



PRIVATE SECTOR PROGRESS REPORT ON THE IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT GOALS 2016-2017

FRAMEWORKS, OPPORTUNITIES, PROGRESS,
CHALLENGES AND BEST PRACTICES



Report Outline

ABBREVIATIONS	iii
FOREWORD BY THE KEPSA CHAIRMAN.....	v
FOREWORD BY THE KEPSA CHIEF EXECUTIVE OFFICER	vi
ACKNOWLEDGEMENT	1
1. INTRODUCTION	2
1.1 The Private Sector in Kenya.....	2
1.2 Kenya Private Sector Alliance (KEPSA).....	3
1.3 Kenya's Road Map to Implementing SDGs.....	3
2. CAPACITY OF BUSINESS TO CATALYSE SUSTAINABLE GROWTH AND DEVELOPMENT	4
3. SDGs & VISION 2030.....	6
3.1 Economic Pillar	7
3.2 Social Pillar	7
3.3 Political Pillar.....	7
4. POLICY & REGULATORY FRAMEWORKS FOR SDG IMPLEMENTATION IN KENYA	8
4.1 SDG1: Spurring Investments to End Poverty.....	8
4.2 SDG 2: Food Security Policy and Legislation.....	9
4.3 SDG 3: Health Policy and Health Bill, 2015.....	10
4.4 SDG 4: Education Policy and Legislations.....	11
4.5 SDG 5: Gender Policy: Two- Thirds Majority Rule	11
4.6 SDG 6: National Water Policy and Water Act (2016).....	11
4.7 SDG 7: Energy Policy and Legislation.....	12
4.8 SDG 8: National Employment Policy and Acts	13
4.9 SDG 9: National Industrial Transformation Programme and Policy	13
4.10 SDG 10: Public Procurement and Disposal Regulations, (2011) and Public Procurement and Disposal Act (2015).....	14
4.11 SDG 11: The National Housing Policy and Urban Areas and Cities Act, 2012.....	14
4.12 SDG 12: The National Environment Policy (2013) and The Environmental Management and Coordination (Amendment) Act 2015.....	15
4.13 SDG 13: Climate Change Frameworks.....	15
4.14 SDG 14: The National Oceans and Fisheries Policy and the Fisheries Management and Development Act, 2016..	16
4.15 SDG 15: The Forest Conservation and Management Act, 2016	17
4.16 SDG16: Inclusive Society and Institutional Reforms	17
4.17 SDG 17: Public Private Partnerships Policy (2011) and Regulations.....	18

5.	TRACKING PROGRESS: PRIVATE SECTOR IMPLEMENTATION OF SDGS IN KENYA 2016-2017	19
5.1	SDG 1: End Poverty in all its Forms Everywhere	19
5.2	SDG 2: End Hunger, Achieve Food Security, Improved Nutrition and Promote Sustainable Agriculture	20
5.3	SDG 2 & 3: Improved Nutrition, Ensure Healthy Lives and Promote Well Being for All Ages	21
5.4	SDG 3: Ensure Healthy Lives and Promote Well Being for All Ages	22
5.5	SDG 4: Ensure inclusive and equitable education as well as promote lifelong learning opportunities	22
5.6	SDG 5: Achieve gender equality and empower all women and girls	23
5.7	SDG 6: Ensure availability and Sustainable Management of Water and Sanitation for all	24
5.8	SDG 7: Ensure access to affordable, reliable and sustainable modern energy for all	25
5.9	SDG 8: Promote sustained inclusive economic growth, full and productive employment and decent work for all	26
5.10	SDG9: Build resilient infrastructure, sustainable industrialization and foster innovation	29
5.11	SDG10: Reduce inequality within and among countries	29
5.12	SDG 11: Make Cities and Human Settlements Inclusive, Safe, resilient and Sustainable	30
5.13	SDG 12: Ensure Sustainable Consumption and Production Patterns	31
5.14	SDG 13: Take urgent action to combat climate change and its impacts	32
5.15	SDG 14: Conserve & Promote Sustainable Use of Oceans, Sea and Marine Resources	33
5.16	SDG15: Promote and restore sustainable use of terrestrial ecosystem, combat desertification, reverse land degradation and halt biodiversity loss	33
5.17	SDG16: Promote Peaceful and Inclusive Societies for Sustainable Development, access to justice for all and build effective, accountable and inclusive institutions at all levels	34
5.18	SDG17: Strengthen means of Implementation and revitalize Global Partnerships for sustainable development	35
6.	CHALLENGES FACING PRIVATE SECTOR IN IMPLEMENTING SDGS	36
7.	BEST PRACTICES WITHIN THE PRIVATE SECTOR	37
8.	PRIVATE SECTOR COMMITMENT TO SDGS	38
9.	CONCLUSION	38

Abbreviations

AfDB	African Development Bank	EABL	East African Breweries Limited
AFFA	Agriculture, Fisheries and Food Authority	EGHL	Equity Group Holdings Limited
AKL	Aeolus Kenya Limited	EMA	Energy Management Award
APBET	Alternative Provision of Basic Education and Training	FKE	Federation of Kenya Employers
ANADs	Adult Nonalcoholic Drinks	GDP	Gross Domestic Product
ASAL	Arid and Semi-arid Lands	GPEDC	Global Partnership for Effective Development
ASDS	Agriculture Sector Development Strategy	HCIT	Healthcare Information Technologies
BDS	Business Development Services	HIS	Hospital Information Systems
BMO	Business Member Organizations	IB	Inclusive Business
BoP	Bottom of the Pyramid	IMB	International Business Machines Corporation
BPO	Business Processing Outsourcing	INDC	Intended Nationally Determined Contribution
CAD-Fund	China-Africa Development Fund	ITES	Information Technology Enabled Services
CCECC	China Civil Engineering Construction Company	JKUAT	Jomo Kenyatta University of Agriculture and Technology
CEEC	Center for Energy Efficiency and Conservation	KAAA	Kenya Agribusiness Agroindustry Alliance
CoK	Constitution of Kenya	KAM	Kenya Association of Manufacturers
COTU	Central Body of Trade Unions	KALRO	Kenya Agricultural and Livestock Research Organization
DBI	Doing Business Index		

KAVES	Kenya Agricultural Value Chain Enterprises	MoDP	Ministry of Devolution and Planning
KBL	Kenya Breweries Limited	MSMES	Micro Small and Medium Enterprises
KEPSA	Kenya Private Sector Alliance	MTP	Medium Term Plan
KCIC	Strathmore Kenya Climate Innovation Center	NCCAP	National Climate Change Action Plan
KCPE	Kenya Certificate of Primary Education	NCCRS	National Climate Change Response Strategy
KCSE	Kenya Certificate of Secondary Education	NPS	National Police Service
KIRDI	Kenya Industrial Research and Development Institute	SAPs	Structural Adjustment Programmes
KNEC	Kenya National Examination Council	SDGs	Sustainable Development Goals
KYEP	Kenya Youth Empowerment Project	SERC	Strathmore University Energy Research Centre
LAPSSET	Lamu Port, South Sudan, Ethiopia Transport	SCP	Sustainable Consumption and Production
LIWA	Linking Industry with Academia	SGR	Standard Gauge Railway
LTA	Lost Time Accidents	SIB	Sustainable Inclusive Business
P&G	Procter and Gamble	SST	Seven Seas Technologies
PHSL	Philips Healthcare Services Limited	TEA	Tanzania Education Authority
PPP	Public Private Partnership	UNCTAD	United Nations Conference on Trade and Development
MDGs	Millennium Development Goals	UNICEF	United Nations Children's Fund
MICE	Meetings Incentives Conferences and Exhibitions	USSIA	Uganda Small Scale Industries Association

Foreword

By KEPSA Chairman

The Kenya Private Sector Alliance (KEPSA) is the apex body of the private sector in Kenya and has played a critical role in the roll out of the implementation of Sustainable Development Goals (SDGs) among the private sector players in the country. As the apex body, KEPSA brings together the entire business community from all sectors of the economy, (from MSMEs to large enterprises, both local and multinational) under one umbrella to spearhead the private sector development agenda. Contributing to 80% of the Country Gross Domestic Product (GDP) and providing 70% of the total country's employment, the private sector has a significant role in the realization of the sustainable development goals targets.

The Sustainable Development Goals comprising 17 goals, 169 targets and 231 indicators provide a global perspective on economic progress and development. Unlike the Millennium Development Goals (MDG's), which had been in place since 2000, the expanded scope of the development agenda in the SDGs provides a great opportunity for the private sector to play a pivotal role not only in economic growth but also in providing solutions for sustainable development. The Kenyan Government developed the national road map for transition from the millennium development goals which lays the frameworks for implementing the Sustainable Development Goals in Kenya and guides all actors in the implementation process. KEPSA is a member of the Interagency Working Committee on SDGS coordinating the implementation in the private sector and reporting on SDG's.

The private sector progress report on implementation of Sustainable Development Goals gives an overview of the projects and programs that the private sector has initiated and are implementing towards the realization of SDG's in Kenya. KEPSA has also through our various public private dialogue platforms engaged with government for the enactment of various legislative and policy frameworks that will facilitate the realization of the SDGs in the country.



Partnerships and collaboration of stakeholders in the implementation of SDGS is key in ensuring that initiatives at both the national and the subnational levels are harmonized and inter-linked to provide comprehensive, consistent, accurate and reliable facts, appropriate development of policies, strategies and programs that are focused on the critical areas that are feasible and effective for ensuring realization of sustainable development. KEPSA as the Umbrella body of the private sector will continue creating awareness in the business community on importance of the SDGs and encourage them to adopt them in their business models.

MR. NICK NESBITT

CHAIR, KENYA PRIVATE SECTOR ALLIANCE

Foreword By KEPSA Chief Executive Officer

With the launch of the Sustainable Development Goals by the United Nations in September 2015, Kenya committed to the realization of the 2030 agenda. Businesses have the capacity to incorporate Sustainable Development Goals into their businesses through provision of decent employment, innovation for sustainable development, facilitation to increase access to financial services and creating sustainable models and networks for organizations. We are proud as private sector to contribute to the first voluntary national report on SDG implementation in Kenya.

This report outlines some of the projects and programs initiated by the private sector in Kenya to successfully realize the different SDGs that their organizations can make an impact on. The Private Sector projects and initiatives undertaken between 2016 and March 2017 have touched on all 17 Sustainable Development Goals, with a high focus on providing a higher quality of life to Kenya's citizens through poverty reduction, food security, health and well-being, improved sanitation, quality education, inclusive economic growth and employment as well as increased accountability systems. Significant progress has been realized in the different areas including health and well-being, internet for schools, public private partnership for provision of clean energy, responsible consumption and production and promotion of peace during election period.

This has created more opportunities for employment and innovation while encouraging entrepreneurship resulting in wealth creation and contributing to poverty alleviation in the country. It has been observed that when a company incorporates one or more SDGs in their business model, or in their policy, they craft a competitive advantage and leads to the realization of other interconnected SDGs targets.



With the commitments made by the Private Sector, actionable projects by businesses are important to realize continuous attainment of the Sustainable Development Goals in the country. This can be accelerated by creating strategic partnerships that leverage synergies amongst companies and embracing a mindset that recognizes the positive impact on People, Peace, and Planet to sustainable business and economic development.

CAROLE KARIUKI
CHIEF EXECUTIVE OFFICER

Acknowledgement

The Kenya Private Sector Alliance compiled a progress report on the implementation of Sustainable development Goals (SDG's) in Kenya by the private sector to assess the extent to which the private sector in Kenya has adopted SDG in their business either through the day to day activity of the company or as a corporate social responsibility.

Through the various public private policy dialogue platform established between Government and private sector we acknowledge The Government of Kenya for the various structural, policy reforms, and regulatory changes that have taken place to facilitate the implementation of SDGs in the country possible. Through this collaborative governance, KEPSA is a member of the Interagency Technical Working Committee (IATC) on SDGS at the Ministry of Devolution of Planning.

This report could not have been made possible without the efforts of our Members who have deliberately remodeled their business models and shared their input with us on the various SDGs initiatives they are implementing as well as private sector companies that have publicly circulated their reports of the implementation of one or more SDG goals in their line of business. We particularly take cognition of the invaluable input and contribution of the following companies whose initiatives have been captured in the private sector progress report for the implementation of SDGS in Kenya. They include: International Business Machine Corporation (IBM), Chandaria Industry, Airtel Kenya, Toyota Kenya, Barclays Bank Kenya, Bamburi Cement Limited, Base Titanium, The Kenya Breweries Limited, Bidco Africa, East Africa Breweries Limited (EABL) foundation, Seven Seas Technology(SST) Group, The Coca-Cola Company, Linking Industry With Academia (LIWA), Kenya Association of Manufacturers (KAM), Equity Group Limited Holding(EGLH), KCB Limited Group, Keroche Breweries Ltd, Innovation Hub,(iHub), MKopa Solar, Kenya Tea Development Agency(KTDA), Suraya Property Group, One Acre Fund, Procter and

Gamble(P&G), Ernst & Young Intel Corporation, Kenya Agribusiness Agroindustry Alliance (KAAA), Housing Finance Group, Ecotourism Kenya, Serena Beach Hotel & Spa, and UAP Insurance.

