



COUNTY GOVERNMENT OF WEST POKOT

DEPARTMENT OF LANDS, PHYSICAL PLANNING,
HOUSING AND URBAN DEVELOPMENT

PRIVATE SECTOR ENGAGEMENT FRAMEWORK FOR
URBAN BOARDS

ABBREVIATIONS AND ACRONYMS

PPDFs	Public Private Dialogue Forums
PSE	Private Sector Engagement
PSEF	Private Sector Engagement Framework
SBP	Small Business Permits
SDHUD	State Department for Housing and Urban Development
UACA	Urban Areas and Cities Act
UBs	Urban Boards
APA	Annual Performance Appraisal
CoG	Council of Governors
COTU	Central Organization of Trade Unions
CSOs	Civil Society Organizations
ESF	Environment and Social Framework
IDEPs	Integrated Development Plans
KAM	Kenya Association of Manufacturers
KARA	Kenya Alliance of Residents Association
KEPSA	Kenya Private Sector Alliance
KeSIC	Kenya Standard Industrial Classification
KNCCI	Kenya National Chamber of Commerce and Industry
MSEA	Medium and Small Enterprises Authority
MSMEs	Micro, Small and Medium Enterprises
MTP	Medium-Term Plan
NGOs	Non-Governmental Organizations
NUDP	National Urban Development Policy
PAD	Program Appraisal Document
PDO	Program Development Objective

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FOREWORD

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, the County Government of West Pokot 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.

SAMSON AMANULE

Chief Officer, Housing and Urban Development

It gives me great pleasure to present this Private Sector Engagement Framework for the County Government of West Pokot, a strategic document that reflects our shared commitment to strengthening urban governance, enhancing investment readiness, and fostering inclusive economic growth within our city and its surrounding urban areas.

As County continues to evolve into a dynamic regional urban centre, the role of the private sector in shaping sustainable urban transformation cannot be overstated. From infrastructure development and market expansion to innovation, transport services, environmental management and employment creation, private-sector actors remain essential partners in delivering quality urban services and unlocking economic potential. This framework therefore marks an important step toward institutionalizing structured, predictable, and transparent engagement between public institutions, businesses, community actors, and development partners.

The development of this framework builds upon extensive stakeholder consultations, evidence-based analysis, and collaborative dialogue undertaken under the Kenya Urban Support Program Phase II (KUSP II). Through public forums, sector-specific discussions, and inclusive participation processes, the County Government of West Pokot has demonstrated a strong commitment to participatory governance and co-creation of urban solutions.

This document provides a clear institutional pathway for strengthening public-private collaboration through structured dialogue platforms, improved policy coordination, and enhanced transparency in planning and service delivery. It also affirms the County Government's resolve to support municipalities and the Urban Areas in operationalizing mechanisms that attract investment, improve the business environment, and create opportunities for youth, women, and emerging enterprises.

I wish to commend the Urban Development Directorate technical teams within the Department of Lands, Housing, Physical Planning and Urban Development, private-sector representatives, transport associations, traders, landowners, civil society organizations, and all stakeholders who contributed their time and insights during the formulation of this framework. As we move forward, the successful implementation of this framework will depend on sustained collaboration, openness to innovation, and continued commitment to dialogue. The County Government remains fully dedicated to supporting the Urban Areas in building an enabling environment where businesses flourish, public services improve, and urban growth is managed sustainably for the benefit of all residents.

It is my sincere hope that this framework will serve as a practical guide for coordinated action and a catalyst for strengthened partnerships that advance County Government transformation into a competitive and investment-ready city.

HON. ESTHER CHELIMO OUKOTUM

County Executive Committee Member Lands, Housing, Physical Planning & Urban Development

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 Municipal Boards.

I wish to express special thanks to the following for their valued dedication to and input towards the production of this document:

1. H.E Governor Simon Kitalei Kachapin, EGH for providing leadership and enabling environment for the preparation of the development.

2. The County Executive Committee Member for Urban Development, Hon.Esther Chelimo Loukotum for passionately driving the process.

3. The Chief Officer for Housing and Urban development; Mr. Amanule Samson for providing technical & financial Support, Coordination and preparation of the whole process.

4. Special regards and appreciation to the ably and carefully selected credible team comprising of:-

- I. Donato Longal -- Municipal Manager, Kapenguria Municipality
- II. Lidya Tabot - Deputy Municipal Manager, Kapenguria Municipality
- III. Eritom Joseph Limo -- Director Urban Development/KUSP II Coordinator
- IV. Geoffrey Lokong - Deputy Director Finance & Administration
- V. Nancy Andiema -- Principal Community Development Officer
- VI. Robert Katina -- County Attorney

for conducting thorough research and providing technical expertise in the development of this framework.

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 County Government of West Pokot.

JONATHAN SIWANYANG

County Secretary & Head of Public Service

EXECUTIVE SUMMARY

Background

The private sector is the engine of Kenya's economic growth, contributing about 75% of the country's GDP and employing roughly 90% of the working-age population. The sector encompasses a large number of Micro, Medium, and Small Enterprises (MSMEs), with approximately 1.5 million registered and over 5 million informal businesses, collectively generating over 30% of GDP and providing employment for nearly 15 million Kenyans. Urban areas, like Kapenguria Municipality, are critical economic hubs, contributing over 50% of national GDP, with the private sector accounting for 80% of this growth.

Kenya is Vision 2030 and the Kenya Kwanza Bottom-Up Economic Transformation Agenda (BETA) position private sector-led growth as central to the country's development ambitions, particularly through business environment reforms, investment attraction, and climate resilience. However, despite the sector's strategic importance, structured engagement mechanisms between private sector actors and urban governance entities remain weak and fragmented. This limits the potential for public-private collaboration to optimize urban infrastructure, services, and economic development. Historically, private sector participation was limited to licensing and fees, often characterized by adversarial relations. Post-2010 constitutional reforms fostered broader engagement, but formal, systematic mechanisms at the urban and county levels are still developing. Urban boards, mandated under the Urban Areas and Cities (Amendment) Act, 2019, are legally required to facilitate private sector participation, including representation in decision-making forums. Despite this, actual engagement remains inconsistent, with private sector actors often being passive rather than active partners.

The Bottom-Up Economic Transformation Agenda (BETA) offers significant potential for development in West Pokot County. By prioritizing grassroots development, BETA can empower local communities and businesses, fostering economic growth through initiatives such as agricultural transformation, supporting local MSMEs, and improving rural infrastructure. This approach aligns with the municipality's needs, promoting job creation, enhancing livelihoods, and improving access to essential services. Furthermore, BETA's emphasis on community participation ensures that development initiatives are locally driven and sustainable. By leveraging BETA's Principles and programs, Kapenguria Municipality can unlock its economic potential, improve the quality of life for its residents, and contribute to the overall development of West Pokot County.

Development of the Framework

The Private Sector Engagement Framework (PSEF) was developed through a participatory process involving stakeholders across County government, private sector associations, civil society, and residents. Kapenguria and Chepareria Municipalities were sampled to gather diverse insights into current practices and identify best practices for broader adoption.

Stakeholder consultations were facilitated through extensive surveys, field visits, and virtual engagements with prominent business associations, including local chapter of Kenya National Chamber of Commerce and Industry. The draft framework was refined based on feedback from stakeholders, aligning with existing legal and policy frameworks while emphasizing the importance of structured, transparent, and inclusive engagement. It aims to serve as a standardized model for counties to operationalize private sector participation in urban planning and development, ultimately fostering vibrant, inclusive, and resilient cities.

Legal and Policy Alignment

These laws support the institutionalization of engagement mechanisms, mapping private sector actors, and integrating their contributions into urban planning, budgeting, and development processes. The framework aligns with Kenya's legal environment, including:

- The 2010 Constitution, which underscores public participation.
- County Government Act, 2012, promoting public-private partnerships.
- Urban Areas and Cities (Amendment) Act, 2019, mandating private sector participation and establishing mechanisms such as citizen forums.
- Public Finance Management Act, 2012, emphasizing participatory budgeting.
- Access to Information Act, 2016, ensuring transparency.
- The West Pokot County Public Participation Bill, 2014, emphasizing inclusion and participatory approaches

Objectives of the Private Sector Engagement Framework

The primary aim of the PSEF is to provide the County Government of West Pokot with a standardized approach to engage the private sector systematically. It seeks to increase private sector participation, improve urban policy alignment with private needs, foster collaboration, and leverage private resources for infrastructure and service delivery. The framework promotes evidence-based, inclusive, and transparent engagement, creating mutual trust and shared responsibility. In summary, this framework aims to transform urban governance by institutionalizing structured private sector engagement, fostering vibrant, sustainable, and inclusive urban economies aligned with Kenya's long term development goals.

Principles

Core principles guiding the PSEF include:

- Legal and Policy Alignment: Compliance with Kenya's constitutional and statutory mandates.
- Purpose-Driven Engagement: Clear goals with defined outcomes.
- Inclusivity & Equity: Broad stakeholder representation, including informal sector, women, youth, and marginalized groups.
- Intergovernmental Collaboration: Effective coordination across all levels of government.
- Transparency & Accountability: Open processes and performance monitoring.

Components of the PSEF

The West Pokot County Private Sector Engagement Framework is composed of six components:

- Component 1: Private sector database for urban boards
- Component 2: Private sector diagnostic
- Component 3: Public-private dialogue forums (PPDF) for urban planning and development
- Component 4: Capacity building and outreach
- Component 5: Communication and feedback channels
- Component 6: Institutional arrangements and resource framework

