



**REPUBLIC OF KENYA  
COUNTY GOVERNMENT OF KAJIADO**

**MINISTRY OF TRADE, CULTURE,  
TOURISM AND WILDLIFE**

**Department of Trade**

**THE COUNTY INVESTMENT POLICY**

**2018**

**Prepared by:**

**Ministry of Trade, culture, Tourism and Wildlife**

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**ACRONYMS**

|          |  |
|----------|--|
| ADR      | Alternative dispute resolution                             |
| IPA      | Investment policy agency                                   |
| KIP      | Kenya Investment policy                                    |
| KCIU     | Kajiado County Investment Unit                             |
| KCIP     | Kajiado County Investment Policy                           |
| OSS      | One stop shop  |
| FDI      | Foreign Direct Investment                                  |
| DDI      | Domestic Direct Investment                                 |
| CIDP     | County Integrated Development plan                         |
| CBK      | Central Bank of Kenya                                      |
| EPZA     | Export processing zone authority                           |
| NSE      | Nairobi Securities Exchange                                |
| BITs     | Bilateral Investment treaties                              |
| ICSID    | International Centre for settlement of Investment Disputes |
| MIGA     | Multilateral Investment guarantee agency                   |
| SDGs     | Sustainable Development Goals                              |
| SME      | Small and medium enterprise                                |
| UNCITRAL | United Nations commission on International Trade           |
| GDP      | Gross Domestic Product                                     |
| CSI      | Corporate Social Investment                                |
| ESG      | Environmental, Social and Governance                       |
| SEZA     | Special Economic Zone Authority                            |
| EPC      | Export Promotion Council                                   |
| KTB      | Kenya Tourism Board  |
| NEMA     | National Environmental Management Authority                |
| KRA      | Kenya Revenue Authority                                    |
| KPLC     | Kenya Power and Lighting Company                           |
| CAK      | Communication Authority of Kenya                           |
| NCA      | National Construction Authority                            |
| NLC      | National Land Commission                                   |

## **FORWARD**

**BY Hon. Jackline Koin**

**CEC-M Trade, Culture, Tourism and Wildlife**

It gives me great pride to introduce to you the first Kajiado County Investment Policy.

In cognisance of the lack of well-coordinated Investments processes in the county that would attract quality investments, the ministry of Trade, culture, Tourism & wildlife has taken a lip to fill the void in order to formulate a well-harmonised structure that will guide attraction, facilitation, retention, monitoring and evaluation of investments.

This policy seeks to address the critical role of private investment in economic development and define the various roles played by county ministries. It will also attempt to describe roles and responsibilities in investor services management to ensure a seamless and clear regime in the county of Kajiado

The ministry has taken the task to bridge the gap where there was no policy on matters relating to investment promotion in order to strengthen both the comparative and competitive advantage of the County.

In realisation that the County Government of Kajiado has a role to play in achieving vision 2030 goals as well as the big four agenda pillars, we deemed it fit to develop a policy that will resonate positively with the aspiration of the county in as far as attracting high quality investments. By so doing the county increases per capita income to the benefit of county residents.

The drafting of the policy has involved an intensive consultative process involving both public and private sector stakeholders within the county.

I wish to thank and express my deepest appreciation to the Kenya Investment Authority as well whose input on matters of investment facilitation and promotion are invaluable. I also wish to thank my ministry for tirelessly drafting this policy. This policy would not have seen light were it not for their input.

**Hon. Jackline Koin**

**CEC-M, Trade, Culture, Tourism, and Wildlife**

**PREFACE****By: H.E. Joseph Ole Lenku****Governor: Government of Kajiado County**

I take this opportunity to introduce to you the Kajiado County Investment policy.

In line with my manifesto, which has outlined the various sectoral results by sector, it is cognisant that most of the sectors will have an investment angle into it in order to achieve the desired results that will ultimately benefit residents of Kajiado County. My Government has therefore seen it fit to develop an investment policy that seeks to guide the parameters of investments from a Domestic Direct Investment and Foreign Direct Investment point of view.