We also accessed efforts of the following private sector companies implementing SDGs through their publicly circulated publications: The Mastercard 2kuze, Bell Industries, WeFarm, Phillips Health Service Ltd (PHSL), M-Farm Ltd , Gap Inc, Ericsson, Grundfoshas, I-Africa Biogas Product, Aeolus Kenya Ltd (AKL), Pirelli Carbon Action Plan, Climate Care, Strathmore University- Kenya Climate Change Innovation Center(KCIC), Skypower Global , Shelter Afrique, Wajibu MS, REACT Ltd, Severin Sea Lodge, among others.

We also recognize partners collaborating with KEPSA in the implementation of sustainable  business practices; and have been featured in this report. They include UNICEF- Better Business Practices Project, Switch Green Africa Project, the World Bank, the Global Compact Network Kenya and the Embassy of Netherlands.

Finally, we would like to acknowledge the contribution of KEPSA Team from the various departments who reviewed and edited the report- The KEPSA Foundation, Research and Policy Analysis Department, The Public Private Dialogue Department and the Communications Department. Special mention of Diana Karuri, Lucy Muchiri, Peter Thairu, Mercy Mutemi, Llyord Gitau and Faith Ngige for working on the compilation of the existing policy frameworks and collated the private sector initiatives in the implementation of the SDG's.

To all those who in one way or the other participated in the preparation, review and publication of this report, we say thank you.

Introduction



The Sustainable Development Goals were launched in September 2015 at the United Nations Headquarters in New York. Kenya, as part of the 193 states which committed to achieving this new agenda, is on track in the implementation of the 17 The Sustainable Development Goals (SDGs). Unlike the Millennium Development Goals, which had been in place since 2000, the Sustainable Development Goals provide a global perspective on progress and development and comprises of 17 goals, 169 targets and 230 indicators. The new goals and targets came into effect on 1st January 2016 and will guide members till year 2030. This calls for the private sector to align their strategies, products and programs to deliberately contribute to the SDGs as well ensure good reporting mechanism to ensure the global report captures all initiatives.

The private sector progress report, highlights the progress on the Sustainable Development Goals within the Private Sector in Kenya in the first year of implementation-2016 to 2017. It reviews the policy framework in Kenya that accelerates the implementation of SDGs, the projects private sector is implementing in line with the SDGs, the opportunities, challenges and capacity of businesses in Kenya to accelerate Sustainable Growth and best practices.

1.1 The Private Sector in Kenya

The private sector in Kenya by sub-Saharan and regional standards is well developed, playing a leading role in the nation's economy. It is well diversified across primary, secondary and tertiary activities, and is active in all sectors of the economy including: Agriculture, Manufacturing, Trade, Tourism, Transport, Logistics and Communication and Financial services. The private sector contributes to over 80% of the total national GDP and employs over 70% of the total working population. (ADB, 2013). It therefore has a huge potential to impact on the realization of the Global Goals due to its size and influence.

1.2 Kenya Private Sector Alliance (KEPSA)

Kenya Private Sector Alliance (KEPSA) is the voice of the private sector in Kenya and is the umbrella body for private sector trade associations, businesses as well as corporate organizations in all sectors of the economy. KEPSA has over 500,000 members from large multinationals to SMEs and startups through business member organizations and companies. Through the one voice and concerted efforts of KEPSA, the private sector has been able to contribute to some of Kenya's economy that include ease of doing business and enactment of key legislations that are drivers of the reformed business environment in Kenya.

KEPSA Members are organized under 16 different sector boards and working groups reflective of the key sectors of the economy to drive policy dialogue on the business environment and national competitiveness to spur economic growth, wealth creation and employment opportunities in Kenya. The sectors include: Agriculture, Livestock & Fisheries, Devolution and Planning, East African Community and Labour, Education, Energy & Extractives, Environment, Water & Natural Resources, Gender and Youth Development, Information Communication and Technology, Industrialization and Enterprise Development, Land & Physical Planning, Public Finance, Security, Sports, Arts & Culture, Transport and Infrastructure, Healthcare and Tourism. This report has been prepared with input from KEPSA members and reports shared by the members during various conferences and workshops.

1.3 Kenya's Road Map to Implementing SDGs

The Government through the Ministry of Devolution and Planning developed the National Implementation Plan for Sustainable Development Goals in Kenya in 2016 to guide all actors in the SDGS implementation process in Kenya. The plan outlines the approaches to be used in localizing and mainstreaming Sustainable Development Goals (SDGs) at the National and County Government Level as well as contribution from various stakeholders including private sector. This implementation plan focuses on 5 thematic areas: 1) Conducting advocacy and awareness creation on the SDGs (2) Mapping out and engaging all stakeholders (3) Mainstreaming the SDGs into the National Development Agenda (4) Domesticating and localizing the SDGs Agenda (5) Monitoring and evaluating progress and capacity building for county governments to be part of the process. Executive Order 5 May 2016, mandates the Ministry of Devolution and Planning (MoDP) to coordinate SDGs implementation in the country. KEPSA is a member of the National focal point SDGs implementation committee at the Ministry of Devolution and Planning, coordinating private sector implementation of SDGs in Kenya. KEPSA was also recognized as a key stakeholder in the implementation of SDGS in Kenya during launch of the national implementation plan for SDGS in Kenya in September 2016. KEPSA has also collaborated with 'Serano Africa' in increasing awareness of SDGS in Kenya during the, "First Annual Devolution for Sustainable Development in Kenya," held on 15th – 17th May 2017 in collaboration with the Ministry of Devolution and Planning alongside other partners.

Capacity Of Business To Catalyse Sustainable Growth And Development



Businesses are at a vantage point in accelerating growth and development with positive impact on People, Planet and Prosperity (Profit). In Kenya, the Private Sector contributes 80% of the total GDP annually which makes it an important partner in the implementation of the SDGs. The private sector deploys financial, technical and human resources to sustain its growth and increase its contribution to the GDP. Are the resources sufficient to accelerate Sustainable Growth and Development that impacts positively on People and Planet? Historically, where businesses have found opportunity, they have succeeded to mobilize resources to capitalize on these opportunities. In relation to sustainable development and the SDGs, where businesses find opportunity to grow and expand, they are likely to galvanize the requisite resources. In this regard, businesses have capacity to implement SDGs as follows;

Provision of Decent Employment

In Kenya, the rate of unemployment has greatly deepened the poverty levels, stressing the importance of the private sector, the largest employer in the country. Businesses have the capacity to speed up sustainable human resources as many companies are now moving towards more innovative approaches like flexi-hours, working online and project based employment. There are also good practices within businesses that consider the social aspects of employees for instance, implementation of the minimum wage policy, maternity/paternity leave, lactation stations for mothers, provision of healthy foods and stress free working environments. To further catalyze this growth, there is need for regulations that set a bare minimum, which will greatly impact human resources in the country and contribute to SDG 8.

Innovation for Sustainable Development

For Kenyan businesses, business processes and technical aspects are the heart of innovation for the goals. The explosion of the capacity here is undoubtedly huge as innovations are made around efficiency, the BoP, solutions and better products. Kenya has seen a wave of such entrepreneurial products as new businesses and within business, with the main motivation being providing need-based solutions, with the main speed bump being finances. Businesses have therefore been able to use innovation to catalyze sustainable growth and development in the country for instance, mobile banking, waste recycling, responsible production smallholder inclusion and value chain management.

Facilitate Access to Finance

This makes it another important aspect that if well innovated around can greatly catalyze sustainable growth and development. Corporates in Kenya are able to identify the business case for every sustainable business endeavor as long as there is proof of profit-as profit is the essence of business. However, such endeavors, within the business or completely new, require lump sums of investment for them to start. Recently, the banks have cut down on loans due to capped interest rates and international funders insist on trade as opposed to the conventional aid system. Innovative ways to counter the financial issues like partnerships, social entrepreneurship and crowdfunding have been recently adopted by the Kenyan private sector, and also pushing for tax incentives on businesses for the goals.

Create Sustainable Networks for Organizations

The business ecosystem is the network of organizations –including suppliers, distributors, customers, competitors, government agencies and so on –involved in the delivery of a specific product or service through both competition and cooperation. The capacity of businesses to catalyze sustainable growth will be greatly improved if businesses cease to be stand alone and begin to function alongside other establishments to push forward the SDGs agenda. This means that partnerships will be created and speed up the impact of these businesses.



SDGs & Vision 2030



Sessional paper no 10 of 2012 on Kenya's Vision 2030 lays the foundation of long term development for Kenya for 30 years. Kenya's Vision 2030 is anchored on: macroeconomic stability, continuity in governance reforms, enhanced equity, wealth creation, opportunities for the poor, infrastructure, energy, science, technology and innovation, land reforms, human resources development, security and public sector reforms.

Vision 2030 is Kenya's national long term planning framework which guides policy formulation and implementation for all sectors in the country. It is the national long term development policy that aims to transform Kenya into a newly industrializing, middle-income country providing a high quality of life to all Kenyans by the year 2030 in a clean and secure environment. It is founded on three pillars;

- i. Economic Pillar on maintaining a sustained economic growth of 10%.
- ii. Social Pillar on a just and cohesive society enjoying equitable social development in a clean and secure environment.
- iii. Political Pillar on issue-based, people-centered, result-oriented, and accountable democratic political system.

Though developed in 2008, seven years before the Goals, it is implemented through 5 year medium term plans and provides an overarching framework through which Sustainable Development Goals are implemented in Kenya. The Medium Term plans provide an entry point for addressing emerging issues such as Sustainable Development Goals. The country is developing the third medium term plan III (2018-2022), where SDGs are expected to take a central position. Vision 2030's broad nature provides the umbrella under which the sustainable development goals can be implemented in Kenya. Each of the pillar contributes towards realization of the SDGs as follows:

3.1 Economic Pillar

The economic pillar aims to improve prosperity of all Kenyans through creating a robust, diversified and competitive manufacturing sector, drive inclusive economic growth covering all regions of the country and a targeted economic growth of an average of 10% per annum. Its key flagship focus that is aligned to the sustainable development goals are:



Infrastructure: aligned to SDG 9: Aims to develop and maintain an integrated safe and efficient transport network, benchmark infrastructure facilities and services and provision with globally acceptable performance standards. Some of the flagship infrastructure projects include; Thika Super Highway, Energy Generation of 23,000 MW and Distribution, Dredging of Mombasa Port, Kisumu Airport Rehabilitation and Expansion, Road Network Expansion, Lamu Port and New Transport Corridor Development to Southern Sudan and Ethiopia (LAPSSET), Development of Dongo Kundu Freeport, JKIA Expansion and Modernization, Standard Gauge Rail etc.



Agriculture: aligned to SDG 2: Implementation of the Consolidated Agricultural Reform Legislation, Fertilizer Cost-Reduction Initiative, Setting up of Five Livestock Disease-free Zones in the ASAL Regions and ASAL Development -Irrigation Projects



Trade and Tourism: aligned to SDG 1: Creation of Producer Business Groups, Building 'Tier 1' Markets and Wholesale Hub, Development of Resort Cities, Underutilized Parks Initiative, Development of Niche Products, Meetings, Incentives, Conferences and Exhibitions (MICE), Premium Parks Initiative and Cradle of Humankind.



Manufacturing: aligned to SDG 9:

Development of Special Economic Zones, Development of SME Parks, Development of Mini and Integrated Iron and Steel Mills, Skills Development for Technical Human Resource for the Manufacturing Sector, Natural Products Industry initiative, Transformation of KIRDI into a world-class research institute and Extractive Industries Policy, Legal & Institutional Reforms.



Financial services: aligned to SDG 9 and 16:

International Financial Centre, Deepening of Capital Markets and single Revenue Collector.

3.2 Social Pillar

The objective of the Social Pillar is to invest in Kenyan citizens order to improve the quality of life for all Kenyans by targeting a cross-section of human and social welfare projects and programs, specifically: in education and training, health, environment, housing and urbanization, gender, children and social development, youth and sports. This is aligned to SDG 2, 3, 4, 5 and 11

3.3 Political Pillar

The political pillar aims to drive the country to realize a result oriented democratic political system that is accountable, respects the rule of law and protects the right and freedoms of every individual in the Kenyan Society. This is aligned to SDG 10 and 16.