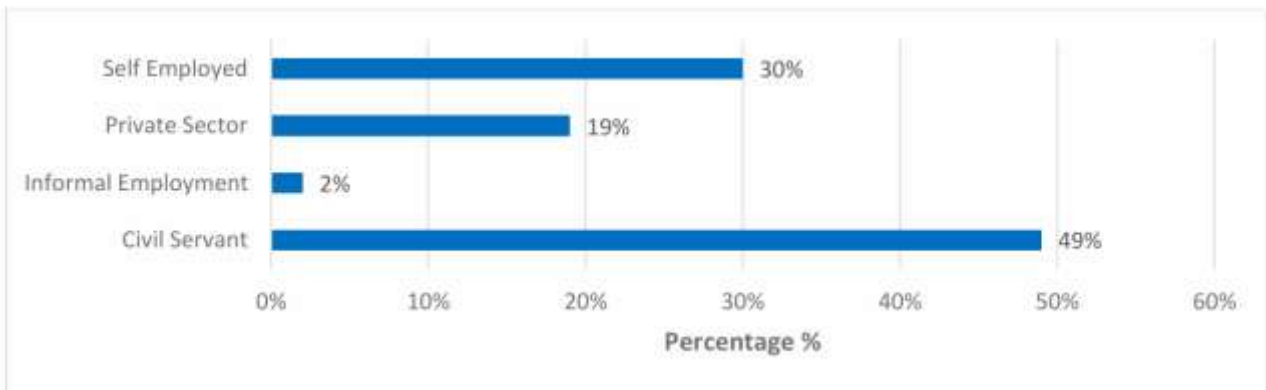
1 CHAPTER 1: INTRODUCTION

1.1 Overview of the Economy of West Pokot County

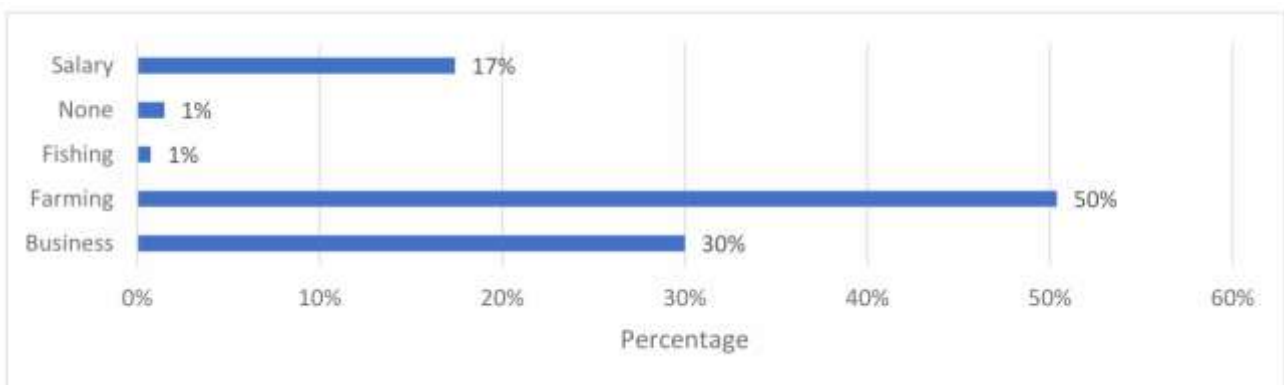
West Pokot County is one of the fourteen Counties in the rift valley region covering an area of approximately 9,123.3 square kilometers, with headquarters located at Kapenguria. The county population is projected at 691,394 in 2024. The county is mainly inhabited by the Pokot community with the minority community of Sengwer. The County is a member of the North Rift Economic Block (NOREB) and Frontier Counties Development Council (FCDC) which promote cooperation, coordination and information sharing among member counties with a view of enhancing socioeconomic development and promoting peaceful co-existence.

The County’s GDP is estimated at 111 billion Kenya Shillings. West Pokot's economic growth is anchored in key sectors, including agriculture, construction, retail trade, tourism, and business services. The economy is primarily driven by agricultural trade, with many products being sold directly at the farm gate, or to local hotels and small businesses. Livestock keeping and farming support livelihoods of more than eighty percent of the county population. Additionally, the county features a blend of large and small-scale retail operations.

Employment in West Pokot is sourced from: the county government, which employs 15% of the population; the national government employs 15% and small and medium-sized enterprises (SMEs), which contribute 70% of local employment. Self-employment opportunities is also common with many residents working in trade, transport services, and informal sectors such as the Jua Kali, which provides opportunities for skilled artisans and craftsmen.



Income sources are diverse, including business, farming, fishing, and wages/salaries. According to the field survey, farming is the primary source of income, accounting for 50%, indicating the resident’s reliance on agriculture. Fishing contributes the least at 1%.



Banking and Financial Services – The County has a well-established banking sector, featuring branches such as Kenya Commercial Bank (KCB), Barclays Bank, Equity Bank, K-REP Bank, and the Kenya Women Finance Trust. These institutions provide financial services to local businesses and entrepreneurs, supporting both agricultural and commercial activities. The presence of several insurance companies, such as Biashara Mashinani Fund which provide affordable credit to 300 traders, further strengthens the financial services landscape.

Markets play a critical role in the County's local economy by facilitating trade and generating revenue for the county government.

Informal Sector - Informal trade forms a critical component of the economy, with vendors, tailors, mechanics, hawkers, and vegetable sellers significantly contributing to the commercial landscape. Hawkers, in particular, play a key role in distributing goods and services across the Central Business District (CBD) and peri-urban areas.

1.2 Background of the Private Sector Engagement Framework

The National Urban Development Policy (2016) recognizes that the country has witnessed rapid urban growth rates of around 5% which has resulted in an urban population rise from 8% at independence to about 40% in 2015. It is therefore projected that more than half of the total Kenyan population will be living in urban areas by 2050.

The Kenya Constitution 2010 created the 47 counties that are now generally considered as the engines of growth and especially in terms of contributions to the country's Gross Domestic Product (GDP) and employment. This constitutional change, coupled with the increasing urbanization phenomenon, has helped stimulate business opportunities and the creation of wealth in terms of goods and services to the overall GDP in Kenya. In particular, the private sector in Kenya is estimated to contribute approximately 75% of the country's GDP, as well as employ around 90% of the working age population. The sector is therefore considered the primary driver of economic growth in the country.

The formal and informal Micro, Medium and Small Enterprises (MSMEs) in the country form a large portion of the private sector enterprises. With this recognition, the Government created the Micro and Small Enterprise Authority (MSEA), under the Ministry of Cooperatives and Micro, Small and Medium Enterprises Development as State Corporation and regulated by MSEA Act, 2012. The Authority is charged with the responsibility of coordinating and mainstreaming the MSMEs development function in Kenya.

Kenya is estimated to have about 1.5 million formally registered Micro, Medium and Small Enterprises (MSMEs) and over 5 million informal MSMEs. They collectively generate over 30 percent of the GDP and employ approximately 14.9 million Kenyans across various sectors. This means a significant portion of Kenya's economic output is generated by these businesses.

Urban areas in Kenya are critical economic hubs, contributing over 50% of the national GDP, with Nairobi, Mombasa, Kiambu, and Nakuru accounting for about 38%. The private sector is the key driver of this growth, contributing 80% of GDP, of which 90% are MSMEs and 83.38% are in the informal sector.

It is also acknowledged that the private sector plays a vital role in urban development as the main producer, consumer, and service partner. It is the largest employer and tax contributor, bringing essential knowledge, skills, and capital to improve urban infrastructure and services. A competitive business environment, reliable infrastructure, and access to skills and finance are critical to fostering private sector growth. The National Urban Development Policy (NUDP) highlights vibrant urban economies, infrastructure, governance and finance, and climate resilience as pillars for inclusive, sustainable growth.

Kenya's Vision 2030 and the Kenya Kwanza Bottom-Up Economic Transformation Agenda (BETA) position the private sector as central to achieving middle-income status. The fourth Medium-Term Development Plan (MTP IV) 2023-2027 emphasizes the importance of private sector-led growth through business environment reforms, investment climate improvements transformation.

The National Urban Development Policy (2016) is operationalized by the Urban Areas and Cities Act (2011) with attendant regulations. Due to the various Changes in the management of cities and urban areas, the Ministry of Lands, Public Works, Housing and Urban Development, through the State Department of Housing and Urban Development, (SDHUD) is in the process of reviewing the National Urban Development Policy and publish the Urban Areas and Cities Act Regulations to ensure responsiveness to emerging challenges.

While national agencies engage in policy and regulatory reforms and work with counties to streamline business registration, licensing, and operational processes, the constitutional and legal framework recognizes the competitive advantage of county governments and urban boards and assigns them the pivotal roles of creating enabling and competitive environments for business. To perform these functions effectively, the county governments and urban boards are required to engage with the private sector in the process of planning and implementation of their socio-economic agenda.

Despite the vital role of the private sector in urban development, structured engagement mechanisms are lacking, resulting in fragmented and weak participation in urban planning. Institutionalizing a framework for inclusive, structured engagement can lead to more responsive policies and investments, fostering competitive environments and vibrant private sector growth. Such engagement can leverage private sector expertise, capital, and innovation to improve urban infrastructure and services, while building commitment to shared goals and mutual accountability.

1.3 Objectives of the framework

This PSE framework seeks to provide county governments a common approach to guide urban boards engaging with the private sector in urban planning to create competitive, inclusive and resilient urban areas. It serves as a foundation for mapping local businesses, understanding the business environment, and fostering structured, evidence-based engagement that shapes participatory urban policies and plans.

The intended outcomes include:

- a) Increased private sector participation in urban planning and development;
- b) Better alignment of urban policies with private sector needs;
- c) Enhanced collaboration between urban boards and private sector entities;
- d) Leveraged private sector expertise and resources for infrastructure and service delivery; and
- e) Trust-building between public and private actors, fostering commitment to shared urban development goals.

1.4 Approach to the Private Sector Engagement Framework

The framework:

- a) Aligns with Kenya's constitutional, legal, policy, and institutional framework governing devolved urban governance, administration, and service delivery. It operationalizes the UACA (Amendment) Act, 2019, and its Draft Regulations, 2022, institutionalizing engagement structures, accountability, and action implementation.
- b) Anchors on the legal basis for private sector engagement in urban governance, complementing existing county and urban policies and citizen engagement structures. Annex 02 provides a detailed outline of the framework's alignment with urban governance systems.
- c) Defines the roles of public and private sector actors, engagement structures, and processes. It is inclusive, ensuring representation and accessibility for both formal and informal private sector actors. It brings together stakeholders to facilitate co-design, coordination, and collaboration necessary for creating competitive and inclusive urban environments.
- d) Components are interconnected, building on existing county and urban governance structures to inform planning, budgeting, investment, service delivery, and accountability.
- e) Guides urban boards in organizing the private sector for effective engagement, identifying needs, and convening structured dialogue forums. These forums help prioritize and co-design interventions, which are then integrated into policies, legislation and regulations, plans, and budgets, with built-in performance and accountability monitoring.
- f) Leverages the World Bank's Toolkit for Competitive Counties, using its analytical tools to identify and categorize interventions to improve business environments and foster enterprise growth and job creation. This focuses on four policy levers available to counties and urban areas: institutions, infrastructure, skills, and enterprise support.

1.5 Rationale for a Framework for Public-Private Engagement for Urban Development

Kenya's constitution and legal frameworks recognize the private sector as a key player in urban development, driving the urban economy, creating jobs, generating revenue, and partnering in service delivery. Counties, cities, and municipalities are tasked with creating inclusive, competitive business environments through functions such as urban planning, development control, business and trade regulation, land surveying, enterprise and skills development, and infrastructure services like roads, drainage, water, and sanitation. Engaging the private sector is essential to these processes and can lead to attracting and retaining private sector investment, driving job creation, stimulating economic growth, and increasing local tax revenue for further urban infrastructure development and provision of services. Private sector participation also allows municipalities to leverage private sector capital, technology, and innovation, forming partnerships that improve service delivery and infrastructure.

Urban boards are legally required to establish mechanisms for active public participation in urban management. The Urban Areas and Cities (Amendment) Act, 2019 (UACA) mandates boards to convene citizen forums, including representation from the private sector and informal business associations, to engage residents in city affairs. These forums provide a platform for aligning policies and investments with the needs of the private sector and local residents.