Suffice it to say that the Investment policy developed hereunder seeks to cure one of the challenges highlighted in the retired County Integrated Development Plan that acknowledged the lack of a well coordinated framework when it comes to matters relating to investments.

Further, to attract local and international funds into the county, there ought to be a well developed structure in place such that investment promotion and facilitation is well coordinated and within acceptable standards.

In full recognition of the geographical location advantage that Kajiado County has, it is imperative that as leadership we take necessary steps to ensure that the comparative and competitive advantage is harnessed in order to upscale the economic growth and development of the county.

Lastly I wish to thank the Ministry of Trade, culture, Tourism and wildlife under the leadership of Hon. Jackline Koin for having tirelessly taken their valuable time to develop this policy. Without there dedication this would not have been possible

**H.E. Joseph Ole Lenku EGH****Governor, Government of Kajiado County**

## 1.0 BACKGROUND

Kajiado county is located in the southern part of Kenya. It borders the united Republic of Tanzania to the South West, Taita Taveta County to the South East, Machakos and Makueni Counties to the East, Nairobi County to the North East, Kiambu County to the North and Narok County to the West. It is situated between Longitudes 360 5' and 370 5' East and between Latitudes 10 0' 30 0' South. The county covers an approximated area of 21,900.9 square kilometers.

The main physical features of Kajiado County are plains, valleys and occasional volcanic hills ranging from an altitude of 500 meters at Lake Magadi to 2500 meters in Ngong Hills. Topographically, the county is divided into three different areas namely; Rift Valley, Kapiti and Central Broken Ground.

The Rift Valley is a low depression on the western side of the county running from north to south. It is made up of steep faults giving rise to plateau, scarps and structural plains. The depression has important features such as Mount Suswa, Lake Magadi and Lake Natron (in Tanzania). Both lakes have substantial deposits of soda ash, although commercial exploitation takes place only at Lake Magadi. The altitude range is between 600-1740m above sea level.

The Athi Kapiti Plains consist mainly of gently undulating slopes, which become rolling and hilly towards the Ngong hills. The altitude range is 1580 -2460m above mean sea level. The hills are the catchment areas for Athi River, which is fed by the permanent Mbagathi and Kiserian tributaries.

The Central Broken Ground is an area stretching 20-70 kilometers wide from the northeastern boarder across the county to the southwest where altitude ranges from 1220 to 2073 above sea level.

### **1.1 Physical and Topographic Features**

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#### **1.1.2 Ecological Conditions**

The County consists of three geological regions: quaternary volcanic, Pleistocene and basement rock soils. Alluvia soils are also found in some areas. Quaternary Volcanic soil is found in the Rift Valley floor around Entonet area. Basement System Rocks which comprise various gneisses, ciests, quartzite and crystalline limestone, are found mainly along the river valleys and some parts of the plains. Pleistocene soils are found in the inland drainage lake system around Lake Amboseli. Quarrying of building materials is also done within the county

The Tsavo River with its main tributaries Nolturesh, Magoine and Rombo, which flows from the eastern slopes of Mt. Kilimanjaro, provides water to Loitokitok Sub-county. This river is perennial in the upper parts. In some parts of the county, ground water reserves are relied on. The occurrence of ground water depends on climate, topography as well as origin of underlying rocks. Ground water yields vary throughout the county from 0.01 to 35.77 cubic metres per hour.



Average ground water is reported as good quality and is used for domestic, livestock and irrigation purposes.

High yielding springs are found in the slopes of Mt. Kilimanjaro with an average yield of 20m<sup>3</sup> to 50m<sup>3</sup>/hr. Other sources of water for domestic and livestock use are sub surface sources such as water pans, dams and shallow wells. The amount of surface water varies from area to area. Vegetation type in the county is determined by altitude, soil type and rainfall received in the different parts of the county. In many instances it has been modified by animal and human activity. Grazing, charcoal burning, extraction of fuel wood and cultivation is the major causes of vegetation reduction. In the lower parts of Mt. Kilimanjaro, indigenous trees have been cleared to create room for agriculture.