Policy & Regulatory Frameworks for SDG Implementation in Kenya



The following policy and legislative frameworks are in place in Kenya in relation to the 17 sustainable development goals in their specific order.

4.1. SDG1: Spurring Investments to End Poverty



Kenya's trade policy development can be traced back to the Sessional Paper No. 10 of 1965 on African Socialism and its Application to Planning in Kenya. The second major phase in the

evolution of the trade policy in Kenya was through the Structural Adjustment Programmes (SAPs) introduced in the mid 1980's by Sessional Paper No.1 of 1986 on Economic Management for Renewed Growth. It emphasized a change from reliance on import substitution and protectionism towards a policy that led to industries being encouraged to manufacture for export. Economic liberalization brought to an end the central role of the public sector institutions which had hitherto managed and coordinated trade distribution networks and related trade facilitation and promotion activities.

The National Trade Policy has been finalized and awaits validation and adoption. It articulates Kenya's aspiration for poverty eradication and sustainable economic development through providing

opportunity for expanded markets, income generation and distribution, increased employment and competitiveness. The National Trade Policy seeks to unleash Kenya's potential targeting domestic, regional and global market. The multilateral, regional integration and bilateral trade arrangements that currently define the space that Kenya's international trade enjoys.

The policy also advances efforts for poverty reduction by mainstreaming Micro, Small and Medium Enterprises (MSMEs) in the global trade in view of their critical role in job creation, poverty reduction and furtherance of export diversification and economic development.

The service sector which comprises tourism; transport and communications; trade and related services; and financial and business services currently accounts for 60% of GDP. Within the service sector, there are emerging trends of growth in domestic trade brought about by the liberalization of the capital markets and the privatization program. In addition, there are new developments of the domestic oriented Business Processing Outsourcing (BPO) and Information Technology Enabled Services (ITES) which has created trade opportunities for MSMEs to provide Business Development Services (BDS). The Trade Policy will therefore facilitate improvements in the enabling environment for increased trade in stock and shares and outsourced services.

Private sector requires a conducive environment in order to invest and create opportunities for economic growth, wealth creation and poverty reduction. The concerted effort between private sector and government through public private policy dialogues has resulted in an improved business environment to foster trade and investment by increasing private sector opportunities for business, wealth creation and job creation. According to the ease of doing business index report, Kenya moved 16 places from 108 to 97 in 2016. This is mainly as a result of the enactment of the following laws;

- i. Business Registration Services Act, 2015
- ii. Companies Act, 2015
- iii. Insolvency Act, 2015
- iv. Special Economic Zone Act, 2015
- v. Tax Procedures Act 2015

There is global recognition of the positive reforms taking place in Kenya that point towards a positive economic outlook for the country and we as the private sector are heavily involved in ensuring a robust business environment. The World Bank Doing Business Index (DBI) 2017 Report indicated that Kenya climbed 4 ranks from 9th to 5th in Sub-Saharan Africa after Mauritius, Rwanda, Botswana and South Africa, Kenya moved up by 16 positions to rank position 92 from position 108 the previous year. In addition, Kenya leads Africa as the most improved country in DBI and third globally. Mobile payments accessibility has increased financial inclusion allowing small and Inclusive Businesses to come up.

4.2 SDG 2: Food Security Policy and Legislation



The Agriculture Sector Development Strategy (ASDS) 2010-2020, is the current national policy of the sector that foresees a food secure and prosperous nation through commercially oriented and competitive

agriculture. The ASDS has two additional thematic areas aimed at creating an enabling environment for competitive agricultural sector namely the legal, regulatory and institutional reforms and an agriculture sector reform bill to consolidate and harmonize existing legislation in the sector. This has seen the revision and consolidation of 131 pieces of legislations considered obsolete and often conflicting into 4 key legislations. These include:

- i. **The Agriculture Fisheries and Food Authority (AFA) Act, 2013** established the Agriculture and Food Crops Directorate to administer the Crops act and Fisheries act and is mandated to promote food crops for sustainable food security and economic development of Kenya.
- ii. **The Crops Act (2013)** is aimed at accelerating growth and development of agriculture in general and development of agricultural, reducing overregulation of the crops subsector, establishing local demand-supply situation and domestic market matching with oversees market intelligence.
- iii. **The Kenya Agricultural and Livestock Research Act (2013)** – the Act provides for establishment of Kenya Agricultural and Livestock Research Organization (KARLO) which is responsible for coordination of agricultural research (i.e crops, livestock, genetic and biotechnology) and promote application of agricultural findings in Kenya.
- iv. **Seeds and Plant Varieties (Amendment) Act 2015** were passed on 30th August 2016. The amendments sought to recognize and protect the ownership of indigenous seeds and plant varieties, their genetic and diverse characteristics and their use by Kenyan communities.

There is a Senate Bill 23/2014 drafted aimed at addressing food security in Kenya through provision of subsidized fertilizer, seeds and input by both national and county governments to the farmers and establishment of Irrigation schemes across the country. The bill was forwarded to the National Assembly and is yet to be debated. Once finalized it will further assist at putting in place measures to address food security in Kenya.

4.3 SDG 3: Health Policy and Health Bill, 2015



The National Health Policy 2012-2020 gives direction in Kenya on how to attain the highest possible standard of health in a responsive manner. Its focuses on realization of the right to health as envisioned in the

Constitution of Kenya 2010 and contribution to development agenda by maintaining a healthy and productive nation that can deliver the development agenda. It has 7 objectives of eliminating communicable diseases, to halt and reverse the rising burden of non-communicable diseases, reduce the burden of violence and injuries, provide essential health care, minimize exposure to health risk factors and strengthen collaborations with health related sectors. To realize this objectives the policy outlines 7 orientations: organization of health service delivery in Kenya with consideration of it as a devolved function, health leadership and governance, health financing, health products and technologies, health information and health infrastructure.

The Health Bill, 2015 is under mediation at the Senate, it seeks to underline the right to reproductive healthcare. Clause 6 (b) gives the right to gain access to appropriate health-care services that will enable parents to go safely through pregnancy, childbirth and the postpartum period. In a bid to make this achievable, the government, through the Free Maternity Services Policy, has already rolled out free maternal services at public health institutions.

Clause 71 of this Act vouches for the creation of lactation stations to enable working mothers undertake their activities well at their workplaces. This goes a long way in reducing inequalities (SDG-10) at the workplace, providing a decent working environment for working mothers (SDG-8) and improving the health and wellbeing of the breastfeeding kids. Provision of managed health equipment by the national government to the county level 4 hospitals.

4.4 SDG 4: Education Policy and Legislations



In line with Article 53(1) of the Constitution, which states that “Every child has a right to free and compulsory basic education”, the government rolled out Free Primary and Secondary Education.

- i. Sessional paper number 14 of 2012 in reforming education and training sectors is the overarching policy in the Education Sector in Kenya. It calls for strong links between skills learnt in school and labor market needs for enhancing quality of education offered in Kenya.
- ii. The Basic Education Act of 2013 implements the constitutional provision securing implementation of the right to ‘free and compulsory’ basic education. The act makes primary and secondary education compulsory in enforcing the right to education. It also provides that tuition fee is not paid by students in public institutions. The Act, also categorizes basic institutions into public and private schools and provides for regulation of special needs schools for provision of quality education to all segments of the society.
- iii. The Kenya National Examination Council (Amendment) Act, (2015) assented to on 15th December 2015 and to be operationalized on 2nd January 2016 provided that no examination fees/charges shall be levied on Kenyan Citizens in respect of KCPE and KCSE. This applies to both private and public sector students.
- iv. The Alternative Provision of Basic Education and Training (APBET) Regulations launched to operationalize the policy frame work on APBET (2009) and informal compliance to guidelines is being monitored by the Ministry Quality and Standards Assurance Officials. The non-formal education sub- sector has also been included in the national education statistics.

4.5 SDG 5: Gender Policy: Two-Thirds Majority Rule



The Constitution of Kenya 2010 (CoK) recognizes women, youth, persons with disabilities and ethnic minorities as special groups deserving of constitutional protection. The CoK

espouses the rights of women as being equal in law to men, and entitled to enjoy equal opportunities in the political, social and economic spheres. Article 81 (b) which refers to the general principles of Kenya's electoral system states 'the electoral system shall comply with the following principle - (b) not more than two-thirds of the members of elective public bodies shall be of the same gender. Article 27 goes further to obligate the government to develop and pass policies and laws, including affirmative action programs and policies to address the past discrimination that women have faced.

4.6 SDG 6: National Water Policy and Water Act (2016)



The Constitution of Kenya, 2010 provides at Article 43 that every person has the right to clean and safe water inadequate quantities. The National Policy on Water Resources Management and Development has been

in operation since 1999 and supported the implementation of Water Act, 2002. Upon enactment of the Constitution of Kenya (CoK) 2010, the legal and policy landscape of the sector changed. The Ministry of Water and Irrigation is in the process of developing national water policy that will facilitate implementation of the newly enacted Water Act, 2016 and constitutional provisions.

The Water Act, (2016) provides for the regulation, management and development of water resources and water and sewerage services in a manner that promotes equitable access, sustainability and conservation in Kenya. It calls for development of a national water resource strategy every 5 years as well as establishes a water resource authority to formulate and enforce standards, regulations and classification of water resources and flood mitigation. A national geo-reference information system for water resources should also be developed.

Legal Notice No. 252 of 18th December, 2015 established the Regional Centre on Ground Water Resources, Education, Training and Research in East Africa- It functions are to initiate and conduct research in mapping and assessment of aquifer systems, offer training programs in ground water resources, prepare, disseminate and transmit scientific and technical information with regard to local and regional scientific, technical and management knowledge in the various domains of ground water management and development among others.

4.7 SDG 7: Energy Policy and Legislation



Sessional paper 4 of 2004 on Energy and Energy Act of 2006 are the policy and legal frameworks for energy development in Kenya. The policy guides the development and energy sources and transmission and seeks

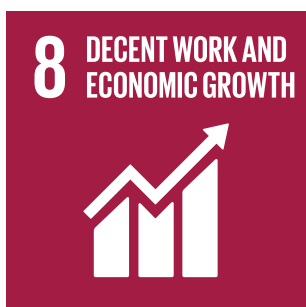
to promote equitable access to the quality energy at least cost while protecting the environment over the period 2004-2023. The policy addresses energy needs in the following subsectors: electricity, petroleum and renewable energy.

Feed-in Tariff Policy (2012) Kenya has formulated its feed in tariff in 2008 and has had two revisions in 2010 and 2012. The Feed in Tariff (FIT) policy is aimed to promote the generation of electricity using renewable energy resources and to improve the rating of the renewable energy sector. Renewable energy in Kenya includes: Wind power, Biomass, small hydro, solar gas and geothermal. The tariff makes it mandatory for companies transmitting energy to purchase electricity from renewable energy sources at a predetermined price. Renewable energy producers then have a guaranteed market, and, if the pricing mechanism is correctly gauged and equitably adjusted to reflect changes in cost, these companies will receive an attractive return on investment for the electricity they produce.

The Energy Act, 2006 established an energy regulatory commission with a mandate to regulate the energy sector. Under this act, the Ministry of Energy is required to develop and manage a comprehensive national energy efficiency program based on education, innovations, and incentives, focus on reducing energy demand through sustainable-use education projects, promote efficient, cost-effective appliances and technologies, promote cogeneration and sales to consumers, establish a rural electrification program, create a commission to assist with the program and a funding scheme to help support electrification in the country.

The need to align the sector with the national development blueprint, Kenya Vision 2030, the promulgation of the Constitution of Kenya on 27th August, 2010 and discovery of oil and gas has made it necessary to review the sector policy. The Draft Energy and Petroleum Policy, 2015 is in the process of being developed and has as its overall objective as to ensure affordable competitive, sustainable and reliable supply of energy with specific proposals on how to scale up the use of renewable energy. The issue of renewable energy has again been addressed in the Energy Bill, 2015 which has distinct provisions on licensing and use of renewable energy.

4.8 SDG 8: National Employment Policy and Acts



The National Employment Authority Act, (2016) assented to on 1st April 2016 establishes a comprehensive institutional framework for employment management and aims to enhance employment

promotion and interventions to facilitate access of employment of youth, minorities and marginalized groups. It will maintain a database of all Kenyans seeking employment, develop methodologies for employment at both national and county government levels as well as conduct periodic surveys on labor skills requirement.