Effective engagement creates a cycle of mutual benefit, driving vibrant urban economies and prosperous societies. However, there has been minimal guidance on structuring these engagement processes. It is therefore expected that this Private Sector Engagement Framework will offer a standardized, systematic approach for urban boards to partner with the private sector, supporting participatory urban development and fostering competitive, inclusive business environments.

1.6 Legal Basis and Alignment to Existing County Frameworks and Processes

This Private Sector Engagement Framework aligns with existing county and urban governance structures, planning, and budgeting processes. It ensures that engagement outcomes are integrated into county policies, legislation, programs, and budgets. The PSEF also supports the monitoring of results and performance through established county and urban accountability frameworks.

Private sector involvement in county and urban governance is a legal requirement in Kenya. The relevant key legislations include:

- a) The Kenya Constitution 2010: Establishes public participation as a fundamental governance principle.
- b) County Government Act, 2012: Provides the legal framework for county governance and encourages public private partnerships and dialogue for sustainable development.
- c) Urban Areas and Cities (Amendment) Act, 2019: Mandates private sector participation in urban governance by nominating members to Urban boards and establishing citizen forums for resident engagement in urban affairs. The UACA Draft
- d) Regulations 2022 require boards to map and accredit business associations, maintain registers, and build capacity for effective engagement.
- e) Public Finance Management Act, 2012: Requires public participation in county budget-making processes.
- f) Access to Information Act, 2016: Guarantees public access to information held by public entities including county governments. County assemblies have standing orders detailing procedures for public participation in legislative processes. Additionally, specific county policies further define methods for public engagement and private sector collaboration.

1.7 Implementation of KUSP II

Kenya is implementing phase two of the Kenya Urban Support Program for 2023-2027 plan period. The program development objective is to strengthen the capacities of urban institutions through improved delivery and resilience of urban infrastructure and services, enhanced private sector engagement in urban planning, and to support the transition of refugee camps into integrated host community and refugee settlements. The program has five main result areas namely:

RA 1: Strengthened institutions for urban service delivery, strengthening the management of urban institutions for improved urban service delivery, through inter alia, institutional capacity building, enabling the delegation of functions, enhancing of municipal human resources management, and financing, and improving citizen participation.

RA 2: Integrated planning for inclusive and resilient urban areas. Enhancing the planning and development control capacity of urban institutions, through inter alia, strengthening of planning instruments, including climate change and gender considerations, and improving their implementation and monitoring through appropriate development control tools and capacity.

RA 3: More inclusive and resilient urban services and infrastructure. Improving access to urban infrastructure and services, as well as strengthening their resilience and sustainability through inter alia, enhancing the capacity for planning, design and implementation of climate- resilient and inclusive

urban investments, developing asset registries and management plans, and enhancing the operation and maintenance budget of urban institutions.

RA 4: Improved private sector engagement. Enhancing the private sector's contribution to urban planning and development through inter alia, supporting the development and implementation of an engagement framework and promoting urban development plans being informed by dialogue with the private sector.

RA 5: Improved integrated development for refugees and host communities. Supporting the transition of refugee camps into integrated host community and refugee settlements, through inter alia, the establishment and capacity building of unified urban institutions to lead joint planning, infrastructure and service delivery and economic activity and social cohesion interventions.

The Specific Objectives of Result Area 4 are:

- a) To provide participating urban boards with access to up-to-date business enterprise data to facilitate engagement and planning
- b) To support urban boards identify and promote formation of business enterprise organizations/ association that will be vehicles for private sector engagement.
- c) To provide guidance on establishing public private dialogue forums and incorporating dialogue outcomes to relevant planning documents with specific focus to providing inputs to IDePs
- d) To provide urban boards with diagnostic toolkit for carrying out local economy and private sector diagnostic to enhance understanding opportunities for promoting urban development.

KUSP II will be assessed through three Annual Program Appraisals (APAs). The APA 1 was carried out in 2024. The APA 2 is expected by August 2025 and the APA 3 by or about August 2026. According to the Minimum condition number 8 (MC8) by August 2025, all participating urban areas are expected to be operating within the county government's Private Sector Engagement Framework to promote public private dialogue. The counties must have an up-to-date on line business enterprise database for each participating board (updated annually). According to Performance standard (PS I 1) all counties are expected to be implementing a county government's Private Sector Engagement Framework where participating urban board has developed a database of local businesses that is also updated the database on an annual basis. Similarly, the counties must have held at least two public• private dialogue (PPD) consultative meetings during the past 12 months and reports on meeting's deliberations and private sector input to inform urban development plans are prepared and discussed.

It is also expected that by the time of APA 3 in August 2026 under MC6, all Municipalities will have updated a comprehensive IDeP and Physical and Land Use Plan. The Urban IDeP includes principal findings and proposals of private sector dialogues and diagnostic (from APA2). Under MC8, the participating urban area operates within the county government's private sector engagement framework to promote public-private dialogue and the county government has developed an engagement framework to promote public private dialogue.

Under PS II, all municipalities are expected to be implementing the county government's. private sector engagement framework and the participating urban board has: completed a comprehensive private sector needs diagnostic and publicly disclosed the private sector needs diagnostic.

The preparation of this Private Sector Engagement Framework and its Toolkit is guided by both the existing policy and legislative framework. The preparation of these documents was participatory, ensuring appropriate engagement of stakeholders and more so the 45 counties and 79 Municipalities engaged in the implementation of KUSP II.

1.8 Benefits of adopting the Private Sector Engagement framework

It is appreciated that numerous formal and informal private sector players in West Pokot county are involved in diverse economic activities. It is therefore anticipated that adoption of a Private Sector Engagement Framework will not only enhance their involvement in the planning of the urban areas but also help stimulate additional investments that contribute to socio-economic development and thus County's GDP.

Some of the additional benefits are summarized below:

1. Institutionalized engagement: Shifts County and urban boards from fragmented, transactional interactions with the private sector to structured, consistent engagement in governance and decision-making. This fosters mutual understanding, aligns priorities, enhances policy effectiveness, encourages formalization, improves compliance, and boosts private sector contributions to the local economy, ultimately creating more jobs;
2. Knowledge and resource sharing: Leverages private sector expertise in research, technology, management, and innovation to enhance public sector efficiency and productivity, stimulating mutual learning
3. Clarifies roles and responsibilities: Clearly defines the roles of county governments, the private sector, and other stakeholders, fostering commitment, accountability, and improved performance through shared goals;
4. Strengthens trust and cooperation: Promotes collaboration by breaking down barriers, fostering trust, and building a social contract that supports reform implementation and compliance;
5. Reduces information gaps: Bridges knowledge and information gaps between the public and private sectors, leading to more informed decision-making and efficient cooperation; and
6. Builds partnerships: Facilitates partnerships by deepening the understanding between urban boards and the private sector, leading to the identification of opportunities, resource mobilization, and risk-sharing to enhance urban development and service delivery.

1.9 Current practice

Prior to the enactment of the Kenya Constitution 2010, local authorities engaged the private sector primarily through trade licensing, fee collection, and bylaw enforcement. Private sector participation in decision-making was minimal, and the relationship between local authorities and businesses was often adversarial and transactional. Underinvestment in strategic areas and poor service delivery built mistrust and alienated the local business community.

The post-2010 constitutional, legal, and policy framework now recognizes the private sector's critical role in urban development. County governments and urban boards are mandated to facilitate urban planning, development control, economic infrastructure, and local economic growth. Private sector representation in governance and decision-making has expanded, creating opportunities to leverage private sector contributions for growth and development.

However, engagement at the urban board level remains inconsistent. While county-level engagement has improved over time, urban boards have yet to establish formal, regular and structured mechanisms for private sector involvement. The legacy of mistrust persists, with the private sector often being a passive participant rather than an active partner in urban planning, development and service delivery. This situation limits the realization of the full potential benefits of public-private collaboration.

1.10 Key Actors and Roles

Based on the literature review, field visits and stakeholders' consultations, the key actors and their roles are defined in Table 2.

Table 2: Key Actors and Roles

Key actors	Their Roles
National Government	<p>Kenya National Bureau of Statistics (KNBS): The Kenya National Bureau of Statistics has the responsibility of coordinating the National Statistical System (NSS). KeSIC developed by the Ministry of Labour and Social Protection and KNBS for statistical purposes for business coding system provides a comprehensive framework for categorizing businesses based on their primary activities or industries.</p> <p>Medium and Small Enterprises Authority (MSEA): The Authority is domiciled in the Ministry of Co-operatives and Micro, Small and Medium Enterprises (MSME) Development. It coordinates, harmonizes and facilitates the integration of various public and private sector activities, programmes and development plans relating to MSEs. This includes registration of micro and small enterprises (MSEs) associations, capacity building, supporting market access and infrastructure development, access to affordable credit, and MSE centers of excellence. It regulates, develops, and promotes MSEs</p>
County Government of West Pokot	<p>West Pokot County Executive Committee: Assists in planning, adopting, and reviewing Integrated Development Plans (IDEPs), ensuring alignment with county and national policies and strategies. Appoints urban board members through a competitive process.</p> <p>County Executive Committee Member (CECM) - Department of Lands, Physical Planning, Housing and Urban Development : Appointed by the governor to coordinate board functions and approve urban development plans.</p> <p>West Pokot County Assembly (CA): Approves urban board appointments, county plans, IDEPs and urban board budgets, and oversees urban development policies and regulations.</p> <p>West Pokot County Revenue: responsible for county revenue management gather data on the private sector and have data analytics and statistical capacity. County Investment Authority conducts research, investment promotion and outreach activities</p>
Urban boards private sector	<p>Private Sector: Engages in dialogue with urban boards to influence policy, urban planning, and investment priorities. Offers resources, technology, and expertise to enhance infrastructure and service delivery while ensuring alignment with business growth opportunities.</p> <p>Informal Businesses: Actively participate in dialogue and help identify urban development needs, policies and investment opportunities that support business growth. Often unregistered, they rely on membership organizations for collective representation and engagement with urban boards. Informal business societies include Juakali FCS (artisanal) and Topot Ushanga (focused on beading).</p> <p>Formal Businesses: Ranging from small to large enterprises, including multinational companies, their role is to actively participate in dialogue and help identify urban development needs, policies and investment opportunities that support business growth.</p> <p>Business Associations and Societies: Act as intermediaries for collective private sector interests, focusing on policy advocacy, promotion, and standardization. They organize engagement with urban boards to ensure private sector priorities are represented. Active societies include Siyoi FCS (a dairy society), Kaibos FCS (a coffee society), Turkwel FCS (focused on animal feeds), Telen FCS (another dairy society), and Siyoi Sacco which is a savings and credit society. Other examples include Evangelists Sacco, Pokot Poultry and Karas Farmers CS which are a poultry society, and Pokot FCS (which specializes in coffee</p>