Vegetation is scarce in low altitude areas and increases with altitude as more rain is received. Ground cover throughout the county varies seasonally with rainfall and grazing intensity. Canopy cover ranges from less than 1% on heavily settled areas to about 30% on steep hills.

Wildlife habitat is a major land occupation. The county has a wide range of wild animals which include Wild Beasts, Gazelles, Zebras, Warthogs, Hyenas, Giraffes, Elephants, Lions, Leopards and Elands. Areas designed for game reserves are; Amboseli National Park which covers a total of 392km<sup>2</sup> and Chyulu conservation area which is 445km<sup>2</sup>. This areas fall within range lands.

### **1.1.3 Climatic conditions**

The County has a bi-modal rainfall pattern. The short rains fall between October and December while the long rains fall between March and May. Heavy rains occur around Ngong Hills, Chyulu Hills, Loitokitok and Nguruman Escarpment which receive an estimated 1250mm per annum while Magadi receive less than 500mm per annum. The rainfall pattern on the slopes of Mt. Kilimanjaro (Loitokitok), is however different in that the October to December rainfall is more than March to May rainfall. Analysis of rainfall data for the two wet seasons indicate that most areas receive 50% of the annual rainfall during the March- May period and 30% during the October-December period.

Temperatures vary both with altitude and season. The highest temperatures of about 340c are recorded around Lake Magadi while the lowest minimum of 100c is experienced at Loitokitok on the eastern slopes of Mt. Kilimanjaro. The coolest period is between July and August, while the hottest months are from November to April throughout the county.

## 1.2 ADMINISTRATIVE AND POLITICAL UNITS

### 1.2.1 Administrative Units (Sub-counties, Divisions and Locations)

Kajiado County is divided into five administrative Sub-counties namely: Kajiado Central, Kajiado North, Loitokitok, Isinya and Mashuru, with a total of 17 administrative divisions.

**Table 1: Area and administrative units by Sub-counties**

| Name of Sub-county | Area (sq km )    | No. of Divisions | No. of Locations |
|--------------------|------------------|------------------|------------------|
| Kajiado North      | 6,344.9          | 4                | 30               |
| Kajiado Central    | 5,186.0          | 3                | 32               |
| Isinya             | 1,056.0          | 2                | 16               |
| Mashuru            | 2,903.0          | 2                | 11               |
| Loitokitok         | 6,411            | 6                | 16               |
| <b>Total</b>       | <b>21, 900.9</b> | <b>17</b>        | <b>105</b>       |

*Source: County commissioner kajiado*

### 1.2.2 Political Units (Constituencies, electoral wards)

There are five constituencies in the county namely Kajiado South (Loitokitok), Kajiado Central, Kajiado West, Kajiado East and Kajiado north constituencies. The county has 25 county wards.

**Table 2: County's Electoral Wards by Constituency**

|   | Constituency    | Populations (2009 Census) | No. of wards | Area in Sq.km | Density |
|---|-----------------|---------------------------|--------------|---------------|---------|
| 1 | Kajiado North   | 202651                    | 5            | 148.0         | 1369    |
| 2 | Kajiado Central | 102978                    | 5            | 4212.6        | 24      |
| 3 | Kajiado East    | 137254                    | 5            | 2610.3        | 53      |
| 4 | Kajiado West    | 106933                    | 5            | 7910.8        | 14      |
| 5 | Kajiado South   | 137496                    | 5            | 6411.0        | 21      |
|   | Total           | 687312                    | 25           | 21292.7       | 32      |

### **1.2.3 Population Size and Composition**

The county has an annual population growth rate of 5.5 per cent and the 2012 population was estimated at 807,069 with 401,784 being females and 405,285 males .