The Employment Act (2007) sought to bring sanity and equality to the workplace, which results in achieving of the SDGs 5 (gender equality), 8 (decent work) and 10 (reducing inequalities). This act requires that every employer ensures that men and women workers are paid equally for equal work. Chapter 46 of this Act also stipulates clearly the various grounds which provides reasons for termination or discipline, so as to avoid any possibilities of discrimination based on race, colour, tribe, sex, religion, political opinion, HIV status and disability.

It also prohibits all forms of child labour and advocate to decent pay to decent work. The existence of institutions such as the Ministry of Labour, Central Body of Trade Unions (COTU) and The Federation of Kenya Employers (FKE) engaging in dialogues to address the issues facing the Kenyan workers goes a long way in illustrating the commitment of the stakeholders to better working conditions and well-being of the Kenyan workforce.

4.9 SDG 9: National Industrial Transformation Programme and Policy



Over the past ten years, Kenya's manufacturing base has remained static at 11% of the country's GDP, and its industrial exports have decreased in absolute terms. Increasing this base is critical to job

creation and economic growth as well as domestic and foreign investment. The Kenya Industrial Transformation Programme developed by The Ministry of Commerce Industry and Co-operatives to guide Kenya on its journey to industrialization for 10 years. It draws its objective from the Economic Pillar of Vision 2030 to create a robust, diversified and competitive manufacturing sector in three ways: 1) boosting local production, 2) expanding to the regional market and 3) taking advantage of global market niches. The five point strategy to capture industrial opportunities over the next ten years is as follows:

- i. Launch sector-specific flagship projects in agro-processing, textiles, leather, construction services and materials, oil and gas and mining services and IT related sectors that build on Kenya's comparative advantages
- ii. Develop Kenyan small and medium enterprises (SMEs) by supporting rising stars and building capabilities with model factories
- iii. Create an enabling environment to accelerate industrial development through industrial parks/zones along infrastructure corridors, technical skills, supporting infrastructure and ease of doing business.
- iv. Create an industrial development fund
- v. Drive results through the newly formed Ministerial Delivery Unit.

The National Industrial Policy and the draft Industrial Development Bill focus on value addition on seven prioritized sectors which have potential growth, employment and wealth creation. These instruments provide a framework for addressing the enablers, funding mechanisms and institutional arrangements to revitalize the industrial sector in Kenya.

4.10 SDG 10: Public Procurement and Disposal Regulations, (2011) and Public Procurement and Disposal Act (2015)



Pursuant to Article 227(2) of the Constitution of Kenya 2010 and section 155 and 157 of the Public Procurement and Asset Disposal Act, 2015, Kenyan citizens can participate in procurement proceedings without discrimination.

The Public Procurement and Disposal (Preference and Reservations) Regulations, 2011, also apply to procurements by public entities when soliciting tenders from the Disadvantaged Groups' with the aim of reducing inequalities and improving the economic welfare of the people. The Act defines 'disadvantaged groups as 'persons denied by mainstream society access to resources and tools that are useful for their survival in a way that disadvantages them or individuals subjected to prejudice or cultural bias.' Chapter 52 (6) of this Act provides opportunity for disadvantaged groups to receive 30% of government tenders by stating that "All procurement and asset disposal planning shall reserve a minimum of thirty per cent of the budgetary allocations for enterprises owned by women, youth, persons with disabilities and other disadvantaged groups."

Executive Order: President Uhuru Kenyatta awarded 30% of government tenders to women, youth and persons with disabilities in the year 2013, a directive aimed at increasing access to government procurement opportunities for the target group thereby enhance their economic empowerment, productivity and tackle unemployment.

The Public Procurement and Asset Disposal Act (2015) that came into force on 7th January 2016 incorporates all the legal notices and circulars issued in 2014 and 2015 providing for minimum of 30% of budgetary allocation to enterprises owned women youth and persons with disabilities as stated Section 53(6) during procurement and disposal. 2% of the 30% must be reserved to people with disability.

4.11 SDG 11: The National Housing Policy and Urban Areas and Cities Act, 2012



The National Housing Policy (2015) provides a framework for addressing housing conditions in Kenya and measures to bridge the shortfall of housing stock arising from rapid urbanization, escalating

costs of providing housing and population explosion. It highlights four key elements namely:

- i. proposes solutions for urban and rural housing, slum upgrading and vulnerable groups
- ii. management of housing inputs
- iii. estate management
- iv. legislative and institutional frameworks. The cabinet reviewed and approved the policy in 2016 that provide a framework for county governments to address housing issues at the counties.

- v. The Urban Areas and Cities Act, 2011 gives effect to Article 184 of the Constitution. It provides for the criteria for classifying areas as urban and cities and the principles of governance and management of urban areas and cities. Further, this Act provides for the participation by residents in the governance of urban areas and cities. In 2016, cabinet approved amendments to the Urban Areas and Cities Act 2011 and Urban Areas and Cities Amendment Bill 2015 in order to clarify the roles of counties, and encourage them to align their urban areas and cities act for sustainable development. The Directorate of Urban Development to guide the process of urban development in Kenya as well as creation of Urban Development Fund to cater for high capital expenditures across the counties- inter or intra- that are beyond the budgetary allocation of counties.

4.12 SDG 12: The National Environment Policy (2013) and The Environmental Management and Coordination (Amendment) Act 2015



The National Environment Policy 2013 provides the legal and policy framework for planning and sustainable management of Kenya's environment and natural resources including terrestrial and

aquatic ecosystems. It identifies Kenya's critical ecosystems and natural resources and proposes measures to enhance conservation and management of ecosystems and sustainable use of natural resources.

The Environment Management and Coordination-EMCA (Amendment) Act, (2015) effect on 17th June 2015 and provides for the devolved governance of environment and water resources. The Amendment calls for National Environmental Committee and the County Environmental Committee constituted by the Governor. The County Environment Committee is responsible for proper management of the environment within a county and development of a county strategic environmental action plan for 5 years for consideration by the County Assembly. The county strategic environmental action plan is aimed at coordinating and harmonizing environmental policies, plans and bills at both levels of government. Under the Environmental Management and Co-ordination Act framework, companies are required to submit an environmental impact assessment of the impact their production patterns in the environment before a license is granted.

4.13 SDG 13: Climate Change Frameworks



In 2010, the Government launched **The National Climate Change Response Strategy (NCCRS)** which enhanced understanding of the global climate change regime and the impacts of climate change in Kenya. The

Strategy was Kenya's first climate change agenda guide as it provided a basis for strengthening and focusing nationwide action towards climate change adaptation and mitigation.

National Climate Change Action Plan (NCCAP) (2013-2017) guides the transition of the country towards a low carbon climate resilient development pathway. It stipulates the adaptation and mitigation efforts to the next stage of implementation and equips the country to take decisive action in responding climate change.

It encourages people-centred development, ensuring that climate change actions support Kenya's achievement of development goals and attainment of Vision 2030.

Natural Drought Management Act, 2016 assented to on 1st April, 2016 establishes the National Drought Management Authority to oversee coordination of all drought management matters, policies and programs as well as development of an early drought warning and operating system.

Climate Change Act, (2016) assented to on 6th May 2016 and the Forest (Conservation and Management) Act was assented to on 30th August 2016. It establishes the Climate Change Council which comprises stakeholders from National Government, County Governments, The Private Sector, Civil Society, Marginalized communities and Academia. The Act highlights the climate change response measures and actions. It also highlights the roles of each of the stakeholders in mitigating effects of Climate change and how to engage the public.

COP 22 Paris Agreement: Kenya also ratified the Paris Agreement on Climate Change on the intended nationally determined contribution (INDC) which took effect on January 27 2017. Key elements in the agreement are mitigation on how to reduce the impact of climate change, transparency and global stock-taking. Governments come together every five years to set more ambitious targets, as required by science. Other goals are adapting to climate change, loss and damage, role of cities, regions and local authorities in fighting climate change, as well as financial climate funding support to developing countries.

Ban on Plastics: Through the Environmental Management and Coordination Act, the use, manufacture and importation of plastic bags was banned through a Gazette Notice issued on 14th March, 2017. The total ban on plastic bags takes effect from August 2017.

4.14 SDG 14: The National Oceans and Fisheries Policy and The Fisheries Management and Development Act, 2016



The National Oceans and Fisheries Policy (2008) approved in 2009, provides guidance and direction for the sustainable development of the fisheries sector in an

effective and coordinated manner. It also reviews fisheries resources in the Oceans, Coastal Waters, Lakes, Rivers, Dams and other aquatic habitats. The specific policy statements cover the areas of Research and Development for the sector, proposal on Resource Management, prioritization of Aquaculture Development, enhanced Monitoring Control and Surveillance, Institutional and Legal Framework while detailing out opportunities for trade and commerce, infrastructure investments and infrastructure development as well as the human resource development.

The Fisheries Management and Development Act, (2016) assented to on 9th September 2016 provides for the conservation, management and development of fisheries and other aquatic resources to enhance the livelihood of communities dependent on fishing while ensuring sustainability. It gives guidance on the import and export trade of fish and fish products, fish quality and safety among other provisions. It established the Kenya Fisheries Council to ensure appropriate conservation, development of standards on management, sustainable use and protection of the country's fisheries resources.

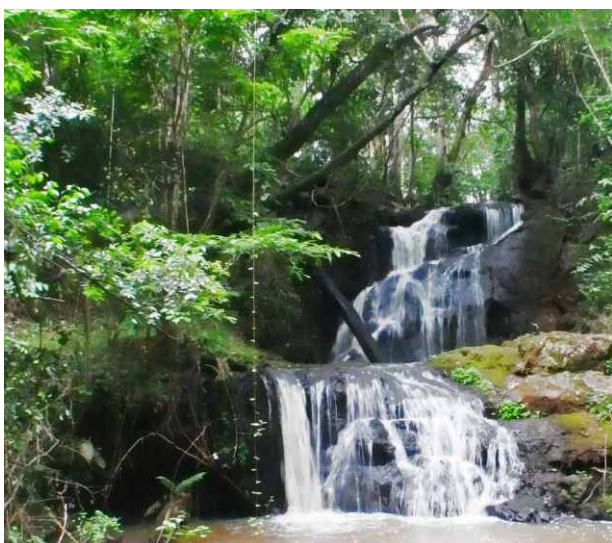
4.15 SDG 15: The Forest Conservation and Management Act, 2016



The Constitution of Kenya provides for maintenance of at least ten per cent tree cover of the land area. The Kenya Vision 2030 targets the planting of at least seven billion trees to address food, water and energy security.

The National Forest Policy (2014) provides a framework for improved forest governance, resource allocation, partnerships and collaboration with the state and non-state actors to enable sector contribute in meeting the country's growth, poverty alleviation goals within a sustainable environment. The goal of the policy is to enhance sustainable development, utilisation and conservation of forest resources and equitable sharing of accrued benefits for present and future generations of the people of Kenya.

The Forest Conservation and Management Act, 2016 provides for the conservation and management of public, community and private forests and areas of forest land that require special protection.



4.16 SDG16: Inclusive Society and Institutional Reforms



The Constitution of Kenya (2010) creates a decentralized system of government wherein two of the three arms of government; namely the Legislature and the Executive are devolved to the 47 Counties. Devolution in Kenya

seeks to bring government closer to the people, with county governments being the centre of dispersing political power and economic resources to Kenyans at the grassroots. The decentralisation of the government serves the functions of ensuring equitable sharing of national and local resources throughout Kenya, promoting accountability, transparency, participation and decision making at the lowest level of government, formally granting rights to communities to manage their own resources, bridging economic and social inequality gaps by decentralizing state organs and public resources to enable ease of access to public services throughout Kenya and fostering unity, cohesion and co-existence among communities.

Sessional Paper of Devolved Government 2012, provides the broad policy framework for implementing devolution in Kenya. It conceives the devolution as a system through which Kenyans develop robust governance and economic institutions in which the people take charge of their development priorities hence reduce inequality and marginalisation of certain parts of the country. It provided for the enactment of facilitative devolution legislation namely: The County Government Act 2012, Transition to Devolved Government 2012, Intergovernmental Technical Relations Act 2012, Urban Areas and Cities Act 2012 and Public Finance Management Act 2012. The formation of the counties has been commended as the most transformative and promising aspect of Constitution of Kenya which provides an appreciable pathway through which pro-poor economic growth and social inclusion have an institutionalized framework to thrive.

The County Equalization fund - It's a Ksh 6 billion equalization fund provided for in the Constitution to support 10 counties that have lagged behind in development. Counties in Arid and Semi-Arid areas are to receive Ksh 185 million to Ksh 630 million annually to help accelerate development.