Key actors	Their Roles
	<p>and honey). Additionally, there are consumer-based societies like Kiletai, Eco-pillar, and several Saccos such as KAMCO, Kishaunel, Kapenguria Traders, and West Pokot Trashink, among others.</p> <p>Umbrella Organizations: Local chapters of national bodies like Kenya Private Sector Alliance (KEPSA), Kenya Association of Manufacturers (KAM), Kenya National Chamber of Commerce and Industry (KNCCI) and Central Organization of Trade Unions (COTU) bring together business groups for enhanced participation, coordinated advocacy and policy influence, playing a key role in shaping the policy and regulatory environment, strategic urban initiatives and investment decisions</p>
Other State and Non-State Actors	<p>Professional Associations and Research Institutions: Provide technical expertise through surveys, research, and data analysis to guide urban planning and policymaking. Dialogue Partners: Decentralized ministries, regulatory agencies, and development agencies collaborate with urban boards to support the implementation of policies, regulatory reforms, and capacity building for urban development. They also facilitate coordination between national and local government functions.</p> <p>Residents' associations: Resident associations represent important organized urban constituents and stakeholders residing and engaging with and contributing to the urban economy within the municipality. They have an interest and stake in its development.</p> <p>Dialogue Partners: Decentralized ministries, regulatory agencies, and development agencies collaborate with urban boards to support the implementation of policies, regulatory reforms, and capacity building for urban development. They also facilitate coordination between national and local government functions.</p> <p>Non-Governmental Organizations (NGOs) and Civil Society Organizations (CSOs): Advocate for issues such as gender equity, climate action, environmental protection, social and economic inclusion. They ensure that urban development is inclusive and addresses broader social, economic, environmental, and community concerns, bringing marginalized voices into the conversation. An example in West Pokot County is the Sengwer indigenous Community Trust.</p>

2 CHAPTER 2: DEVELOPMENT OF THE FRAMEWORK

This PSEF was developed through a participatory process involving national, county government departments, urban boards and administrators, representatives (including from private sector associations, informal enterprises, women, youth, persons with disabilities, resident's associations).

2.1 Private Sector Survey

The County Department of Housing and Urban Development with the assistance of the World Bank undertook a survey of current practices on private sector engagement in the Urban Areas from 24th to 28th November 2025 in sampled urban areas as shown in the table below. The choice of pilot urban areas considered the chartered municipalities, size, and economic activity. The sampling criteria sought to obtain representative information on the private sector engagement at the urban entities and to document best practices that could be adopted across other urban areas.

No	County	Urban Area	Ward
1	West Pokot	Kapenguria Municipality	Mnagei. Kapenguria, Siyoi
2	West Pokot	Chepareria Municipality	Chepareria

The survey that was designed as a structured, census-type enumeration exercise targeting all identifiable and accessible business premises. This approach was selected in preference to probability sampling for the following reasons:

- A census-type approach eliminates sampling bias and maximises representativeness in small business populations
- Ward-level and sector-level granularity required for policy purposes cannot be reliably achieved through probability sampling at this population size
- Total enumeration facilitates cross-tabulation and comparative analysis without the limitations of statistical inference

Data was collected using KoBoToolbox a digital mobile data collection platform — by trained enumerators equipped with smartphones and GPS-enabled devices. Real-time data capture, geo-tagging of business premises (latitude/longitude/altitude), and embedded skip logic for quality control were central features of the digital data collection workflow.

The survey instrument captured 89 variables spanning business demographics, regulatory compliance, infrastructure quality assessment, skills and digital adoption, enterprise finance access, market reach, and policy priorities. A total of 109 businesses were enumerated.

2.2 Stakeholder Consultations

Noteworthy too is that during the preparation process of the PSEF, the County Department of Housing and Urban Development engaged in extensive consultations with:

- Private sector associations - Siyoi FCS, Kaibos FCS, Turkwel FCS, Telen FCS, Pokot Poultry and Karas FCS, Eco-pillar, Kapenguria Traders association and Chepareria Traders association
- Umbrella groups like Kenya National Chambers of Commerce (KNCCI) – West Pokot County Chapter and Kenya Private Sector Association (KEPSA) – West Pokot County Chapter.
- Informal sector groups like Juakali FCS (artisanal) and Topot Ushanga (focused on beading)
- Financial institutions like Kenya Commercial Bank (KCB), Barclays Bank, Equity Bank, and the Kenya Women Finance Trust.
- Relevant County departments - Trade, Planning, Finance
- Kapenguria Municipality Board members.

These engagements informed the identification of priority constraints and institutional design features for the PSEF. Based on the survey findings from the extensive stakeholder consultations and best practices, a draft framework was subjected to review and comments, and a final version validated by the stakeholders through a participatory process.

3 CHAPTER 3: COMPONENTS OF THE PSEF

The following are components considered as essential building blocks for effective engagement with the private sector for urban planning and development and inclusive, competitive business environments:

1. Private sector database: Access to up-to-date data on the composition of the private sector to facilitate targeted engagement and provide data for economic and statistical analysis to inform urban policy and planning;
2. Private sector diagnostic: Diagnostics to assess the business environment, identify constraints, and propose interventions. This may involve the use of existing tools like the World Bank Toolkit for Competitive Counties to analyze and define institutional and regulatory frameworks, infrastructure, skills, and enterprise interventions;
3. Public-private dialogue forums (PPDFs): Regular, structured dialogues with private sector actors to align policy and investment priorities. The PPDFs will inform annual urban plans and investment priorities and provide feedback loops for continuous improvement. Urban boards should encourage business entities to affiliate and form/join business associations, which apply for accreditation, allowing for more structured engagement and credibility;
4. Capacity building and outreach: To build capacity of the private sector.
5. Communication and feedback channels: To facilitate two-way communication for inclusive and continuous dialogue; and Institutional arrangements and resource framework: To ensure effective and efficient implementation of the PSEF, institutional arrangements, coordination and resource (human and capital) allocations are critical.

3.1 COMPONENT 1: PRIVATE SECTOR DATABASE FOR URBAN BOARDS

To engage effectively in urban planning and development, urban boards in West Pokot should know the profiles and contacts of the businesses operating within their areas. This requires collecting, maintaining, and analyzing business data to gain insights into their organization, interests, influence, and overall contribution to the local economy.

The data is necessary for urban boards to better engage the private sector players in dialogue and action. The data supports outreach, communication, and relationship-building with the private sector.

Sources of data: West Pokot County government departments collect and store this data in the performance of their respective functions. Of significant relevance is the county revenue department, which gathers and stores business enterprise data during business and trade permitting process in the Single Business Permits (SBP) database. Other databanks include property rolls and land registries.

The SBP database offers a primary source of business data on licensed businesses that can be shared with urban boards as an initial basis for their private sector databases. The county trade department will grant urban boards access to disaggregated data specific to their jurisdictions. To facilitate this access, it may be necessary for the county SBP application forms and/or online platforms to be modified:

1. To incorporate a field to capture the urban area (municipality or town) of operation through a standard dropdown list of all urban areas to facilitate data disaggregation and sharing to the respective urban area. While the business location/address (in some cases GIS coordinates) is included fields for urban area i.e., the city/municipality of operation are not as these are relatively new administrative jurisdictions.

Other data fields which may be incorporated to enrich the information gathered on business entities to better engage in dialogue and action include geo-location (GIS coordinates), years in operation, number of employees, business affiliation. See **Annex 03** for the list of fields already in the SBP application form and additional fields suggested.

2. To establish data access protocols that allow urban boards access to relevant disaggregated business data on entities within their jurisdiction.

County departments that can serve as data sources include departments responsible for public participation that routinely map, gather and store data on the local citizens including the private sector, both formal and informal. Departments of trade and cooperatives also possess valuable data on businesses and trade associations and cooperatives captured in the performance of their functions.

County revenue boards and investment authorities actively collect and hold valuable data on the private sector and business entities. These institutions also have research and data analytical capacity to support urban boards in establishing their databases and analyzing the data for engagement and planning.

Local Chambers of Commerce, trade associations and organized groups: The Kenya National Chamber of Commerce and Industry (KNCCI) has well-established and active devolved chapters in all counties. These local chapters have an active membership and data that can be shared with urban boards on local business entities. In addition, there are formal and informal trade and business associations and organized groups in the counties with local membership including special interest groups such as refugees, women, youth and persons with disability. These groups can all provide valuable sources of data for urban boards.

Primary data collection: Urban boards may also collect data through business enterprise surveys to ensure they have comprehensive data on both formal and informal businesses to ensure inclusive engagement.

National institutions: Kenya National Bureau of Statistics publishes County Statistical Abstracts and conducts enterprise surveys. MSEA registers MSE associations and is also involved in surveys.

Standardized coding of business categories: A standardized coding system for business categorization is necessary to facilitate uniformity in business categorization. For statistical purposes, the national government through the KNBS uses the Kenya Standardized Industry Classification (KeSIC) system, a comprehensive framework for categorizing economic activities that can be applied to categorize businesses based on their primary industry and economic activity. Counties should adopt standardized coding system for business categorization to ensure uniformity in business categorization. This standardized approach will:

- a) Improve the efficiency and accuracy of business data analysis and management, leading to more informed decision-making and resource planning.
- b) Support vertical and horizontal data aggregation, leading to better alignment, harmonization, and integration of urban policies and plans, and enable consistent statistical and economic reporting across urban areas and counties. It facilitates implementation of the County Licensing (Uniform Procedures) Act 2024, which seeks to harmonize licensing, regulations, procedures and requirements and fee structures across counties.
- c) Allow for accurate segmentation and clustering of businesses by sector, industry, and activity, facilitating more targeted engagement.
- d) Enable comparative analysis of businesses and markets across counties.
- e) Identify trends and patterns to inform policy development, planning, and resource allocation.

Data management and visualization: The urban boards should create and maintain database management systems (for example, using MS Excel). They may employ geo-mapping and data analytics tools to facilitate visualization of data through maps and charts to support clustering for targeted engagement and for planning and targeting of services and investments. This data management system may provide contextual and geographic perspective, support analysis of patterns i.e., trade, supply chains, infrastructure and service delivery usage and demands, or the identification of areas of economic growth and potential investment. It may also provide insights on private sector resources that the urban board can tap into and leverage through partnerships. Boards may explore partnerships with data analytics companies to assist in providing customized solutions, including on data extraction, analysis, mapping and visualization.

Data privacy and security: Urban boards must comply with the **Data Protection Act, 2019** to ensure data security and privacy. While particular information from the database should be made publicly accessible to stakeholders via secure portals, this should be in accordance with the **Access to Information Act, 2016**.

Public accessibility to private sector database: Once established, the urban boards should provide access to information on the private sector database by publishing data online on their websites, in line with data protection legislation and regulations. This is expected to foster open, inclusive engagement, networking and to demonstrate local market growth through increased contribution to urban development and growth.

3.2 COMPONENT 2: PRIVATE SECTOR DIAGNOSTIC

Private sector diagnostics are conducted to gain a deeper understanding of the local business environment, market dynamics, and key constraints affecting private sector competitiveness. They unlock private sector-led growth and investment towards accelerating economic growth within an appropriate policy and regulatory regime. They help to identify untapped private investment opportunities and associated barriers. They also facilitate identification of sector opportunities based on their potential to spur private investment, create jobs, generate domestic revenue, and foster sustainable, inclusive growth. Private sector diagnostics help to prioritize the most impactful actions that can boost private sector growth, while delivering on broader development goals.

