conduct evaluations (e.g., surveys, impact metrics).

6.4 Reporting Mechanisms

Transparent and regular reporting is fundamental to maintaining a strong information flow between the County Government and private sector entities. This involves:

6.4.1 Reporting Structure:

Outlining formats, recipients, and timelines for progress reports and evaluations.

6.4.2 Audience:

Identifying the stakeholders within both the County Government and private sector entities who will receive the reports.

6.4.3 Transparency and Accuracy:

Ensuring the reports are transparent, accurate, and comprehensive in reflecting progress and challenges.

6.5 Feedback Loops for Improvement

To foster continuous improvement, feedback loops are established to enable seamless communication and the integration of lessons learned. This includes:

6.5.1 Feedback Mechanisms:

Implementing channels for gathering feedback from both the County Government and private sector participants.

6.5.2 Feedback Integration:

Describing how feedback will be incorporated into decision-making processes to improve future engagements.

6.5.3 Continuous Improvement:

Emphasizing the significance of utilizing feedback to enhance future initiatives.

6.6 Conclusion

This MER framework outlines the critical components for monitoring, evaluating, reporting, and improving private sector engagement initiatives. The seamless flow of information, transparency, and adaptability are pivotal to ensuring the success and sustainability of such collaborations.

6.7 Monitoring and Evaluation Matrix

Table 4: Monitoring and Evaluation Matrix

STRATEGY	ACTIVITY	KEY PERFORMANCE INDICATORS	COST (KES)	RESPONSIBLE
Public-Private Partnerships (PPPs)	Facilitate partnerships between the county government and private entities.	Number of PPPs	700,000	County Secretary to establish implementation Unit
Policy and Regulatory Reforms	Develop and implement policies that create an enabling environment for businesses.	Number of Policies developed	15,000,000	County Secretary to establish implementation Unit
Consultative fora and Task Forces	Establish platforms for dialogue and collaboration between the government, private sector representatives, and other stakeholders.	Number of Consultation fora conducted	2,100,000	County Secretary to establish implementation Unit
Capacity Building and Skill Development	Support programs that focus on skill development and capacity building.	Number of people trained	10,000,000	County Secretary to establish implementation Unit
Support for Entrepreneurships and SMEs	Provide support to small and medium-sized enterprises (SMEs)	Number of SMEs supported	50,000,000	County Secretary to establish implementation Unit
Promotion of Investments	Actively promote the county as an attractive destination for investments.	Number of investment promotion fora conducted	10,000,000	County Secretary to establish implementation Unit
Sector-Specific Partnerships	Identify specific sectors that align with the county's strengths and development goals.	Number of sectors identified and signed up	10,000,000	County Secretary to establish implementation Unit
Technology and Innovation Hubs	Develop hubs that promote innovation and technological advancements.	Number of hubs developed and start-ups supported	20,000,000	County Secretary to establish implementation Unit

Resource Mobilization	Set up funds or mechanisms to attract financial resources from the private sector and channel them into local development projects.	Resource Mobilized	To Be Determined	County Secretary to establish implementation Unit
Community Engagement Programs	Involve the local community in decision-making processes and project planning.	Number of programs developed number of People engaged	4,000,000 500 People	County Secretary to establish implementation Unit
Sustainability and Social Responsibility	Encourage private sector actors to adopt sustainable practices and corporate social responsibility initiatives.	Number of CSR initiatives conducted	2,800,000	County Secretary to establish implementation Unit
Performance Monitoring and Evaluation	Regularly monitor and evaluate the effectiveness of private sector engagement initiatives.	Number of reports generated	3,000,000	County Secretary to establish implementation Unit
Approval by the cabinet and submission to the County Assembly	Approval of the Private Sector Framework and Developed policies	Number of Documents approved	7,000,000	County Assembly to approve all documents
Total			134,600,000	

APPENDICES

APPENDIX I

Table 5: Implementation Matrix for the Private Sector Engagement Framework (PSEF)

S/No.	Activity	Date/ Timelines	Responsible person	Remarks
1.	Appointment of the Technical team	30 th October 2023	County Secretary	Technical team in place
2.	Development of PSEF Draft	30 th Oct to 10 th Nov 2023	Technical Team	Zero Draft done
3.	Presentation of Draft to the CS	14 th to 17 th Nov 2023	Technical Team	-
4.	Dissemination of the Draft to CECMs, C.Os, Directors and other Heads of Units	20 th to 21 st Nov 2023	County Secretary	-
5.	Incorporation of view from stakeholders	22 nd to 24 th Nov 2023	Technical Team	-
6.	Adoption by County Executive Committee	27 th to 30 th Nov 2023	County Secretary	-
7.	Submission to the County Assembly	30 th November 2023	County Secretary	-