Mediation- the Judiciary has begun to roll out the Mediation Pilot Project under which all commercial disputes will be screened on presentation to determine whether they are issues that would be resolved through mediation.

Bribery Act (2016) assented on 23rd December 2016 extends the fight against bribery to the private sector, as well foreign organizations doing business in Kenya. It requires all public or private entities to put in place appropriate measures to prevent bribery and corruption. It provides specific requirements for private entities to adopt bribery prevention procedures as well as imposes of a reporting obligation on any person who becomes aware or suspects an instance of bribery has occurred; and provision of an effective coordination and accountability framework for the prevention, investigation and prosecution of acts of bribery.

4.17 SDG 17: Public Private Partnerships Policy (2011) and Regulations



The Public Private Partnership (PPP) Policy (2011) lays the framework of public private partnerships in Kenya to guide both the public and private sector in financing and managing development

projects. It provided for enactment of Public Private Partnership law, PPP committee, PPP nodes and PPP operating procedures and standard guidelines.

The Public Private Partnerships Act, (2013) provides for the participation of the private sector in the financing, construction, development, operation, or maintenance of infrastructure or development projects of the Government through concession or other contractual arrangements.

The Private Security Regulation Act, 2016 allows for cooperation between private security firms and National Security Organs.

Tracking Progress: Private Sector Implementation Of SDGs In Kenya 2016-2017



The following are private sector projects and initiatives undertaken from 2016 to March 2017 in implementing SDGs in Kenya.

5.1. SDG 1: End Poverty in all its Forms Everywhere

1 NO POVERTY



This goal aims at cutting down the number of people of living in poverty. Opportunities exist in increasing access to basic service, ensuring that all men and women, in particular the poor

and the vulnerable, have equal rights to economic resources, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance. Private sector has implemented the following:

Kenya Breweries Limited: Local Raw Material sourcing – Sorghum. KBL provide ready market to small holder farmers in ASAL areas who grows sorghum and millet in Kenya and targets to enroll 12,000 new sorghum farmers to increase sorghum production from 18,000 metric tonnes to 30,000 metric tonnes, in 2017. Since inception of programme 32,000 farmers enrolled into the programme.

Bidco Africa: Bidco has a 'Soil to Pan' philosophy. An adage in championing in the transformation of Agriculture to Agribusiness. It has put in place measures for a full value chain that enhances income and economic growth to the more than 20,000 farmers who have a guaranteed market for their produce.

The MasterCard 2Kuze, is a mobile payment solution from MasterCard Labs, built for farmers in Kenya to make financial systems more accessible. About 2,000 Kenyan farmers have been instantly connected with all the critical points of the marketplace.

Bell Industries in partnership with Kenya Agriculture Value Chain Enterprises (KAVES) project has to address the lack of storage options available to small holder farmers and cut losses due to poor postharvest handling. At the same time, by engaging the private sector to serve smallholder needs, KAVES is linking companies with potential new markets for their goods and services. This is aimed at preventing post-harvest losses experienced by small holder's farmers.

Nailab is business incubator that offers entrepreneurship programs focusing on growing innovative technology driven ideas. They do this through providing business advice, technical training and support, professional mentoring and coaching, giving access to market and fostering strategic partnerships as well as linking entrepreneurs to investors.

5.2 SDG 2: End Hunger, Achieve Food Security, Improved Nutrition and Promote Sustainable Agriculture

2 ZERO HUNGER



This goal entails ending hunger and malnutrition by increasing access to sufficient and nutritious food all year round. Opportunities exist in enhancing agricultural productivity and increasing incomes of small scale farmers and ending malnutrition especially of children under the

age of 5 years. Private sector has implemented the following:

Equity Bank: has key products designed around agriculture. In 2016, equity bank disbursed Ksh 8 billion to 77,000 farmers, had supported 350 farmers acquire farm equipment at Ksh 850million and had 7 new innovations on farm products offered to farmers.

Kenya Breweries Limited: Jilishe kisha uuze initiative. This initiative encourages farmer to grow sorghum and millet to meet their household needs, and thereafter, sell the surplus to increase their household income. 32,000 farmers have been enrolled into the programme from Kitui, Tharaka, Embu, Kilifi, Siaya, and Kisumu Counties.

Phillips Healthcare Services Ltd. (PHSL) has made a commitment to provide micronutrient powder (MNP) to children aged 6-9 months in Kenya. PHSL aims to provide 150,000 Kenyan children with MNP by 2018. So far the initiative has reached around 22,500 children through the sale of 39,770, 750 units of MNP.

WeFarm is a worldwide organizations with its origins in Kenya. It offers peer-to-peer service that helps these farmers share information with each other via SMS or through internet. So they don't need the internet—they don't even need to leave their farm! The service is completely free and it allows farmers to ask questions and receive crowd-sourced answers from other farmers around the world. Timely information prevent loss through diseases or crop failure hence reducing poverty.

M-Farm is a mobile application that helps Kenyan farmers to get market information and improve their agriculture productivity. M-farm gives up-to-date market information link farmers to buyers through our marketplace and current agriculture-trends. It is a transparency tool for Kenyan farmers where they simply SMS the number 3555 to get information pertaining to the retail price of their products, buy their farm inputs directly from manufacturers at favorable prices, and find buyers for their produce.



5.3 SDG 2 & 3: Improved Nutrition, Ensure Healthy Lives and Promote Well Being for All Ages

2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



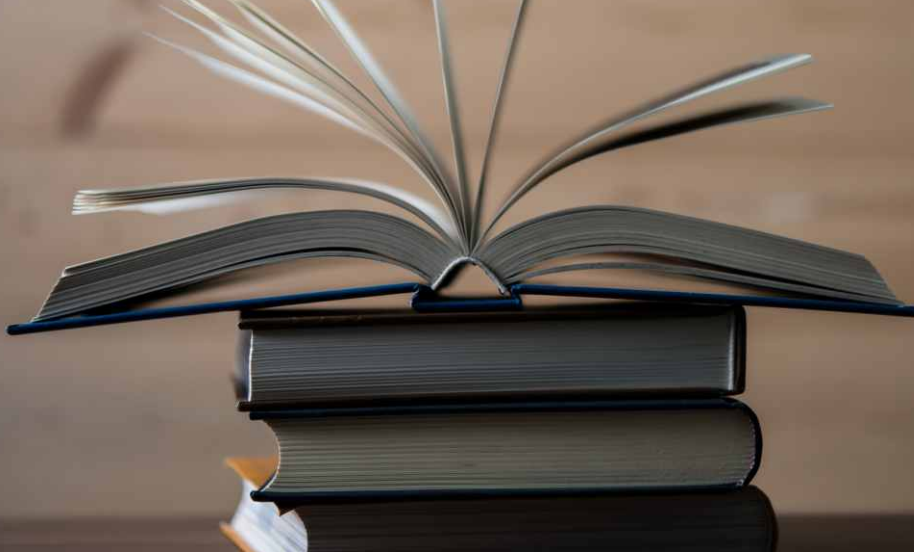
Opportunities exist in ending preventable deaths of newborns and children under 5 years of age.

Better Business Practice for Children: This is a KEPSA/UNICEF project aimed at improving maternal and infant nutrition through sensitizing members of the private sector on the need to promote exclusive breastfeeding for children by providing working mothers with a conducive working environment as well as providing breaks for them to breastfeed their children. The project encourages businesses to create mother and baby friendly spaces which includes the creation of a lactation station for lactating mothers. KEPSA together with the Ministry of health signed a statement of commitment for Better Business Practice for Children. The project is in its first year of implementation in which it has raised awareness on the impact of a better business practices for children on productivity, wellbeing of the children and overall the SDGs.

Procter and Gamble(P&G)- Its Pampers brand as part of its commitment to happy, healthy development of babies – created the Pampers Mobile Clinic Program, providing free basic health checks, health talks and products to mothers and their babies. The Pampers UNICEF vaccine program marked another year of working to eliminate neonatal tetanus, a preventable disease that claims the life of 58,000 babies in developing countries each year.

The Coca-Cola Company is committed to help people get moving by supporting physical activity programs in every country where it does business. The Company supported more than 290 physical activity programs in nearly 125 countries around the world.

Seven Seas Technologies (SST) Group is a leading provider of integrated business and technology solutions to customers, spanning the Healthcare, Homeland Security and Social Services spaces; three of the African continent's most-needed areas of improvement. On health its objectives is to offer a one-stop shop across six distinct healthcare services namely: medical equipment supply, installation and after-sales service; construction of new medical facilities or upgrade of existing facilities infrastructure; mobile clinics fabrication and deployment; medical applications training; turnkey healthcare programs implementation (PMO); and hospital information systems (HIS) and healthcare information technology(HCIT) deployment.



5.4 SDG 3: Ensure Healthy Lives and Promote Well Being for All Ages

3 GOOD HEALTH AND WELL-BEING



This goal aims at making sure everyone has health coverage, access to safe, effective medicine and vaccines. Opportunities exist in enhancing access to health care services, increase healthcare

financing, development of health force and ending preventable deaths of employees at workplace. Private sector has implemented the following:

Kenya Breweries Limited's (KBL) Zero Harm programme is designed to ensure that all employees go home safe, every day, and is based on four pillars – prevention, culture, compliance, and capability. KBL aims to have less than one lost-time accident (LTA) per 1,000 employees, with zero fatalities. KBL has not had any fatality in any production sites in the last two and half years. Over the same period, KBL has reduced Lost Time Accidents (LTA) by over 50% and minor accidents by over 60%.

Safaricom- Mtiba is a mobile health wallet for healthcare savings, payments and bonus schemes developed by CarePay, PharmAccess and Safaricom, it allows individuals and organizations to distribute funds for healthcare to people who rely on them. They can be sure that those funds will be used for healthcare only. And they know that their dependents are being treated at clinics that charge fair prices and follow internationally recognized quality standards.

5.5 SDG 4: Ensure inclusive and equitable education as well as promote lifelong learning opportunities

4 QUALITY EDUCATION



This goal focuses on provision and access to universal primary and secondary education, affordable vocational training, access to higher education and

more. Opportunities exist in building and upgrading education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all. Substantially increase the number of youths and adults with relevant skills including technical and vocational skills for employment, decent jobs and entrepreneurship. Private sector has implemented the following:

Airtel Kenya: Airtel Free Internet for Schools program which provides free 3G Internet for Schools to both primary and secondary across Kenya. Through the project Airtel has connected 322 schools, impacting the lives of over 200, 000 students in 33 counties out of the 47 counties in Kenya. Airtel LEAP hubs are dedicated secondary schools students where students' ideas are incubated to be creative, innovative and able to launch sustainable business ventures and social enterprises.

Kenya Breweries Limited (KBL) Human Resource division focusses on Leadership Academy and its graduate trainee programme while EABL Foundation accords university scholarships promising bright students who are unable to afford further education. KBL also sponsors middle and senior managers to participate in a leadership and empowerment programmes locally and internationally. 250 University Scholarships provided, Over 50 graduate trainees recruited and Over 300 employees trained through various internal and external programmes in 2016 –Feb 2017.

IBM and RTI International are launching an initiative in Mombasa County, Kenya to help transform the education system. Working with the Kenyan Ministry of Education and USAID, teachers, principals and administrators in more than 100 schools will be provided with tablet devices that will capture data about students and the facilities. From the information acquired, leaders will have a better understanding of current progress and challenges as well as be able to offer recommendations for improvement.

Safaricom–Shupavu 291 Product is a vision study tool working through the Short Messaging System (SMS) and USSD and can be accessed from any mobile by dialing *291#. Shupavu 291 enables students to take quizzes, search subjects and topics to study as well as access of Wikipedia summaries without requiring any internet connection. With the service, teachers and parents can check reports on individual student performance and school performance via SMS.

Linking Industry With Academia (LIWA): The private sector has entered a tripartite partnership with the Academia and Government in a 'Government-Private-Academia partnerships' in an effort to try and link the Industry with the Academia. The LIWA (Linking Industry with Academia) is one such initiative that emerged from the partnership. This tripartite arrangement is headed by the Kenya Private Sector Association (KEPSA). Its objective is to promote the involvement of industry in training institutions, and reduce the 'skills matching gap'. This initiative ensures that the youths are equipped with market oriented skills, that prepares them adequately and make them attractive in the labour market.