Kapenguria municipality will conduct annual private sector diagnostics to assess the local business environment, the broader economic landscape, and its impact on business operations, identifying enablers and challenges. It is a crucial step in improving the local business environment and fostering private sector-led growth. The diagnostic can be part of a broader local economy assessment and helps shape responsive interventions. The resulting reports inform discussions between urban boards, the private sector, and other stakeholders, guiding urban planning, investment prioritization, and the preparation or review of policy and regulatory instruments. Additionally, diagnostics can focus on specific industries or sectors of strategic importance or high growth potential.

The process involves desk research and business/enterprise surveys, and consultative sessions with the private sector and other stakeholders to assess the local business landscape. The World Bank's Toolkit for Competitive Counties in Kenya provides an analytical framework to identify needs and design interventions across four key policy areas.

a) Institutions and Regulations:

- Assesses the effectiveness of local institutions, policies, and regulations.
- Reviews business registration, licensing, and permitting processes.
- Evaluates the enforcement of property rights and contract mechanisms.

b) Infrastructure and Land:

- Reviews the state of infrastructure (transport, utilities, waste management) and identifies gaps affecting business growth.
- Analyzes land use policies and zoning regulations to evaluate their impact on investment and business activity.

c) Skills and Innovation:

- Identifies skills gaps in the labor market and assesses vocational training programs.
- Evaluates the level of innovation within the business community and available support for research and development.

d) Enterprise Support and Finance:

- Analyzes the availability of financial services (banking, microfinance, venture capital).
- Reviews enterprise support programs and business development services.
- Identifies barriers to finance and explore innovative solutions for small and medium enterprises (SMEs).

PRIVATE SECTOR DIAGNOSTIC FINDINGS

Kapenguria Municipality conducted a private sector diagnostic survey, which enumerated 109 business premises in Kapenguria Municipality specifically across the Mnagei and Kapenguria wards of West Pokot County. The survey was designed to provide an evidence base for business environment reforms, enterprise support programming, infrastructure investment prioritization, and public-private dialogue in Kapenguria Municipality and the broader West Pokot County context.

The survey revealed a business ecosystem characterized by a remarkable gender near-parity in ownership (Female: 50.5%, Male: 49.5%) a defining feature that distinguishes West Pokot from many comparator counties. However, the county faces critical structural constraints: only 41.3% of businesses have accessed finance or credit, just 25.7% use digital tools, and water supply (mean: 2.27/5) and internet connectivity (mean: 2.21/5) are rated as critically poor infrastructure. Finance access is significantly below the 70.9% recorded in the Kenya.

Most strikingly, 100% of surveyed businesses expressed willingness to participate in a Public-Private Dialogue Forum (PPDF) the highest engagement readiness recorded in any comparable county survey representing an extraordinary foundation for structured government-business dialogue. The report closes with a comprehensive set of policy recommendations, KPIs, and a results framework for the County Government of West Pokot.

Key highlights:

Key Finding	Headline Statistic
Total businesses surveyed	109 in Kapenguria Municipality
Dominant business structure	87.2% sole proprietorships
Gender near-parity in ownership	Female 50.5% vs Male 49.5%
Youth-owned businesses	28.4% (31 businesses) — above national average
PWD-owned businesses	0.0% — critical inclusion gap
Dominant sector	51.4% Trade; 29.4% Services
Micro-turnover (<KES 500K)	81.7% of businesses
Infrastructure challenge impact	36.7% report direct impact
Water supply (mean score)	2.27/5 — Critical infrastructure gap
Internet/digital connectivity (mean)	2.21/5 — Critical connectivity gap
Roads (mean score)	3.99/5 — Best-rated infrastructure
Finance access rate	41.3% — Well below benchmark (70.9%)
Digital tools adoption	25.7% — Critically low
Local market dependency	78.0% serve local/neighbourhood

PRIVATE SECTOR PROFILE

The Kapenguria Municipality business ecosystem is dominated by two sectors: Trade (51.4%) and Services (29.4%), together accounting for over 80% of all businesses. Hospitality ranks third at 10.1%, reflecting the role of Kapenguria as the administrative and commercial hub of West Pokot County. Agriculture despite the county's pastoral and agropastoral economic base accounts for only 4.6% of surveyed businesses, indicating an underrepresentation of agribusiness in the formal commercial economy.

Sector	Count	Percentage
Trade	56	51.4%
Services	32	29.4%
Hospitality	11	10.1%
Agriculture	5	4.6%
Other	2	1.8%
Transport	1	0.9%
Construction	1	0.9%
Manufacturing	1	0.9%

Business Ownership Structure - Sole proprietorship is overwhelmingly dominant at 87.2%, consistent with the micro- enterprise character of the county's economy. Limited companies (6.4%) are slightly more prevalent in West Pokot, suggesting a modestly more formalised segment among medium-scale businesses. Partnerships (4.6%), cooperatives (0.9%), and other forms are marginal.

The most striking demographic finding of this survey is the near-perfect gender parity in business ownership: Female owners account for 50.5% (55 businesses) compared to Male owners at 49.5% (54 businesses). This represents a radical departure from the national norms (76.1% male) where male ownership typically ranges from 60–80%. This finding positions West Pokot as a potential model county for gender-inclusive enterprise development.

Ownership Type × Gender Cross-Tabulation	Female	Male	Total
Sole Proprietor	49 (51.6%)	46(48.4%)	95(100%)
Limited Company	3 (42.9%)	4 (57.1%)	7 (100%)
Partnership	2 (40.0%)	3 (60.0%)	5 (100%)
Cooperative	1 (100%)	0 (0.0%)	1 (100%)
Other	0 (0.0%)	1 (100%)	1 (100%)

Notably, the sole proprietor category the largest shows near-perfect gender balance (51.6% female). Female owners even have a slight majority in the cooperative form. This cross-tabulation confirms that gender parity is not limited to one ownership type but is systemic across the business ecosystem.

Inclusion Indicator	West Pokot	Gap Analysis
Female Ownership	50.5%	Model for gender inclusion
Youth Ownership	28.4%	Strong youth entrepreneurship

BUSINESS ENVIRONMENT KPI DASHBOARD

KPI / Metric	Target	Survey Finding	Status & Action
PPDF Engagement Willingness	> 70%	100.0%	Exceeds target — launch PPDF immediately

WEST POKOT COUNTY RESULTS FRAMEWORK 2026–2028

Outcome	Indicator	Baseline 2026	Target 2028	Means of Verification
Improved Business Environment	Ease of doing business score (1–5)	3.88	4.20	Annual survey
Inclusive Enterprise	% female-owned businesses	50.5%	≥ 50%	Business registry, annual survey
Organised Private Sector	% in business associations	5.5%	30.0%	Association registry
PPP Institutionalization	PPDF sessions held per year	0	4	County meeting records

CONCLUSION FOR DIAGNOSTIC

The West Pokot County Municipality Private Sector Diagnostic Survey 2026 provides the most comprehensive baseline dataset on Kapenguria's business ecosystem to date. It reveals a county with remarkable social inclusivity in business ownership gender near-parity and relatively strong youth entrepreneurship but facing acute structural constraints in finance access, digital connectivity, water infrastructure, and collective business organisation.

The county has clear competitive strengths relative to the Kakamega benchmark: better roads, a more positive ease of doing business perception, faster permit approvals, and stronger cross-county market reach. These are genuine policy achievements that should be protected, publicised, and built upon.

The critical challenge and the defining policy priority is the trinity of low finance access (41.3%), critically low digital adoption (25.7%), and critically poor internet connectivity (2.21/5). These three interlinked deficits reinforce each other in a vicious cycle: poor connectivity suppresses digital

adoption, which suppresses mobile banking access, which suppresses finance access, which suppresses business growth and investment in digital tools. Breaking this cycle requires coordinated, sequenced investment across all three dimensions simultaneously.

The single most encouraging finding in this survey is the 100% PPDF willingness rate — every single business surveyed expressed readiness to participate in a Public-Private Dialogue Forum. This represents an extraordinary mandate for action. The County Government of West Pokot should launch its inaugural PPDF without delay, channelling this universal engagement readiness into a structured, evidence-based reform agenda anchored in the findings of this survey.

RECOMMENDATIONS

The following policy recommendations are derived directly from survey findings. They are structured in priority order by urgency and impact potential.

Digital Infrastructure & Innovation: Connect Kapenguria

- Commission a Kapenguria Digital Connectivity Audit to map internet coverage gaps and identify priority infrastructure investment sites (masts, fibre, Wi-Fi hotspots)
- Partner with Safaricom, Airtel, and the Universal Service Fund to deploy broadband infrastructure in all gazetted commercial zones of Kapenguria Municipality within 24 months
- Establish a Kapenguria Digital Enterprise Hub providing free Wi-Fi, computer access, and digital skills training targeting the 74.3% of businesses not yet using digital tools
- Sequence digital interventions: (1) connectivity first, (2) device access, (3) digital literacy, (4) digital commerce and e-government adoption
- Target minimum 60% digital tools adoption by 2028 from the current critical baseline of 25.7%

Public-Private Dialogue: Institutionalise the PPDF

- Immediately launch West Pokot's inaugural PPDF 100% business willingness to attend makes this the highest-readiness PPP opportunity of any county in Kenya
- Institutionalise quarterly PPDF sessions in the Kapenguria Municipal By-Laws, with mandatory attendance by relevant County Executive Committee members
- Establish a Standing PPDF Secretariat staffed by the County Department of Trade, with rotating private sector co-chairs from different business sectors
- Use PPDF as the primary mechanism for monitoring progress against the KPI framework in
- Engage 100% PPDF willingness as a selling point in county investment promotion "West Pokot: Where Business Has a Voice"

3.3 COMPONENT 3: PUBLIC-PRIVATE DIALOGUE FORUMS (PPDF) FOR URBAN PLANNING AND DEVELOPMENT

Urban boards will establish regular, purpose-driven dialogue forums with private sector actors to better understand the business environment, the private sector, their needs and the barriers they face and the opportunities to develop an inclusive, competitive urban areas. The Public Private Dialogue Forums (PPDF) will bring representatives from both formal and informal businesses, business associations and other dialogue partners and stakeholders, together to share and gather information, understand needs and opportunities, and agree on priorities that inform urban development plans and the development of competitive urban areas.

PPDF will serve as an open, inclusive platform where local private sector needs are aligned with public sector mandates, resources, and capacity. The meetings should be structured and scheduled to build consensus, set shared objectives, and prioritize interventions for integration into urban plans, enhancing the efficiency and effectiveness of public sector support for business competitiveness and economic growth.

The outcome of these dialogues should inform the preparation, implementation, and review of Integrated Development Plans (IDePs), annual urban area plans and budgets, land use development plans, building and zoning regulations, development control, and other regulatory instruments.