## **2.0 EXECUTIVE SUMMARY**

To achieve towards the overall twin targets of Kenya’s Vision 2030 — 10% growth per annum and middle income industrializing country status — the County Government of Kajiado recognizes the critical role played by private investment and has put measures in place to attract and retain foreign investment while encouraging the expansion of county investment.

To date, Kajiado County has not had a single and clearly defined policy solely focusing on investment generation and retention. The County Government of Kajiado is however formulating various strategies and policies that focus on investment growth and support, stipulated in various policy documents such as County Integrated Development program including the new Constitution 2010. These programs and initiatives have had limited impact. They also led to the adoption of various fiscal and non-fiscal incentives, changes in investment related regulations and the creation of several government agencies tasked with responsibility for investment promotion and facilitation, some with overlapping mandates leading to duplication of efforts and unnecessary strain on limited government resources.

To address the limited impact of investment and a number of other challenges relating to the entry and treatment of investment, the County Government developed the County Investment Policy. The policy development process took a holistic approach to gain an understanding of the County context as well as international best practices to inform the policy’s proposals. The policy is guided by six core principles in line with the Kenya Investment policy, which emphasise the need for openness and transparency, inclusivity, sustainable development, economic diversification, domestic empowerment, and global integration.

The County Investment policy addresses private investments at the county. It is a comprehensive and harmonized policy to guide attraction, facilitation, retention, monitoring and evaluation of private investment. The County Investment policy further recognizes the central role of Kenya’s Constitution (2010), which clearly delineates the complementary roles that national and county governments play in investment promotion. The County Investment policy also creates an institutional framework that fosters coordination for efficient investment attraction, facilitation, and a favorable investment climate. The policy actions proposed in the Kajiado County

Investment policy (KCIP) are designed to support and stimulate private sector development and improve the overall ease of doing business and competitiveness in the county.

The KCIP addresses some of the fundamental requirements for establishing a well-coordinated investment environment that will attract high-quality FDI into the county while upscaling local SME capacity. These include: a harmonized investment charter and institutional framework for investment; an effective investment promotion and facilitation county government function; an active focus on attracting beneficial, high quality foreign investment; building a critical mass of county investors including strengthening their capacities; a targeted approach to offering incentives by aligning them to development priorities; significant resources devoted to investor aftercare and increasing county income per capita

These objectives are to be achieved through the implementation of critical measures stated by this Policy, including the following:

- I. **Investment oversight.** <sup>[L]</sup><sub>[SEP]</sub> Operationalization of the County Investment Unit which will be responsible for formulating the county's overall investment strategy and implementing the KCIP to ensure that investment contributes to the county's development goals, and approving the county's investment strategy.
- II. **Investment promotion and facilitation.** <sup>[L]</sup><sub>[SEP]</sub>

The primary responsibility of investment promotion and facilitation falls on the County Trade, culture, Tourism and wildlife ministry. The County Investment Unit plays a major role by developing bankable projects, outlining their competitive positions, and preparing marketing materials aligned to their areas of strategic focus. Officials at the county level also are intended to play an important role in investment facilitation, including securing community approval, providing land where needed, and participating in investment promotion activities for specific investment projects.

### III. Investment entry and establishment.

Various county government departments are involved at different levels along the investment entry and establishment process. The KCIU plays a facilitation role among these entities through the One-Stop Centre to minimize the administrative burden on investors and county departments.

#### IV. **Investment retention and aftercare** <sup>[L]</sup><sub>[SEP]</sub>

Kajiado County will play a major role in ensuring that investments located within its territory are given the highest level of attention. The County government is responsible for ensuring that the overall investment climate remains attractive to potential and existing investors. The KCIU is responsible for taking the lead to provide effective aftercare services by working with national government actors who provide the ultimate national conducive investment climate.