5.6 SDG 5: Achieve gender equality and empower all women and girls

5 GENDER
EQUALITY



There are still gross inequalities in work and wages with lots of unpaid "women" work such as childcare and domestic work and

discrimination in public decision making. This SDG aims to bridge and end discrimination against women and girls as a basic human right. Opportunities exist in ending all forms of discrimination against all women and girls everywhere as well as to ensuring universal access to sexual and reproductive health. Private sector has implemented the following:

Global Compact Network Kenya and **UN Women** through their joint initiative *Women's Empowerment Principles (WEPs)* are driving the commitment of Kenyan companies to implement strategies towards women's economic empowerment in the marketplace, community and workplace as an integrated dimension of their corporate sustainability. An important dimension of this initiative includes building the capacity of senior female executives to participate in corporate boards. To date, 60 women in senior management of listed companies have been trained.

Gap Inc. along with other companies such as **Coca Cola, Ernst & Young and Intel Corporation**—signed onto the *She Works Pledge*. This is a call for measures to enhance women's employment opportunities, such as a commitment to increase female representation at management levels.

Procter and Gamble (P&G) Always Brand reaches more than 300,000 girls through its Protecting Futures Program, providing girls age 12-14 with education on good personal hygiene, puberty, menstruation and personal care.

Most of Private Sector has embraced the “Women on Boards” initiative and have women represented in decision making positions in the companies. It is notable to mention Barclays Bank, Airtel, and Safaricom who have women in their boards.

5.7 SDG 6: Ensure availability and Sustainable Management of Water and Sanitation for all

6 CLEAN WATER AND SANITATION



This goal focuses on sustainable management of water and sanitation for all by providing access to safe and affordable drinking water and proper sanitation by protecting

and restoring the wetlands, rivers, sharing water treatment technologies and any other initiatives that water shortages. Opportunities exist in ending open defecation, providing affordable drinking water to all, increase efficiency across all sectors to ensure sustainable withdrawals and supply of fresh water and to strengthen the participation of local communities in improving water and sanitation management. Private sector has implemented the following:

Kenya Breweries Limited *Water of Life Programme* and **East Africa Breweries Limited (EABL)** *Water Blueprint*. KBL has invested in 78 different water and sanitation projects in Kenya, impacting over 3 million people. KBL is dedicated to devising new approaches that will solve water-related challenges locally and sustainably manage water use within its business.

Ericsson implemented the “Citizen Field Engineer” project in Nairobi Kenya, an initiative that uses sensors to monitor water quality and supply which enables community residents to govern, maintain, and repair the physical infrastructure for water delivery. In exchange for their monitoring, residents receive mobile credits, thereby providing a financial incentive to continue with their water management.

Girls Mentorship Programs- Airtel have an Employee Mentorship Program that strives to mentor students at least thrice in a year.

Grundfos has helped Nairobi’s local water board to improve the capacity of its water services. Now, hundreds of thousands of city inhabitants can access a ‘water ATM’, which uses the company’s AQtap technology, and pay for their water use via mobile technology provided in partnership with Safaricom.

Kenya Association of Manufacturers (KAM) in collaboration with Kenya Industrial Water Alliance and with funding from DANIDA rolled out Water and Waste Water initiatives programme comprising of the different thematic areas, They include:

- Improving groundwater abstraction and surface water quality data management;
- Scaling-up existing initiatives to identify and implement cost-effective industrial water use efficiency measures;
- Promoting international and local best practice at the firm level; and
- Advocating more investment in water efficient and pollution prevention practices at the industry level.

Through the DANIDA programme, KAM has been able to train over 20 companies on water and wastewater management and undertaken water audit programmes in 26 facilities within the Nairobi Sub-catchment. The programme seeks to ensure sustainability in water use by industries and focusing on investment in efficient water use technologies.

5.8 SDG 7: Ensure access to affordable, reliable and sustainable modern energy for all

7 AFFORDABLE AND CLEAN ENERGY



This goal focuses on efficient energy sources and use by investing in clean energy sources such as solar and wind without making drastic changes to the climate.

Opportunities exist to increase access to affordable, reliable and modern energy services and to expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all. Private sector has implemented the following:

Safaricom M-KOPA Product: In Kenya, over 6 million off-grid households spend over \$1 billion on kerosene. The founders of M-KOPA realized the detrimental health and climate impacts of the energy system in Kenya, and found that a home solar system worth US\$200 would be a significantly better alternative, but the upfront cost was too high for homes to purchase. M-KOPA tackled this affordability problem by having customers pay a \$30 deposit upfront to take home the solar system from a sales location. The customer can then make daily top-ups of around 40 cents for credits, which enable the solar energy system to discharge power for 24 hours. After the customer has paid for 365 credits, the system automatically switches to free use. The customer then owns the system and does not need to spend any more for home power for the life of the system. M-KOPA has connected over 340,000 homes in Kenya, Tanzania and Uganda to affordable power. 99% of households have said they have saved money on kerosene and phone charging by using M-KOPA's solar system.

M-KOPA has reduced CO₂ emissions significantly. M-KOPA enables off-grid communities to leap from using unreliable non-renewable energy to affordable and sustainable practices, without the process of excessive polluting in between.

I-Africa Biogas Project: Airtel has partnered with Immanuel Africa Rehabilitation and have launched a biogas plant aimed at helping the institution produce enough biogas for cooking and boiling water. The center saves up to Ksh 8,000 per month that was previously used to purchase gas and coal. The Project received a regional recognition as the Corporate Social Responsibility Initiative of year 2015 in the East African Industry Awards.

Aeolus Kenya Limited (AKL) engages in private sector initiatives, with a main aim to develop, finance, construct and operate critical infrastructure in Kenya and the East and Central African markets. Since 2014, AKL began the construction of two projects: The Kavuko Power Plant and Kinangop Wind Plant (KWP). The Kavuko Power Plant will utilize renewable energy sources (solar, biogas and steam) to produce up to 40MW of electricity. The biogas component of the plant relies in part on human waste. This is a green, renewable energy facility. AKL built close relationships with the community and brought the 61MW, \$150 million KWP to a bankable international standard.

Pirelli Carbon Action Plan: Pirelli's 2013-2017 sustainability plan, which sets a number of targets for 2020, foresees an 18% reduction in the specific energy consumption ratio and a 15% reduction in CO₂ Emissions by 2020. To achieve this, Pirelli has developed a Carbon Action Plan, with the aim of increasing the use of energy from renewable sources with dedicated projects (photovoltaic power plants, cogeneration plant powered by vegetable oil, biomass plant for steam generation, supply of electricity from wind power).

Energizing Development Kenya County Programme has supported over 1.5 million households to invest in improved cook stoves and 120,000 households to access small solar systems for lighting and basic electricity services. ClimateCare is managing a loan programme that has distributed ethanol cook stoves in Kibera and improved charcoal jikos at Finlay Farm. Stove testing facilities have been established at the University of Nairobi and the Kenya Industrial Research Institute. Burns Manufacturing has established a factory for the local manufacture of the JikoKoa.

Kenya Association of Manufacturers, Center for Energy Efficiency and Conservation

The Kenya Association of Manufacturers (KAM) through Center for Energy efficiency and Conservation (CEEC) offers energy audits to members and non-members to help them identify energy wastage, determine savings potential and give recommendation on measures to achieve them.

Over the last 10 years, many organizations have undertaken energy audits with KAM which has resulted in significant savings to the tune of over KShs 12 Billion. So far energy audits have been undertaken in over 850 companies, hospitals, public institutions, hospitality sector and energy sector. These savings have enhanced local production and service delivery thus impacting positively towards the national GDP. The impact on industry is investment in clean energy sources such as Red lands Roses solar PV of size 220 kilo watt peak. Additional impact includes reduction in the use of fossil fuels that heavily contribute to greenhouse gas emissions from industrial sector and embracing clean alternatives like briquettes for steam generation.

KAM also runs the **Energy Management Award (EMA)** whose purpose is to recognize enterprises that have achieved outstanding energy savings and cost reductions through improved utilization of energy. The participants contribute to the promotion of a culture of energy efficiency within the manufacturing and services sectors of the Kenyan economy and most importantly playing a role in reducing global warming.

Strathmore University: *Strathmore University Energy Research Centre* founded in 2012 in order to create and facilitate adoption of renewable energy technologies and best practices in energy efficiency. Strathmore University has largely invested in solar energy production (600kw installed); striving to offer an alternative source of energy at a cheaper cost. At present 50% of the institution's energy requirement is met by solar PV. It also offers training in areas of design, installation and hybrid and offers consultancy on testing laboratory to the dairy and tea sectors. It seeks to ensure that the sector has a pool of skilled energy and management expertise to champion energy efficient technologies. In this regard they have partnered with GLZ and SERC, in compliance with the Energy management regulations and are working on capacity building on renewable energy technical and management levels.

5.9 SDG 8: Promote sustained inclusive economic growth, full and productive employment and decent work for all

8 DECENT WORK AND ECONOMIC GROWTH



Worldwide, there's is a widening inequalities where job growth is not keeping pace with

growing labor force. This focuses promoting policies that encourage entrepreneurship and job creation. Opportunities exist in: Supporting economic development and human-wellbeing, with a focus on affordable and equitable access to employment and entrepreneurship opportunities for all. Opportunities exist to substantially reduce the proportion of youth not in employment, education or training and to achieve higher levels of economic productivity through diversification, technological upgrading and innovation. Private sector has implemented the following:

Kenya Youth Empowerment Project (KYEP): KEPSA implemented the training and internship components of the KYEP. KEPSA engaged the youth in mentorship, internship and skill-based training to improve their employability, making them more productive in their contribution to the country's economic growth. The Project benefited 20,384 youths, comprising of 10,758 males (52.8%) and 9,626 females (47.2%) surpassing the projections by 20.9%. The youth were trained on life skills, core business skills, sector specific skills and were placed under a 12 week internship programme. Over 80% of the youth secured employment under the programme.



Kenya Association of Manufacturers TVET Program:

KAM is implementing a Technical and Vocational Education and Training (TVET) program with the aim of improving access to technical and vocational jobs and economic opportunities for youth in Kenya. The Project is a partnership with manufacturing industries, TVET institutions, government agencies in charge of technical and vocational training to place over 500 graduates on internships in industries and consequently jobs; and provide refresher training to industry employees based on identified skills gap. The project has succeeded in providing placement to 170 students in various industries and secured commitment from 30 manufacturing organizations.

Toyota Kenya Academy: Toyota Kenya opened an academy in 2014 to offer technical automotive training to enhance global competitiveness for Kenya's workforce. Besides the automotive industry, the academy nurtures engineers for construction equipment, agricultural equipment and other areas.

Business incubation (NaiLab,iHub): Most of our youths especially those emanating from the formal education (graduates), always have good business ideas and without proper coaching and mentorship they hardly translate into real business. Through the private sector led business incubation such as the iHub and NaiLab these ideas are transformed into operating business. iHub and NaiLab are one of the leading and pioneers incubators in the country and the region at large. They provide the environment, mentor and coach small entrepreneurs who are emerging with

the requisite skills that the market requires. Such incubators have seen the growth of many youths in whose absence would have been rendered hopeless and jobless.

Equity Group Holdings Limited (EGHL), formerly Equity Bank Group, is a financial services holding company based in the African Great Lakes region. EGHL has been supporting SMEs and last year it was awarded "Africa's Best Bank for SMEs". EGHL in partnership with master-card foundation runs a transformational programme by has promoting education in the countries of operation through scholarships and other education program that enhance equity in the region. It has been a financial model acceptable to many for reducing poverty. The Equity Group Wings to Fly Program supports education of needy and bright students and has benefited over 14,368 deserving students and the 2017, 8th cohort comprised of 1700 students admitted to various secondary schools in the country.

Pre-paid University Internship Programme - Equity Group also runs the Equity Bank Paid Pre-University Internship Programme that enables scholars pay for their university education while undergoing leadership, coaching and mentorship. In 2017, 569 scholars have joined the programme, total number of scholars who have benefited from the programme are 5059. A number of international luminaries have paid a courtesy call on Equity Bank on their mission to study poverty reduction initiatives in Africa.

KCB Group Limited it is a financial services holding company based in the African Great Lakes region. The Group's headquarters are in Nairobi, Kenya, with its subsidiaries being KCB Bank Kenya Limited, KCB Bank Burundi Limited, KCB Bank Rwanda Limited, KCB Bank South Sudan Limited, KCB Bank Tanzania Limited, and KCB Bank Uganda Limited. It also owns KCB Insurance Agency, KCB Capital, KCB Foundation and all associate companies. KCB Group has driving its mission of ensuring efficiency whilst growing market share in order to be preferred financial solutions provider in Africa with global reach. Through KCB foundation it has carried many programs across the countries it operate majorly focusing for creation of employment and education hence reducing inequality. Among the programmes is the *2Jiajiri program* in Kenya for enhancing youth employability skills, KCB Uganda in partnership with the Uganda Small Scale Industries Association (USSIA) collaborated in an enterprise skills training partnership, KCB T and Tanzania Education Authority (TEA) partnered to donate 1500 desks to schools in various towns, KCB Rwanda entered into a partnership with the Kigali Institute of Education which saw scholarships awarded to for 30 meritorious lower secondary English teachers from 30 districts of Rwanda undertake the KIE Diploma in Education through its Distance training programme for a period of three consecutive years.