It is by holding regular dialogue forums that a feedback loop can be established to continuously improve policy design, implementation, and results monitoring. This feedback process fosters mutual commitment, accountability, and shared responsibility for outcomes. It also supports continuous learning and adaptive management, addressing emerging opportunities, challenges, and bottlenecks, helping to build agile and resilient businesses and urban communities.

Accreditation of business associations: Business associations serve as important channels for urban boards to engage businesses in structured dialogue on areas of mutual interests, to set common objectives and build collaborative relationships. Currently, private sector formal business registration of associations is done by MSEA. It would therefore be useful for the county and urban area managers to obtain information from MSEA to facilitate the mapping of these associations. This would also help to understand the extent of membership (percent of members), the governance structures to determine the level of representation, inclusion and accredit the legitimate associations as anticipated in the draft UACA Draft Regulations, 2022.

Counties and urban boards should encourage business entities, including informal sector enterprises, to affiliate and form or join business associations or other membership organizations based on shared interests, industry, or geographic location. Business associations and member organizations should be encouraged to apply for accreditation with the county or urban board as per the UACA Draft Regulations, 2022 which provides guidance on this accreditation process. The urban boards should maintain a register of accredited associations to streamline outreach and engagement efforts.

Accreditation formally recognizes associations as legitimate representatives of their members, empowering them to engage with city and municipal boards to lobby and advocate for their perspectives and proposals. Accreditation requires that the business membership organizations meet standards of professionalism, governance, and ethical conduct, lending credibility and fostering trust in their ability to effectively represent their members' interests.

CONVENING THE PUBLIC-PRIVATE DIALOGUE FORUM (PPDF)

It is expected that each county will develop a county private sector dialogue forum structure that the urban boards can adopt, building on and aligning with the existing county and urban structures. This process should be guided by existing county guidelines on public participation. This will allow coordinated engagement across urban areas within the county that informs urban planning and development. Existing engagement structures should be built upon for example within the Departments of Trade. The urban board is responsible for operationalizing and resourcing the Public• Private Dialogue Forum (PPDF).

URBAN AREA PPDF STRUCTURE

Champion: The board member representing the private sector or chairing the committee responsible for the private sector should champion the PPDF

Secretariat: The board should establish a secretariat led by the urban manager (who will act as secretary of the forum) to manage the forum's operations. Private sector representatives with relevant skills may contribute and provide technical and administrative support.

PPDF membership: The board should define membership criteria that is inclusive and adequately reflect their local private sector. The private sector database and the register of accredited business associations will help inform the structure. Membership should comprise accredited associations representing both formal and informal enterprises, cooperatives and special interest business groups such as women, youth and persons with disability, major business players and stakeholders such as residents' associations, financial institutions. It is expected that Associations will be responsible for nominating representatives to the forum.

Other dialogue partners, such as relevant county departments, ministries, development agencies, research institutions, civil society organizations (CSOs), and non- governmental organizations (NGOs), may be co-opted into the forum as may be needed.

Leadership: A leadership structure should be created with the board member responsible for the PPDF as chair of the forum and a private sector representative as co-chair. Working groups or committees may also be created, aligned with local industry sectors or policy priorities.

Organizing the PPDF: County departments and municipalities already engage the business community in budget and policy dialogue on an ad-hoc basis. For structured dialogue, the board should cluster business• es and associations by sector or industry for example the transport sector, tourism or hospitality sector or residents' associations. These clusters should be encouraged to come together to define common needs and priorities. Thereafter, representatives from the clusters should be brought together in a plenary PPDF to share their priorities and dialogue with the board and other dialogue partners to agree on the collective priorities to be integrated into urban plans and policies.

PPDF calendar of meetings: Plenary PPDF should be held at least twice a year, timed to influence key decision-making processes in county and urban planning and budgeting. Cluster and committee meetings can be held as required and recommendations presented at the plenary for decision making. The urban manager will prepare and publish the calendar and meeting agenda, which will involve discussions on priorities for each policy area.

Ad-hoc meetings may be convened as may be needed to review policy and regulatory proposals.

Meeting format: The agenda and meeting format should promote open dialogue and exchange of local knowledge, expertise, and evidence-based insights. The discussions should be informed by diagnostic reports, local economy assessments, urban area plans and sectoral studies, to ensure that the recommendations are grounded in local realities.

Minutes, action plan and follow-up: Minutes should be prepared after each forum, reporting on the main agreements and recommendations. The Minutes should be presented and considered during citizen fora during the preparation and review of the IDEP, the urban area annual strategic plan and budget estimates.

The urban manager is responsible for following up on actions by the board and for reporting back to the PPDF plenary on the board's actions and decisions. If interventions require action from the county government or other public agencies, the manager should coordinate with the relevant actors and provide updates.

Monitoring and Accountability: The urban manager is responsible for monitoring the progress of the PPDF action plan, tracking follow-up actions, maintaining records, assessing outcomes, and evaluating the effectiveness of the dialogue. This process will support continuous performance improvement.

Linkage to the citizen fora: As outlined in the UACA (Amendment) Act, 2019, urban boards are required to hold citizen fora, providing a platform where representatives of urban residents, the urban board, and relevant agencies can engage in dialogue on key urban development issues. These fora serve to discuss shared concerns, agree on goals, and set priorities. Membership includes representatives from business associations, registered associations of the informal sector, and other urban resident groups.

The priorities, resolutions, and submissions from the PPDF will be presented by accredited business association representatives at the citizen fora for further consideration by the urban board. This structured approach ensures that the collective views and interests of the private sector are effectively communicated and integrated into the broader citizen engagement process. See Annex 04: Suggested calendar for two annual forums aligned to the urban board planning and budgeting calendar.

3.4 COMPONENT 4: CAPACITY BUILDING AND OUTREACH

To ensure effective implementation of the framework, urban boards will develop a comprehensive capacity-building and outreach strategy. As per the Second Schedule of the UACA (Amended 2019), urban boards are required to build the capacity of residents to enable their participation in urban affairs, as well as to foster community engagement among board members, town committee members, and staff. Resources must be allocated annually to support these activities.

Urban Board Capacity: The urban board should assess its current capacity, identify gaps, and create a capacity-building plan. This plan will require investments in staff training, workshops, technical assistance, and necessary tools like software and equipment to support engagement, communication, and outreach. Developing competencies for collaboration and knowledge-sharing will be essential.

Private sector capacity: For effective engagement, the private sector needs a clear understanding of urban governance, the roles and responsibilities of public and private sectors, and how to engage in the planning process for mutual benefit. The urban board should strengthen the private sector's capacity through targeted outreach and training activities.

The board should raise awareness among businesses and provide training to business associations and clusters so they can engage effectively in municipal or city affairs. With support from the county government and MSEA, the boards will develop tools such as:

1. Guides to support associations establish leadership structures, governance and decision-making processes. Management tools i.e. templates for agendas, minutes, and reports.
2. Guides to key urban governance processes and how to engage with them, including timelines for county and urban planning timelines.

The urban manager is responsible for planning and budgeting the capacity- building activities for the urban board, administration, business associations, and clusters. This includes organizing training sessions and procuring consultants for specialized training in urban governance, public-private engagement, and governance structures for business associations that ensure inclusivity. This includes the development of tools to help them with governance, meeting facilitation, decision- making processes, member outreach, and record-keeping to ensure inclusive and effective participation.

TARGET GROUPS FOR CAPACITY BUILDING

- Board Members
- Municipal Manager
- Municipal Staff
- County Staff from County Treasury, Trade and ICT Departments
- Business Communities

PROPOSED TRAINING MODULES

- Diagnostic Methodology
- Survey design, constraint ranking
- PPP Fundamentals
- Structured Dialogue Facilitation
- Managing PPDF deliberations
- Conflict Management
- Handling divergent interests
- Action plan monitoring
- Gender and Inclusion
- Ensuring representation compliance

OUTREACH STRATEGY

Outreach ensures inclusive participation and broad economic representation. Outreach Mechanisms will include:

- Sector-based stakeholder meetings.
- Collaboration with umbrella bodies.
- Targeted engagement with MSMEs and informal enterprises.
- Youth and women enterprise forums.
- Digital registration drives.

3.5 COMPONENT 5: COMMUNICATION AND FEEDBACK CHANNELS

Establishment of clear, accessible channels for timely, two-way communication and information dissemination is essential for effective engagement efforts. The boards should leverage technology to ensure efficient communication flow and equitable access to information. The urban manager should oversee regular communication with private sector organizations, ensuring timely updates and continuous engagement. Key information such as information on the public-private dialogue forum, the calendar, agenda, meeting notices, minutes and reports, information and diagnostic reports on the private sector in the urban area, should be published on the municipality's website.

3.6 COMPONENT 6: INSTITUTIONAL ARRANGEMENTS AND RESOURCE FRAMEWORK

The following institutional roles and resources will be employed to effectively operationalize the engagement framework:

Urban Board:

Urban Board Chair has the overall responsibility for overseeing the implementation of the framework. Chair of the Board Committee (or Sub-Committee) responsible for private sector engagement, business environment, urban economy, or trade is responsible to champion the framework and supervise the Urban Manager in its implementation, ensuring alignment with a clear performance framework.

Urban Administration:

Urban Manager will:

- be responsible for setting up the secretariat, planning and managing engagement activities, coordinating implementation of action plans, tracking and monitoring results, and reporting progress against established performance targets and engagement indicators.
- serve as the secretary and facilitator of PPDFs
- be responsible for planning capacity building and outreach activities, and maintaining two-way communication.

Municipal Department Heads and Officers will be responsible to implement actions relevant to their department as assigned.