#### V. **Investment assessment** <sup>[L]</sup><sub>[SEP]</sub>

Ensuring that investments are contributing to the county's economic, social and environment sustainability objectives is important. Measuring investment impact with respect to community engagement, development objectives, and supplier linkages between investors and small and medium sized enterprises is a shared responsibility among the different actors. While the KCIU will spearhead this process, it must work closely with other national and county institutions to ensure that the county continues to target and attract beneficial investment.

#### VI. **Establish a promotion and facilitation fund** resourced by both the county treasury and grants from development partners, to be used for the purposes of targeted investment promotion and facilitation. <sup>[L]</sup><sub>[SEP]</sub>

#### VII. **Establish land banks which could be used for large projects**, including consideration of the establishment of a savings scheme where a percentage part of their budget allocation goes to purchasing land to be set aside for investment purposes. The establishment of the land banks will follow the county's developed spatial plan.

### 3.0 PROMULGATION OF THE CONSTITUTION

In 2010, Kenya ratified a new constitution ushering in a governance structure of a devolved government, which comprises of national and county levels. Article 6(1) of the constitution provides that the governments at the National and county levels are distinct and inter-dependent and shall conduct their mutual relations on the basis of consultation and cooperation. One of the objectives and principles of devolved government as per Article 174 (f) is to promote social and economic development and the provision of proximate, easily accessible services throughout Kenya. Schedule Four of the constitution, in line with Article 186, states that the National Government among other duties is responsible for National economic policy and planning. Article 189 provides a cooperation mechanism for national and county governments to work

together to achieve mutual goals for the development of the country and individual counties. This new structure also empowers counties to take an active role in cultivating economic development for themselves, including the ability to seek new investments, albeit in a coordinated manner with national government. It is on this basis that the Kajiado County Government has taken the initiative to develop the KCIP, which will institutionalize investment platform in the County.

The advent of devolution has also created more investment promotion and facilitation institutions at the county and national levels. Proliferation of these institutions has complicated the promotion and facilitation process due to the lack of coordination between national and county governments in matters relating to investment promotion and facilitation.

### **Focus of Kajiado County Investment Policy**

The Kajiado County Investment Policy is a comprehensive and harmonized policy to guide attraction, facilitation, retention, monitoring and evaluation of private investment at the county level. The KCIP further recognizes the central role of Kenya's Constitution (2010), which clearly delineates the complementary roles that county governments play in investment promotion. The KCIP creates an institutional framework that fosters coordination for efficient investment attraction, facilitation, and a favorable investment climate. The KCIP will advise public investments to the extent of prioritization and influence as it affects and incentivizes private investment development and growth. The KCIP is guided by the country's Constitution, development aspirations and commitments as espoused in various policies and strategies as well as multilateral, regional and bilateral commitments. In addition, Kenya subscribes to the United Nations Sustainable Development Goals (SDGs) and Africa's Agenda 2063, designed to ensure that development activities are conducted with a long-term view towards sustainability and continued social development of her citizens.

### **Role of Municipal boards in formulation of County Investment policy**

It is worthwhile noting that two Municipalities have been created having met the criteria set out in sub-section (3) of the Urban Area and Cities Act No. 12 of 2011. Sub-section 3 of the Act says a town is eligible for conferment of municipal status if it has a population of at least 250,000 residents and other elements as outlined under first schedule of the Act. Both Kajiado and Ngong Municipalities, having met these criteria have since been conferred municipal status. It is therefore necessary to have an Investment plan for each

Municipality in order to capture the investment needs of the these areas. Within this investment policy, annexures will be developed that will be specific to each municipal.

### **Kajiado County Investment Policy formulation process**

The KCIP was formulated through county consultative process managed by a three-tier structure comprising of the Departmental working group, public participation, stakeholder engagement, County assembly legislation and the KCIU secretariat

### **3.1 VISION AND MISSION OF THE KAJIADO INVESTMENT POLICY**

**The vision:** “To be the investment destination of choice in the Republic”.

**The mission is:** “To enable and promote a thriving and dynamic attractive investment climate to encourage productive investments for sustainable and inclusive development.”