Kenya Breweries Limited (KBL) has employed over 1,150 Kenyans, the company also supports over 80,000 business enterprises along the value chain, which includes retailers, farmers, distributors and agents. Airtel has over 150,000 entities benefitting from the airtel business and Bidco Africa has made it a policy to offer equal opportunities to all. They also provide a healthy, conducive working environment to all of the workers, support the livelihoods of individuals, families and communities that rely on them.

Keroche Young Entrepreneurs' Mentorship

Programme: Keroche Foundation has formed a partnership with Jomo Kenyatta University of Agriculture and Technology (JKUAT) to share market friendly formulations and technology to agro-entrepreneurs and farmers at the grassroots level. The program shall see JKUAT in conjunction with the Jua Kali industry develop to basic technology that can cost effectively assist farmers add value and reduce food wastage after harvests. Additionally the program would dispense basic value addition technique to enhance the profitability of farming. The program is being implemented through a fund named the "Hakikisha Fund". The goal of the program is increase the competitive position of the Kenyan agro-industrial sector by empowering end users on value-addition techniques and products.

Coca Cola Company has entrenched respect for human and workplace rights on the company culture. This is used as the main guide on its interactions with employees, bottling partners, suppliers, customers, consumers, and the communities it serve. The Coca-Cola Company formally endorsed the UN Guiding Principles on Business and Human Rights, adopted by UN Human Rights Council in 2011 which have become a benchmark for its policies and programs related to workplace and human rights.

The Private sector in Kenya created 90,200 new jobs in both the formal and informal sectors while the public sector created 17,600 new jobs (KEPSA, Economic Survey 2014-2016).

5.10 SDG9: Build resilient infrastructure, sustainable industrialization and foster innovation

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



This goal focuses on investment in technology, infrastructure to bridge the digital divide, promotion of sustainable industries, investment in scientific research and innovation to

facilitate sustainable development. Opportunities exist in development of quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, provision of affordable internet and increase access of small scale industrial enterprises to financial services, affordable credit and integration of value chains. Private sector has implemented the following:

Skypower Global: As part of its SDG commitment, SkyPower has committed to build one gigawatt of solar electricity in Kenya over the next four years. It will also donate 3,600 solar powered LED streetlights for a 3,000km of roads that the Kenyan government is planning to engage in.

Safaricom and Airtel: Safaricom spends about USD 300 Million on infrastructure annually. Airtel is investing heavily in the expansion of its network and covert to ensure consistent delivery of quality and value for money services to its customers.

5.11 SDG10: Reduce inequality within and among countries

10 REDUCED INEQUALITIES



This goal aims at promoting socio-economic and political inclusion for all, eliminate discriminatory laws, policies and practices

and enhance people representation and voice. Opportunities exist in reducing inequalities of financial markets and institutions, sending development support and aid where it is most needed

East African Breweries Limited (EABL) is East Africa's leading branded alcohol beverage business with an outstanding collection of brands that range from beer, spirits and adult nonalcoholic drinks (ANADs) that operate in East Africa countries. EABL has been promoting agribusiness in Kenya, Uganda and Tanzania by sourcing the raw material in the local market by partnering with farmers to ensure they produce the right calories in oranges, and proper grain. EABL do research on behalf of farmers which focus on developing high yield seed varieties. It also do crop financing and risk mitigation strategy protects farmers from losses from unforeseen weather hazards. This partners with farmers across the regions helps in reducing inequality.

Bidco Africa Limited is a manufacturing company that focus on oils and fats, baking products, detergents and laundry products, personal care and beauty, hygiene, and animal feeds. It operates in three countries that Kenya, Tanzania, and Uganda. Bidco Africa believes in inclusive growth in agribusiness. Currently, they are offering small scale farmers opportunities for partnership in oilseed production (soybeans and sunflower) across the three countries. Bidco Africa can deal directly with individual small scale farmers but given the size of their enterprises, we advise farmers to form farmers' groups or cooperatives to benefit from economies of scale. The Bidco agribusiness team, then advise the recommended farmers on suitable crop and varieties for their Agro Ecological Zones. In addition, the farmers are recommended to do soil analysis for their areas of production to have a clear knowledge of the levels of nutrients on their farms. The soil analysis results will be the basis of fertilizer recommendation. They continue offering advice to farmers until the crops are harvested. This ensure maximum output and increased income to farmers hence reducing inequality.

5.12 SDG 11: Make Cities and Human Settlements Inclusive, Safe, resilient and Sustainable

11 SUSTAINABLE CITIES AND COMMUNITIES



This goal involves making cities habitable for all by creating good affordable public housing, upgrading of slum settlements, efficient public transport,

creating green spaces and stakeholder engagement in urban planning decisions. Opportunities exist in providing adequate, safe and affordable housing and basic services and upgrade of slums, provision of access to safe, accessible and sustainable transport systems, improving road safety and building sustainable and resilient buildings utilizing local materials. Private sector has implemented the following:

Suraya property Group and **The China-Africa Development Fund (CAD-Fund)** and **China Civil Engineering Construction Company (CCECC)** entered into a memorandum of understanding to construct more than 20000 houses for both government and non-government employees through public private partnership model on October 2016. The idea originated with the Suraya Property group where the government will be required to provide land. This will provide affordable housing for most people.

Shelter Afrique, the African Development Bank (AfDB), KCB Group and **Housing Finance Group** offered to finance the construction of 20000 housing units for the police under the annuity financing model. The housing units will include one bedroom, bed sitters and three bedroom units, which approximately will cost between Sh18 and 20 billion. This is part of the government's four-year infrastructure development project aimed at alleviating the acute housing crisis facing the National Police Service (NPS). Shelter Afrique has offered international tender for the construction of the first phase of the project which comprise 4,000 housing units.





5.13 SDG 12: Ensure Sustainable Consumption and Production Patterns

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



This goal aims at efficient management of natural resources, better disposal of toxic waste, cutting down on food waste, developing initiatives for business

and consumers to reduce and recycle waste. Opportunities exist to reduce food losses along production and supply chains, including post-harvest losses, substantially reduce waste generation through prevention, reduction, recycling and reuse. Private sector has implemented the following:

Switch Africa Green: KEPSA in partnership with Kenya Agribusiness Agroindustry Alliance (KAAA) is currently implementing the SWITCH Africa Green project on “Capacity Enhancement for Green Business Development and Eco entrepreneurship in the Agriculture Sector”. The project goal is to stimulate Sustainable Consumption and Production (SCP) patterns and practices within Micro, Small and Medium Enterprises (MSMEs), seize opportunities in green business development, promote resource efficiency, environmental quality, and create green jobs, tackle poverty and other critical development challenges towards overall economic transformation.

Sustainable Inclusive Business (SIB): SIB is a project of the Kenya Private Sector Alliance Foundation in collaboration with MVO Netherlands and supported by the Embassy of the Netherlands in Kenya aims to encourage businesses to be responsible with a positive impact on people, planet and profit. The projects assists businesses to measure and report on sustainability with a focus on the Sustainable Development Goals. SIB stimulates, initiates, addresses and facilitates dialogue and cooperation for positive impact on people, planet and profit (supercharger of specific, urgent and current issues). It also brings knowledge, networks, studies, publications, trainings and expertise together and make them accessible for the business community. Since inception in 2015, the project has reached out to over 200 businesses in Kenya and to over 5000 people through conferences, workshops and the media.

Kenya Breweries Limited: KBL is committed to providing a positive role for alcohol in society and has pioneered efforts in addressing alcohol abuse. KBL supports WHO goal (reducing alcohol related harm by 10% across the world by the year 2025), through promotion of responsible drinking programmes, partnerships and campaigns such as Under 18 campaign and Drink IQ. KBL has signed at least 15 new partnership that encourages responsible use of alcohol. Over 50,000 retailers have been trained.

Safaricom uses biodegradable bags and will be introducing fabric bags.

5.14 SDG 13: Take urgent action to combat climate change and its impacts

13 CLIMATE ACTION



This goal focuses on working together to reduce the global mean temperature to 2 degrees celcius above pre-industrial levels and thus avoid effects of climate change and to strengthen resilience and adaptive capacity to climate-related hazards and natural disasters. Opportunities exist to improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning systems. Private sector has implemented the following:

Kenya Climate Innovation Center (KCIC) domiciled at Strathmore University is a World Bank-InfoDev initiative funded by UKaid and the Danish Ministry of Foreign Affairs. KCIC is an incubator that supports the development and deployment of technologies that help communities to either mitigate against or adapt to climate change. Since opening its doors in September 2012, the Center has incubated 138 enterprises, 52 of which are now businesses that came in as ideas, and has created 1,163 jobs through these businesses.

Ecotourism Kenya is involved in Climate Change issues primarily through the Ecorating Certification Scheme, a voluntary scheme that covers accommodation facilities and basically advocates for the sustainable use of resources to reduce negative impacts on the environment and to use the dwindling resources in a more equitable manner.

Wajibu MS is a 100 percent Kenyan environmental consultancy business focusing on Climate Change adaptation techniques within Kenya and the East African region.

Kenya Tea Development Agency works to increase the climate resilience of its farmers and address energy options for factory processes. In collaboration with the Tea Research Foundation of Kenya, has developed new drought-tolerant, high yielding tea varieties. The agency has developed four mini-hydro plants that will reduce greenhouse gas emissions.

REACT-Africa Enterprise Challenge Fund provides repayable grants to develop business ideas based on low cost clean energy solutions that help smallholder farmers adapt to climate change.

The Green Growth Economic Programme under **Kenya Association of Manufacturers:**

This Green growth programme seeks to institutionalize low carbon climate resilient practices within Kenya's private sector through KAM. Core to this will be establishment of a market-driven energy and resource efficiency sector. Through this engagement special financial products seeks to support energy & resource efficiency will developed and offered by various financial institutions. KAM is working both at national and sub-national levels to support counties in ensuring suitable policies in energy and resource efficiency are implemented and to sensitize and support private companies to commit to United Nations Global Compact practices.

KAM Strengthening Business Society Engagement in Climate Change:

The project through the support of DFID supported 7 counties with legislative support by supporting them develop sustainable energy policies and plans. The project also carried out five county capacity building and sensitization forums within the counties of Kiambu, Mombasa, Uasin Gishu, Nakuru and Kisumu.

5.15 SDG 14: Conserve & Promote Sustainable Use of Oceans, Sea and Marine Resources



Oceans absorb 30% of carbon dioxide that humans produce, today there is 26% more production of carbon dioxide making the ocean more acidic. A lot

of trash is also dumped to the ocean. Opportunities exist to sustainably manage the coastal ecosystems, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution and to provide access for small-scale artisanal fishers to marine resources and markets. Private sector has implemented the following:

Severin Sea Lodge, a coastal hotel overlooking Indian Ocean was the first hotel to hire an environmental officer on its full-time staff and among his roles were to check on Marine life around the hotel. It was also the first hotel to have a biological purification plant to purify their waste water before depositing it into the ocean hence prevent polluting the ocean hence conserving the Marine life.

Serena Beach Hotel & Spa located on Shanzu Beach, runs a turtle conservation program. The facility has hired a professional expert to spearhead the initiative. Since inception of the project in 1993; 408 turtle nests have been protected including green turtles, Hawksbills, and Olive Ridley. Approximately 52,524 eggs have been secured and 43,691 turtle hatchlings released. Turtles face serious threats from human activities. In 2015, approximately 8,390 eggs were secured and 8,012 hatched, with a 95% success rate. To enhance turtle conservation, the hotel runs a community participatory program where locals are provided with cash rewards for nests reporting and protection; and buying turtle eggs from locals at Ksh 50 each, to encourage locals to conserve turtles.