4 CHAPTER 4: SUSTAINABILITY CONSIDERATIONS

4.1 Enablers for Effective and Sustained Private Sector Engagement

Effective implementation of this Private Sector Engagement Framework depends on a set of institutional, fiscal, political, and technical enablers. Without these conditions, even well-designed systems risk becoming procedural rather than transformative. These enablers will contribute to building trust, improving coordination, and enhancing the effectiveness of private sector engagement. To ensure long-term sustainability of the PSEF, the County Government will:

- **Secure high-level political commitment and leadership** - Political commitment is recognized as a paramount pillar to sustained partnerships with the private sector. The County Executive Committee will champion and advocate for effective engagement. Executive endorsement strengthens credibility among investors and signals predictability in policy direction. Commitment will include but not limited to adequate, predictable budget resources and responsibility for monitoring, supporting, and being accountable for the outcomes.
- **Strengthen county department-municipality collaboration** - The County Government of West Pokot will improve the collaboration between the county departments and municipalities to facilitate the sharing of information, resources, and support necessary for seamless implementation.
- **Allocate adequate staffing and technical capacity** - The County Government will recruit sufficient and skilled staff members to support the urban manager. Technical capacity should align with the demands of private sector engagement and urban development. The CGWP will further plan and implement capacity building programmes for staff to ensure they upgrade their skills.
- **Allocate adequate planning and budget for private sector engagement activities** - The CGWP will ensure there is dialogue preceding ADP and budget formulation timelines. CGWP will ensure dedicated annual allocations for database maintenance, system upgrades, diagnostic studies, PPDF facilitation and documentation, and capacity building. Where resources are not budgeted, implementation becomes irregular.
- **Invest in technology and innovation** - The CGWP will invest in modern digital technologies for data management, mapping, and analytics pertaining to the private sector and local business communities. Such technology will include database management, advanced data analytics, Artificial Intelligence, and Geographic Information Systems (GIS). This will enhance the capacity of the urban areas for informed decision-making and strategic planning.
- **Leverage strategic partnerships for private sector engagement** - The CGWP will leverage the existing partnerships and develop new ones with various stakeholders such as other municipalities, other counties, local communities, utility service providers, professional associations, national government agencies, development partners and research institutions. This will be instrumental in linking the private sector to other stakeholders.
- **Allocate resources for continuous diagnostics and engagement** - The CGWP will ensure resources are planned and allocated for the continuous private sector diagnostics and regular reviews to the PSEF in order to maintain an updated understanding of the business environment and stakeholder needs.
- **Embed political accountability in reforms** - The CGWP will guarantee high-level political accountability for the implementation of reforms. This includes integrating targets and performance indicators into the county performance management framework, such as the performance contracts. These measures ensure private sector engagement remains institutionalized, responsive, and impactful over time.

5 CHAPTER 5: CHALLENGES, RISKS AND MITIGATION STRATEGIES

Structured engagement comes with both governance opportunities and risks. Anticipating these risks strengthens institutional resilience. Potential risks and challenges associated with the implementation of the PSEF will be proactively identified and addressed through targeted mitigation strategies. Monitoring systems and transparent communication mechanisms will further support risk management.

Key risks include:

- Data security and privacy concerns
- Limited participation from private sector actors
- Resource constraints
- Institutional capacity gaps
- Conflicts of interest among stakeholders

Mitigation measures include:

- Strengthening data protection systems
- enhancing stakeholder engagement strategies
- building institutional capacity
- ensuring adequate resource allocation.

Table: Risk Management Strategy

a) Risk	Mitigation Measures
Private Sector Database	
Unauthorized data access	<ul style="list-style-type: none"> • Implement robust data security measures, such as encryption and access controls. • Ensure compliance with relevant data privacy laws (e.g., Data Protection Act, 2019). • Regularly audit data access logs and security protocols.
Data privacy breaches	<ul style="list-style-type: none"> • Develop a comprehensive privacy policy, shared with all relevant stakeholders. • Educate staff and businesses on data privacy protocols. • Limit access to sensitive data and implement tiered permission levels.
Technological and operational risks: Technological failures and operational inefficiencies undermine engagement	<ul style="list-style-type: none"> • Invest in reliable technology systems and establish regular maintenance schedules. • Provide staff with appropriate training and necessary operational equipment.

Private Sector Diagnostic	
Procurement delay	<ul style="list-style-type: none"> • Ensure engagement activities including the diagnostic exercise is in the urban annual plan and budget of the fiscal year when it is expected to take place.
Limited access to accurate and up-to-date data from businesses	<ul style="list-style-type: none"> • Conduct preliminary data mapping exercises to identify data sources and address data gaps. • Collaborate with business associations to ensure accurate data collection. • Leverage existing databases such as business licensing systems and tax registries to access updated data.
Low response rates or poor participation from businesses	<ul style="list-style-type: none"> • Partner with business associations and chambers of commerce to build trust and encourage participation. • Offer incentives such as showcasing the benefits of diagnostic findings (e.g., improved business climate). • Use multiple data collection methods (e.g., surveys, focus groups, interviews) to ensure broad participation.
Lack of skilled personnel to carry out the diagnostic	<ul style="list-style-type: none"> • Invest in staff training on conducting diagnostics, data analysis, and stakeholder engagement. • Outsource specific technical components (e.g., data analytics) to private sector experts if necessary.
High costs of conducting the diagnostic	<ul style="list-style-type: none"> • Explore partnerships with development agencies and the private sector to share costs. • Break down the diagnostic into phases to spread costs over multiple years if necessary.
Diagnostic results not integrated into policy and planning	<ul style="list-style-type: none"> • Ensure that diagnostic findings are linked to specific policy and planning timelines, such as the preparation of the annual urban development plan. • Establish clear pathways for incorporating diagnostic results into decision-making processes.

Public Private Dialogue Forums (PPDF)	
Poor engagement by the private sector: Long-standing mistrust due to previous transactional, predatory relationships, or political, cultural/social disputes	<ul style="list-style-type: none"> • Conduct targeted communication and outreach campaigns focused on the benefits of engagement. • Establish transparent and accessible two-way communication channels and feedback loops. • Set up oversight, monitoring, and accountability mechanisms to ensure responsiveness. • Publish key information and reports to foster transparency and build trust.
Conflicts of interest between the private sector and urban board; or among private sector actors, delaying consensus	<ul style="list-style-type: none"> • Enhance the facilitation, negotiation, and analytical capacity of urban officers to manage and resolve conflicts. • Conduct thorough analysis and assessments to inform dialogues. • Engage external facilitation experts if necessary to mediate and ensure smooth discussions.
Resource risks: Inadequate financial and human capacity to conduct activities	<ul style="list-style-type: none"> • Identify staffing needs and capacity gaps for the PPDF and include them in the urban board's staff establishment plan. • Assign qualified and relevant staff to manage engagement activities. • Plan for financial and human resource allocation for capacity building. • Ensure that PPDF activities are incorporated into the urban board's annual plan and budget. • Integrate priority interventions identified in the forums into the urban board's annual strategic plan and budget.

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17. Kapenguria Local Physical and Land Use Development plan, 2025-2035

ANNEXES

6.1 Annex 01: Summary of the relevant legislation

<i>Legal instrument</i>	<i>Article/Section</i>	<i>Provision</i>	<i>Details of provision</i>
Constitution of Kenya (2010)	Article 184	<i>Governance and management of urban areas and cities</i>	<i>National legislation on the governance and management of urban areas and cities shall provide for the participation of residents</i>
County Government Act (CGA), 2012	<i>Part VIII</i>	<i>Citizen participation</i>	Outlines the principles of public participation, the rights of citizens, requires for the establishment of modalities and platforms for citizen participation by county governments and all decentralized units of the county
	<i>Section 104</i>	<i>Obligation to plan and to promote public participation in the process</i>	Urban areas are designated as planning authorities and required to promote public participation in the process
	<i>Section 105</i>	<i>County planning units</i>	County planning units should ensure the collection, collation, storage and updating of data and information suitable for the planning process
	<i>Section 115</i>	<i>Citizen participation in county planning</i>	Requiring that public participation in county planning is mandatory; counties are required to develop laws, regulations and establish mechanisms as provided in Part VIII
Urban Areas and Cities (Amendment) Act, 2019	Section 11 (d)	<i>Principles of governance and management</i>	Requires the institutionalized active participation by its residents in the management of the urban area and city affairs
	Section 13	<i>Private sector representation on Boards of Cities</i>	On the composition Boards of Cities which are responsible for governance and management of urban areas provides for two of the nine members to be nominated by private sector organizations: <i>(2)(b) an association representing the private sector in the area;</i> <i>(2)(c) a cluster representing registered associations of the informal sector in the area;</i>
	Section 14	<i>Private sector representation on Boards of Municipalities</i>	On the composition of Board of Municipality provides for two of the nine members to be nominated by private sector organizations <i>(3)(b) an association representing the private sector in the area;</i> <i>(3)(c) a cluster representing registered associations of the informal sector in the area;</i>
	Section 21	<i>Powers of the boards of cities and municipalities</i>	<i>(1)(g) to ensure participation of the residents in decision making and, in its activities, and programmes in accordance with the Schedule to the Act as provided in the County Governments Act, 2012 and any other national legislation on public participation</i>

<i>Legal instrument</i>	<i>Article/Section</i>	<i>Provision</i>	<i>Details of provision</i>
	<i>Section 22</i>	<i>Citizen fora</i>	<i>Subject to the Second Schedule provides for urban residents to deliberate and make proposals on county and national policy and legislation, plans and budgets; and monitor the activities of officials and board members cities and urban areas. And for Urban boards to seek and receive petitions and representations from citizen fora on the management and administration of urban affairs within its jurisdiction and functions and make recommendations on issues raised for implementation and reporting by the Urban Manager on decisions made on the recommendation. Including on service provision, development plans (i.e., IDEPs) and budgets, policies and legislation.</i>
	<i>Second Schedule</i>	<i>Rights of, and participation by residents in affairs of their city or urban areas</i>	<i>Outlines the rights and duties of residents; requires that city or urban areas develop systems of governance, mechanisms, processes and procedures that encourage citizen participation in its affairs; apply resources and build capacity of urban residents to do so</i>
	<i>Section 45(1)</i>		<i>Three months before the commencement of each financial year, a board or town committee shall cause to be prepared estimates of the revenue and expenditure of a board or town committee for that year</i>
<i>Draft UACA Regulations, 2022</i>	<i>19 Fifth and Sixth schedules</i>	<i>Registration, accreditation, and clustering of business community within urban areas and cities</i>	<i>Guides the process for the urban boards to accredit and maintain a register updated annually of business associations operating within the specified urban area, city, municipality for the purpose of promoting consultation; to facilitate the process the business associations shall apply for accreditation as prescribed in the Fifth Schedule and Urban Board will issue a certificate of accreditation as prescribed in the Sixth Schedule once satisfied the association has meet the requirements which are proof of existence for two years, proof or registration by the competent, recognized body under the requisite law, proof of membership of at least 25% of the persons undertaking the business/economic activity under that relevant business area, active participation of its members in the management and governance of the association</i>
	<i>27</i>	<i>Promoting active citizenship and participation.</i>	<i>For purposes of promoting vibrant and active citizenship and participation in urban areas and cities, the Boards shall put in place measures to (a) map representative groups within the urban area or city; (b) set up appropriate platforms for engagement and participation; (c) empower residents through capacity development initiatives on urban development matters; and (d) set up community outreach programmes.</i>
	<i>31(1)</i>	<i>Citizen fora composition</i>	<i>The citizen fora shall comprise of (a) accredited neighbourhood associations in the area; (b) registered associations of the informal sector including market committees and public transport associations in the area; (c) the association representing the private sector in the area; (d) professional associations in the area; (e) the association of business community in the area; (f) Faith Based Organizations; and (g) any other entity that the Boards or the Committees may deem necessary. . These entities may participate as clusters in their respective organizations.</i>
	<i>32, 33</i>		<i>Provides for the convening of the fora, election and responsibilities of an executive committee. And the</i>