### **3.2 POLICY TARGETS**

Specific objectives are achieved as follows:

- a) Improve ease of doing business reforms to become a top county in Kenya in ease of doing business from the current fourth in Ranking to top two.
- b) Increase the level of public and private investment to at least 25% of the county GDP by the year 2030 while increasing the level of private sector investment to 20% of GDP by the year 2030;
- c) Become the premier destination for new investments
- d) Attract multinationals establishing their operations in Kenya to the County.
- e) Increase the FDI and DDI share of County GDP.

### 3.3 GUIDING PRINCIPLES

The Kajiado County Investment Policy is guided by a set of six core principles:

#### I. Openness and transparency

Emphasizing the importance of ensuring transparency in the investment promotion and facilitation process in the county, including in identifying opportunities, designing and reviewing relevant legislation, and addressing pertinent issues related to investment entry, operations and exit. [L] [SEP]

#### II. Inclusivity [L] [SEP]

Fostering a holistic approach to investment that encourages inclusive development that engages National government, local communities, and relevant stakeholders.

#### III. Sustainable development

Recognizing the need to promote investment that responsibly stewards the environment, encourages efficient resource utilization and enables the county to achieve the objectives of the county integrated development plan as well as contribute towards Vision 2030 goals.

#### IV. [L] [SEP] Economic diversification [L] [SEP]

Considering the need to foster diversified economic activities and promote export-led growth through participation in higher value added such as county value chains. [L] [SEP]

#### V. Domestic empowerment

Acknowledging the critical role played by SMEs within the county and underscoring the need to promote and enhance their competitiveness for integration into inter-county, regional and global value chains through effective linkages and local sourcing. In order to promote local SME's the county emphasis the support local sourcing of raw materials especially where the raw materials are readily available.



## VI. <sup>L</sup><sub>SEP</sub> County integration <sup>L</sup><sub>SEP</sub>

Recognizing the benefits for the county from effective integration with other counties in the country and attracting high-quality FDI.

### 4.0 CONTEXT AND RATIONALE

In full realization that there is a need to coordinate investment activities in the county and ensuring that sustainable investment growth is witnessed, it is acknowledged that an investment policy needs to be put in place. This policy will guide investors both local and foreign on the different avenues that relate to investments. The context of developing this policy is hinged on providing a conducive environment for investors while at the same time creating employment opportunities to county residents.

#### 4.1 Rationale

##### 4.1.1 Increasing County Local Investment

County local investments plays an important role in enhancing the County GDP per capita in comparison to the other 47 counties in the Republic of Kenya through the creation of employment opportunities to county locals, mobilization of savings for locals, poverty alleviation, income distribution, training of workers and entrepreneurs and contribution to export earnings. A favorable legislative and regulatory framework specifying incentives for county investments will help promote the development of SMEs, including feeder industries for targeted FDI as well as a competent SME sector capable of accessing the value chains of larger industries.

### 5.0 POLICY FRAMEWORK

At a global level, a country's business environment is measured by its economic stability and policy coherence, predictability, and the short lead-time between the investment decision and actual implementation, including re-investment. Therefore, improving the regulatory framework for business, and addressing the coordination of promotion, facilitation and aftercare as well as

resultant policy interventions become key prerequisites to increasing investment in counties to create jobs and other related benefits.

In line with Kenya's economic development priorities, the policy actions related to the KCIP are designed to support and stimulate private sector development by attracting high value added and inclusive investment that contributes to the country's economic diversification and ultimately to sustainable development. These goals further recognize the devolved nature of government, the importance of domestic investors and role of small and medium enterprises in the overall investment landscape.