5.16 SDG15: Promote and restore sustainable use of terrestrial ecosystem, combat desertification, reverse land degradation and halt biodiversity loss



Forests cover 30% of total earth surface and help keep air, water and earth's climate in balance. Kenya's forest base occupies an area of 4.136 million hectares

that is 7.2% forest cover. Approximately 2.3 million hectares of forests are gazetted as protected forests and distributed in about 262 forest blocks. This goal focuses on restoring the use of terrestrial ecosystem such as forests, wetlands, drylands and mountains by the year 2020. During the last ten (10) years, Kenya has been able to restore 6% of forest cover. There are clear indications we will be able to attain the 10% tree cover in the next three years. The goal of Kenya Forest Services is to Increase Kenya's forest cover by 1% to 8.2% by end of year 2017. Thus there's a need to plant 1.3 million hectares to achieve the 10% forest cover. Private sector has implemented the following:

Chandaria Industries, have taken proactive steps to help counter water shortages. Since Tissue and Paper products are made by recycling waste paper they have saved over 22 million trees since 1964 when the company started. They have recently installed brand new State of the Art recycling equipment which will help them save another 2.2 million trees in the next by 2020.

Bamburi Cement Ltd, **Better Globe Forestry Ltd** and **KenGen Foundation**, have a Memorandum of Agreement for environment conservation which amounts Ksh 120 Million. The program is designed to encourage and enable schools to participate in environmental activities by developing small forests and woodlots within their compounds for multiple benefits.

Base Titanium working with the National Museums of Kenya, the Kenya Wildlife Services and the Kenya Forest Services and other partner organizations' to improve biodiversity outcomes in the region. Two notable success stories involve the endangered Shimba Hills Reed Frog (*Hyperolius rubrovermiculatus*) and a leguminous tree species, *Gigasiphon macrosiphon*.

Safaricom Foundation in partnership with the **Rhino Ark charitable trust**, **Kenya Wildlife Service** and **Kenya Forest Service**, have funded the construction of two 'elephant grids' where the fence of the Aberdare National Park and Forest Reserve intersects public access roads.

5.17 SDG16: Promote Peaceful and Inclusive Societies for Sustainable Development, access to justice for all and build effective, accountable and inclusive institutions at all levels

16 PEACE AND JUSTICE STRONG INSTITUTIONS



This goal focuses on transparency, effectiveness and accountable institutions, reduction of all forms of violence, finding lasting peace to conflict and insecurity, strengthening the rule of law, reduce illicit arms, strengthening governance institutions and bringing developing countries to the center of institutions of global governance. Opportunities exist in reducing corruption in all its forms, and enhancing peace, and participation in decision making platforms at all levels. Initiatives implemented by private sector include:

Public Private Dialogue Platforms: The private sector through KEPSA engages regularly with the three arms of government- the executive, the judiciary and legislature through policy dialogue platforms known as Public Private Dialogue Platforms to advocate for a conducive business environment, improved regulatory environment, offer sectorial insight and input to policy and legislation formulation and technical assistance in crafting of legislation and policies that respond to the needs of the business environment.

Mkenya Daima, a Private Sector initiative is a peace campaign project meant to foster peaceful coexistence and peace for economic growth and prosperity in the country. This initiative is spearheaded by KEPSA bringing together the Private Sector, Civil Society, Religious Leaders, Political Leaders, Student Leaders and Governments. Under the Mkenya Daima banner, KEPSA on behalf of the private sector was able to engage most of the stakeholders in the electoral process as well as the

public in peace-building initiatives. This included deploying influential business people to convince political candidates to make a commitment to peaceful elections in 2013, funding media training on conflict-sensitive reporting, and conducting employee seminars in order to build trust and mitigate ethnic tension. With its success on 2013 elections the campaign has been on going to continue promoting reform efforts geared towards creating an enabling environment for peaceful, free and fair elections. Mkenya Daima is designed to have positive impact on Peace in the Country especially during and after elections. This Campaign has impact on Economic Growth of the country as businesses are not interrupted every time there is an election. Historically, the country has had an economic slump every election year, due to the fear of sporadic violence. Mkenya Daima seeks to stop that through changing the 'Political heat to a Light of Hope' by holding dialogues with the various stakeholders involved.

Code of Ethics for Business in Kenya:

The Code of Ethics for Business In Kenya- is an initiative by the business community of Kenya spearheaded by the Global Compact Network Kenya with support from KEPSA and KAM that seeks to enhance the ethics of business conduct in Kenya in line with the ten principles of the UN Global Compact in the areas of Human Rights, Labour Standards, Environment and Anti-corruption. To date, 701 companies (500 in 2016) have signed the Code committing to assess their corruption risks and implement comprehensive and effective anti-corruption policies and procedures within their strategies and operations and report annually to their stakeholders on these measures. Additionally, in 2016, 100 companies signed up to the Code received capacity support through training and mentorship to set up their Anti-corruption compliance programs.

The Code calls on businesses to play a proactive role in building a globally competitive and prosperous nation, with a high quality of life, as envisioned in Vision 2030; commit to treat their stakeholders with Respect, to run the businesses with Responsibility, to act in Compliance with applicable laws, and to be actively involved in Corruption Prevention. Their commitment to these ethical standards determines business interaction with their stakeholders (that is, the organization; the shareholders and investors; users of the organization products and services; suppliers, contractors and agents; the wider society; the state/government) and the environment.

The Bribery Act, 2016 spearheaded by KAM, KEPSA and Global Compact support the Government's effort to curb corruption in Kenya by obligating business entities to put in place procedures for the prevention of bribery and corruption.

KEPSA additionally lobbied the integration of the **Suppliers Code of Ethics** into the Public Procurement regulations' to ensure the government both national and county governments, only procures from businesses that have signed the business Code of Ethics. This is aimed at increasing accountability and integrity of both public and private sector parties involved in public procurement processes.

5.18 SDG17: Strengthen means of Implementation and revitalize Global Partnerships for sustainable development

17 PARTNERSHIPS FOR THE GOALS



This goal involves working together to achieve the goals through multi-stakeholder partnerships that mobilize and share

knowledge and expertise, technology and financial resources to support the sustainable goals, improved capacity to implement the goals and enhanced domestic capacity for revenue collection. Opportunities exist for public private partnership and multi-stakeholder collaboration's to implement the sustainable development goals, capacity building for sustainable development goals, data monitoring and reporting. Some of the goals as indicated above have been implemented through partnerships and collaborations. Private sector has implemented the following:

One Acre Fund works in partnership with **Syngenta Foundation for Sustainable Agriculture**, **UAP Insurance**, **Safaricom** and **Kenya Meteorological Department** to provide an innovative weather-based index insurance product that covers farmer's input in the event of drought or excessive rainfall. This public-private sector initiative collects rainfall data, processes the information and administers payments through a mobile platform.

I Choose Life- Africa in partnership with the **Triple Helix Association** and **KEPSA** hosted the International Triple Helix Summit on the 4th to 6th April 2017 in Nairobi, Kenya. The conference introduced the Quodra Helix Approach and provided a platform to engage and share best practices on how to accelerate the attainment of Vision 2030 and the SDGs in using ICT and data.

Challenges Facing Private Sector In Implementing SDGs

The following are challenges facing private sector affecting the adoption of SDGs by business in Kenya.

Sensitization/ Awareness of Business Case for SDGs

Kenya's idea of business responsibility was previously based on philanthropism, until late last year with the launch of the SDGs. Many businesses are therefore struggling with the understanding of SDGs or do not know how to connect their business to the goals. There is need for sensitization and bringing the SDGs to the level of businesses to demystify the assumption that SDGs are a governmental affair.

Data Collection and Reporting

Access to upto date disaggregated data is vital for effective reporting on the SDGs. There are no exclusive baseline for the private sector to track progress going forward. The data challenge also requires a timeline series based analysis of the indicators going forward and thus the National Statistics office should include private sector consideration in the SDGs data collection design and methodology.

Regulation and Policy to Create a Level Playing Field

In Kenya, there are companies that are aware and proactive about the SDGs while others are passive and others not aware. Companies that are intentional about the SDGs are therefore finding themselves in unequal balance because they are investing on the goals while competitors are not. Policies and regulations will help create a level field for the companies, with regulators setting a bare minimum on doing business for the goals.

Reaching out to the MSMES

Most of the MSMES are yet to embark on remodelling their business strategies and approaches to support implementation of SDGs.

Limited Consumer Awareness on SDGs

The general consumer awareness on the SDGs is low hence the support for businesses that already engage with the goals is low. In a country, such as Brazil, consumers are more likely to buy from a company that engages with the goals, whereas in Kenya, engagement with the Goals is not a factor to consumers while making a purchase.

Financing

In as much as every step counts, some steps by the Private Sector towards the implementation of the SDGs will require high financial investment, for instance investing in green energy towards good climatic conditions. Implementing the SDGs means a business case has to be identified and actions taken on countering the challenges faced.

Difficulty in finding shared values Partnerships

Goal-17 encourages for Partnerships between different stakeholders in implementation of the SDGs. A 2017 survey conducted on Inclusive Businesses in Kenya by the Sustainable Inclusive Business revealed that most of the IBs, have a challenge finding partners who bring value and share in the objective. In most cases interests of the partners clashed especially where IBs have an intention.

Best Practices Within The Private Sector



SDGS IN PRACTICE AT SAFARICOM

Safaricom the largest telecommunication company has been a leading force in Kenya within the Private Sector in implementing the SDGs, measuring impact and reporting. Safaricom is a member of the B-team-a global team brought together by the founder of Puma and Richard Brandson among other global corporate leaders and puts people and planet at the center of their business.

In its 2016 Annual Sustainability Report, Safaricom highlights impacts directly or indirectly on the various SDGs. Safaricom contributes to ending poverty and provision of decent work through its MPESA platform which employs an extra 100,744 people as agents, Gender equality by having an equal workforce of men to women and innovating for the bottom of the Pyramid with products like Mkopa, MPESA and Mtiba.

'Safaricom commits to deliver connectivity and innovative (SDG 9) products and services that will provide unmatched solutions to meet the needs of

Kenyans by enabling access (Goal 9), through its technologies and partners (Goal 17) and by exploring opportunities in Health (Goal 3), Education (Goal 4) and Energy (Goal 7). It will do so by managing its operations responsibly (Goal 12) and ethically (Goal 16). This will stimulate growth and generate value (Goal 8), for Safaricom, society and economy. Safaricom has managed to:

- ✦ Link reporting of goals to ITS Sustainability Reporting and Corporate Strategy Reporting.
- ✦ Incorporate SDGs to its Strategic Objectives and has also articulated the goals, target setting and action plan in each Business Unit.
- ✦ It has integrated the SDG KPIs into performance management and course correction process, internal and external communications and engagement plan.
- ✦ Conduct Quarterly reviews of progress against targets and integration into Internal Audit and project management process.

Private Sector Commitment To SDGs

Kenya has had the huge privilege of hosting two international conferences with discussions majoring on how the SDGs can be achieved. The Second-High Level Meeting on Global Partnership for Effective Development (GPEDC) and the United Nations Conference on Trade and Development (UNCTAD). GPEDC provided a platform for conversations on how various stakeholders can collaborate in order to achieve the Global Goals. However, in Kenya there is yet to be any good conversation initiated by the Private Sector on SDGs. The business environment needs to have a mind-shift from pure capitalism to the need for them to have a positive impact on People, Planet and Profit. Businesses would, by default, not be keen enough to commit to achieving the SDGs if the consumer is unaware of what these goals are, and their implications in their lives. It is therefore important that awareness creation be done to the public to inform them on the benefits that would come about achieving the goals.

Nevertheless, during the first year of implementation of the Goals, businesses have committed to taking part in conversations and discussions and lead in dialogues on the SDGs. These has led to participations by the Private Sector in meetings such as the UNCTAD to discuss the place of businesses in the implementation and acceleration of the Goals. Businesses have also committed to create partnerships that respond to the goals at hand.

Conclusion

While there exists a good policy framework in Kenya, the anchoring policy that is the investment policy is still a work in progress. This policy should be finalized so that it can create a desirable framework for business to exploit their trading potential locally and internationally. In as much as most businesses in Kenya are unaware of their contribution to achieving the SDGs, a significant number has embraced the transformative agenda and are already playing a major role in the realization of the various targets through provision of affordable products and services for consumers at the 'Bottom of the Pyramid'. However, this commitment is hampered by noteworthy challenges, which makes it difficult for businesses to fully operate with the sustainability agenda in mind. It is imperative to acknowledge that the number of businesses willing to commit to this agenda is partially dependent on an enabling business environment and increased level of awareness for both the businesses and the consumers. The government therefore needs to introduce and expand the incentives bracket for the catalytic sectors including trade, agriculture, energy and health as well as reduce barriers for an improved business environment so that the agenda 2030 can be embraced by all especially for the medium, small and micro enterprises.

Disclaimer

The information provided in this report was informed by input from KEPSA members and secondary sources of private sector companies who have publicly shared information on their initiatives'. The assertions and conclusions are therefore based on information availed at the time of writing this report. The report does not provide conclusive date nor can KEPSA provide any assurance on them.