<i>Legal instrument</i>	<i>Article/Section</i>	<i>Provision</i>	<i>Details of provision</i>
			<i>conduct of meetings</i>
Public Financial Management Act (2012)	175	<i>Budget and budget process for urban areas or cities</i>	<i>Requires urban boards involve the public in budget making processes. Provides the budget process for urban areas and cities i.e., the urban board shall prepare a strategic plan based on the IDEP consistent with the CFSP as basis for the urban budget estimates; and the public given the opportunity to participate in the process as per Second Schedule, Urban Areas and Cities (Amendment) Act, 2019</i>
Access to Information Act, 2016	Sec. 4 and 5	On Right to information and disclosure of information by public entities	The Act guarantees the right of access to information held by public entities, including county governments. It ensures transparency and accountability in the governance processes by allowing citizens to access relevant information.
Data Protection Action, 2019	Part X1 Section 72	On offences of unlawful disclosure of personal data	The Act provides outlines offences related to unlawful disclosure of personal data and information
Public private partnerships Act, No 15, 2012	Section 19 and 20	Public Private Sector partnership on Section 19 and Section 20 Sector Diagnostic Study and Assessment	Public private partnerships Act, No 15, 2012 provides for the private sector engagement and undertaking diagnostic study of the local economy on Public Private Sector partnership and Section 20 Sector Diagnostic Study and Assessment
The County Licensing (Uniform Procedures) Act 2024	Sec. 4e	Coding system	The Act provides for Counties to establish and implement a system that designates different codes for the different categories of licenses issued by that authority.
County Assembly Standing Orders	PART XXVII	Public access to the county assembly and its committees	County assemblies have their standing orders that outline the procedures and mechanisms for public participation in the legislative processes. These orders provide guidance on how the public can engage with the assembly.
Relevant local county policies and legislation			Relevant county policies, act and guidelines guiding public participation, private sector engagement, land, trade, cooperatives, investment and revenue management.

6.2 Annex 02: Alignment and linkage to the urban governance regulatory framework

Private sector database, maintaining a register of accredited business association; outreach and capacity building of business associations.				
Purpose: Database on the private sector for analytical purposes; and to facilitate targeting, clustering for engagement and the implementation of relevant and targeted interventions.				
Alignment to urban governance framework		Purpose	Timing	Tools
UACA Draft Regulations,	Urban boards are required to accredit and maintain a register of accredited business	1. Urban area private sector database includes administrative location, address (geo-referenced) , ownership, size, sector and industry, business activity -	Updated	GIS Software; data collection surveys, KNBS data – county

<p>2022, Regulation 19;</p>	<p>associations for clustering of business community within urban areas and cities to facilitate engagement and service delivery</p> <p>Urban Boards are required to map representative groups within the urban area or city, set up platforms for engagement and participation and empower residents through capacity building and outreach programmes</p>	<p>drawn from the county revenue department business licensing database</p> <p>2. Used for analytical purposes and to cluster and convene private sector actors for engagement, planning and service delivery</p>	<p>annually</p>	<p>statistics, economic surveys, industry statistics, business license register, land registry, KNCC, business & trade & professional associations. Partnerships with data analytic companies</p>
<p>Private sector diagnostics - Purpose: Facilitates analysis of the local business environment, private sector needs, opportunities, and challenges and potential solutions to address bottlenecks (based on the four levers of competitive cities (World Bank, 2012)</p>				
<p>Alignment to urban governance framework</p>		<p>Purpose</p>	<p>Timing</p>	<p>Tools</p>
<p>CGA, 2012, Section 104, 105 PFMA, 2012, Section 175</p>	<p>Urban boards are required to prepare an Integrated Plan, and every year prepare a strategic plan based on the IDEP consistent with the CFSP as basis for the urban budget estimates and give the public the opportunity to participate as per CGA, 2012 Second Schedule</p> <p>As planning units, they are required to collect, store and update data and information suitable for the planning process</p>	<p>1. Informs the: - IDEP preparation and review, annual urban strategic plan and budget estimates - city/municipality spatial & land use plans, zoning plans - departmental strategic and implementation plans.</p> <p>2. Informs the county CIDP preparation and review, county spatial plan, Sector Plans, ADP and CFSP (where sector priorities and ceiling are established), Urban (& other sector) Strategic Plans and Implementation Plans, county budget estimates, implementation, monitoring and reporting: quarterly budget implementation reports, CBROP, sector reports</p>	<p>Every 3-5 years</p> <p>Reviewed and updated annually (through the PPD processes)</p>	
<p>Public Private Dialogue Forum – Platform for Policy Dialogue and Prioritization of Intervention - Purpose: Creates an institutional platform for virtuous, inclusive and structured dialogue to meet specific objective. Engagements focused on the four policy pillars; or sector/industry-based; or issue-based convened as required</p>				
<p>Alignment to urban governance framework</p>		<p>Purpose</p>	<p>Timing</p>	<p>Tools</p>
<p>Urban Areas and Cities (Amendment) Act, 2019 21, 22, Second Schedule and the Regulations, 2022</p>	<p>Urban boards are required to ensure the participation of residents in decision making and in its activities and programmes;</p> <p>To establish and institutionalize active participation of its residents in the management of the affairs of urban areas and cities</p> <p>To create citizen for a as platforms to seek and deliberate on county and national policy, legislation, plans and budgets</p> <p>Second schedule outlines rights and duties of residents of urban area in city and urban areas and requires urban areas development systems of governance, mechanisms, processes and procedure</p>	<p>1. The PPD minutes and resolutions informs: - urban planning and budgeting: - IDEP preparation and review, urban area annual strategic plan and budget estimates, - city/municipality spatial & land use plans, zoning plans - departmental strategic and implementation plans. - Urban area budget implementation reporting: quarterly budget implementation reports</p> <p>2. Informs preparation and review of plans county: - CIDP preparation and review, county spatial plan, ADP and CFSP (where sector priorities and ceiling are established), Urban (& other sector) Sector Plans,</p>	<p>Quarterly</p> <p>Issue based convened when required</p>	

	to encourage citizen participation urban residents	Departmental Strategic Plans and Implementation Plans, county budget estimates - County budget implementation monitoring and reporting: quarterly budget implementation reports, CBROR, sector reports		
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6.3 Annex O3: List of fields already in the SBP application form and additional fields suggested.

Field name	Capture in the SBP application	Data types
Name of business	Yes	
Business no (issued during licensing)	Yes	
Certificate of registration no	Yes	
Business ownership structure: sole proprietor, partnership, limited liability, other legal entity	No	Select from drop down list of different entity types: business name; private limited company; limited; company limited by guarantee; limited partnership; foreign company; trust; other legal entity
Gender of proprietor/majority shareholder		
Certificate of registration no	Yes	
Year of registration/incorporation	No	
Years in operation	No	Range of year: < 1 yr; 2 – 3 yrs; 4 - 5 yrs; 6 – 10 yrs; over 10 yrs
Business Permit no	No	
Date of permit issue	No	
Industry/sector (code)	Yes	Drop down list based on the KeSIC codes
Business activity (code)	Yes	Drop down list based on the KeSIC codes
Business activity description (code)	Yes	
Mailing Address: PO Box, Postal Code	Yes	
Phone number	Yes	
Email address	Yes	
Physical address	Yes	
Plot no	Yes	
County	Yes	Drop down list
City/Municipality	No	Drop down list
Sub county	No	Drop down list
Ward	No	Drop down list
Geo-location (GIS coordinates)	No	
Land zone (if any/if known)	No	Drop down list
No of employees	No	Drop down with options: Single individual/sole proprietor/trader; Less than 10 (micro); 10 – 49 (small); 50 – 250(medium) Over 250 large
Total size of premises (m ²)	No	

Property/land use data (ownership)	No	
Financial data (gross annual turnover for last year) - KES range	No	<500,000 (micro); 500,001 – 5 million (small); 5,000,001 – 100,000,000 (medium)
Business affiliation i.e., membership in trade/business/professional associations or cooperative	No	
Other licenses and permits for specific business activities	No	

6.4 Annex 04: Suggested Calendar for Two Annual Forums aligned to the Urban Board Planning and Budgeting Calendar

PPDF sessions	Agenda items	Statutory requirements and timelines
PPDF PLENARY ONE Held by end of July	Input into preparation of Urban Integrated Development Plan (IDEP) during the first year of the board's election	Urban Board prepares and adopts an IDEP within the 1 st year of its election, which can be reviewed and amended during the board's term. It remains in force until the new plan is adopted by the succeeding committee UACA (Amendment) Act, 2019 Section 39
	Input to the annual review of IDEP	
	Review of the past FY PPDF action plan and urban board implementation report	
	Input into the urban board/urban departmental annual work plan	
PPDF PLENARY TWO Held by end of February	Mid-year review of the PPDF action plan and urban board implementation report	
	Input into city or municipality annual strategic plan	Prepared as basis for the annual budget - revenue and expenditure estimates (UACA (Amendment) Act, 2019, Section 36(1)(d)(iv) PFMA, 2012, Section 175
	Input into the urban board annual budget (revenue and expenditure) estimates	UACA (Amendment) Act, 2019, Section 20(1)(l): Prepared and submitted to the county treasury for consideration & submission to the CA for approval as part of the county appropriations bill UACA (Amendment) Act, 2019, Section 45(1): Prepared at least 3 months prior to start of FY PFMA, 2012, Section 175
AD-HOC FORUMS AS REQUIRED	Urban area spatial plans; regulatory instruments, development control, urban policy development and review	

6.5 Annex 05: Sample Results Framework

Goal	“To secure, well-governed, competitive, and sustainable urban areas and cities that contributes to the realization of the broader national development goals articulated in the Constitution of Kenya (2010) and Vision 2030”							
Outcome	Competitive urban area which attracts and retains private sector investment and growth							
	Indicator	Definition	Baseline	Target	Data Source	Frequency	Responsible	Reporting
Result/ Output 1	Organizing the private sector for effective engagement							
Activity 1.1.								
Activity 1.2.								
Result/ Output 2	Private sector diagnostic conducted to inform urban policy and planning for competitive urban areas							
Activity 2.1.								
Activity 2.2.								
Result/ Output 3	Public private dialogue forums established							
Activity 3.1.								
Activity 3.2.								
Result/ Output 4	Capacity building, outreach, communication and feedback channels established							
Activity 4.1.								
Activity 4.2.								

6.6 Annex 06: Profile of the County Private sector

Variable / Category	Count (n)	% of Total
OWNERSHIP		
Sole Proprietor	95	87.2%
Limited Company	7	6.4%
Partnership	5	4.6%
Cooperative	1	0.9%
Other	1	0.9%
GENDER		
Female	55	50.5%
Male	54	49.5%
ANNUAL TURNOVER		
< KES 500,000	89	81.7%
KES 500K–5M	15	13.8%
KES 5M–100M	4	3.7%
> KES 100M	1	0.9%
NO. OF EMPLOYEES		
Sole Trader (no employees)	61	56.0%
Micro (<10 employees)	39	35.8%
Small (10–49)	8	7.3%
Medium (50–250)	1	0.9%
MARKET		
Local/Neighbourhood	85	78.0%
Across the County	22	20.2%
National	2	1.8%