In line with the Kenya Investment Policy, the KCIP wishes to align its framework with that of National government such that the long-term vision 2030 strategies are aligned with this policy. It is instrumental to note that National development goals actually have a location and the location is counties. This policy therefore seeks to enhance strategic goals that are aligned to national one's.

## 5.1 POLICY OBJECTIVES

Taking these considerations into account, the specific objectives of the Kajiado County Investment Policy are to:

- i. Create an enabling investment climate; <sup>[11]</sup><sub>[SEP]</sub>
- ii. Enhance investment transparency and clarity for investors seeking to invest in Kajiado County; <sup>[11]</sup><sub>[SEP]</sub>
- iii. Establish an effective institutional framework that emphasizes the role of monitoring and coordination of investment-related policies, decisions and activities into a coherent structure to enable seamless coordination of investment issues, including data management, while defining the respective roles of various national and county government agencies;
- iv. Maximize mobilization and utilization of domestic capacity through encouraging its inclusion in the value chain; <sup>[11]</sup><sub>[SEP]</sub>
- v. Prioritize and Promote the development of Kajiado County high- priority sectors;
- vi. Advocate for investor rights and obligations; and

- vii. Promote investment not only for economic growth as such, but for inclusive growth and sustainable development. [SEP]

## 5.2 POLICY STRATEGIES

To realize these objectives, the strategies guiding the implementation of this policy include:

- i. Improving the facilitation of foreign and domestic investment entry and establishment to enhance the county's competitiveness; [SEP]
- ii. Outlining and specifying investor treatment and protection guarantees, as well as investor obligations to improve the quality of investment, bolster county legislation and enhance responsible investment;
- iii. Strengthening coordination of investment promotion and facilitation in conjunction with National Government
- iv. Creating a harmonized institutional, legal and regulatory framework that supports a vibrant and [SEP]attractive investment climate;
- v. Developing an effective and strategic incentives framework for investment to ensure accrual of [SEP]benefits from targeted investments;
- vi. Developing guidelines and bankable project profiles for targeted promotion and facilitation of priority [SEP]sectors within the county;
- vii. Providing for systematic benchmarking on the investment climate for informed reforms and policy [SEP]initiatives.

## 6.0 POLICY INTERVENTION AREAS

### 6.1 Investment Entry and Establishment

#### 6.1.1 Notification, registration and establishment

Currently, investment entry and establishment is governed by a complex web of rules and requirements for investors. Starting a business in Kenya and indeed counties requires registering with multiple agencies, meeting various licensing requirements, is often dependent on sector, and dealing with both national and county regulatory requirements.

This has created ambiguity and confusion regarding investor management leading to unnecessary delays. Investment related activities in Kajiado County remain under the oversight of the Ministry of Trade, Culture, Tourism and Wildlife, the County Treasury and other sectoral ministries, the Central Bank of Kenya (CBK), the Export Processing Zones Authority (EPZA), the Capital Markets Authority (CMA), and the Nairobi Securities Exchange (NSE). Other key institutions include the National Environment Management Authority for environmental certification and audit and the Communications Commission of Kenya on regulation of investments in the ICT sector.

Part of this complexity is introduced due to legitimate National government requirements to collect information about investments, to ensure compliance with Kenya's laws and regulations, to protect public interest, and provide incentives. Nevertheless, these complexities can stifle investment.

There have been initiatives by government to address these challenges, including reforms undertaken under the Ease of Doing Business. These initiatives are expected to greatly improve the business environment in the areas of starting a business, dealing with construction permits, and paying taxes. Additional initiatives such as the introduction of the E-citizen official digital payment platform that enables Kenyan citizens, residents and visitors access and pay for government services online, the establishment of "Huduma Centres" providing citizens access to various public services and information through integrated technology platforms from one stop shop citizen service centres, and the implementation of Kenya's eRegulations platform, eOpportunities and InforTrade platform which provides user friendly information on business establishment and operation processes, will further improve investor entry. The County will also strive to translate its web content to other internationally accepted languages for ease of communication on the opportunities available to investors.

These efforts have already seen improved service delivery, but there some gaps persist such as:

- i. Lack of investors notification register at both National and County level; <sup>[[L]]</sup><sub>SEP</sub>
- ii. Lack of coordinating mechanism for national and county government investment agencies; <sup>[[L]]</sup><sub>SEP</sub>
- iii. A single application window for investors to register a company digitally is

currently unavailable;

- iv. Low adherence to timelines in the approval process; and [SEP]
- v. Lack of effective One Stop Shop to cater for investors. [SEP]

### Policy measures

To simplify the process of investor entry and establishment, the County Government is to:

- i. Maintain an information management system and assign unique identification numbers for all companies and private investments (FDI and DDI) for data collection and monitoring;
- ii. Create a coordinating framework for which the County Government can share company registration information with National Government and ease investment implementation.
- iii. Collaborate with National Government in entrenching into law the One Stop Centre that will enable investors to receive essential services under one roof digitally and physically. The OSS provides both entry and facilitation services.

#### **6.1.2 Minimum Capital Requirements**

Currently, investors who wish to receive an investment certificate from the Investment Promotion Agency must commit to an investment of at least USD 100,000 for foreign investors and Ksh.1, 000,000 for local investors. It is not mandatory but provides for 71 licenses specified in the Second Schedule of the Investment Promotion Act and also entitles the company to three work permits for staff. This minimum capital requirement is imposed regardless of the sector the investor is seeking to enter. The rationale for the need for the minimum capital requirements is: 1) to maximize beneficial FDI and minimize its potential negative effects; 2) to give priority to private sector development and to protect small national and county businesses in certain sensitive areas; and 3) to ensure that the entitlement to work permits for foreigners granted as an incentive to holders of Investment Certificates is not abused to illegitimately bring in foreign workers.

These restrictions have become detrimental on legitimate and beneficial FDI, including being overly restrictive for low-capital sectors such as ICT and wholly inadequate for capital-intensive

requirements such as extractives. Further, the screening process before granting an investment certificate has increased the burden on the IPA, introducing potential delays, while adding to investor uncertainty. The requirement to screen all FDI proposals is a measure that is better applied to determine the eligibility for incentives (for qualifying investors) rather than to decide on the entry of FDI.

The legitimate concerns should be addressed in more targeted ways that do not negatively impact on FDI attraction with a more investor friendly approach.

### Policy measures

With respect to minimum capital requirements, the government is to:

1. Draw up a negative list of carefully defined activities where foreign investment is restricted to allow protection of county investors in sensitive areas. The list would be determined by the County Cabinet upon the recommendation of the County Investment Unit, and be reviewed periodically and applied flexibly so that growing businesses in restricted sectors would not be prevented from forming beneficial joint ventures with foreign partners.
2. Ensure foreign investments in all other activities are open without restriction. In particular, FDI will not be subject to compulsory Investment Certificates and minimum capital requirements, except by certain prescribed sector requirements set by various sectoral licensing regimes. <sup>[L]</sup><sub>SEP</sub>
3. Establish clear conditions for obtaining an Investment Certificate and special incentives – for both domestic and foreign investments. The entitlement to a number of entry permits for foreign workers, in turn, shall be linked to the amounts invested on a sliding-scale basis and the nature of the investment.

## 6.2 INVESTMENT PROTECTION AND GUARANTEES

Protection of investors in Kenya is governed primarily by the Kenya Constitution (2010) and the Foreign Investor Protection Act. These documents allow private enterprises to freely establish, acquire, and dispose of interest in business enterprises. Private property may be compulsorily acquired by the Government only for reasons pertaining to public safety or public interest, and

with “payment of full compensation”. The owner of the property also has a right of direct access to the High Court if he wishes to contest the legality of the expropriation or the amount of the compensation, or to enforce prompt payment of the compensation. Foreign investors also have the option of recourse to the International Centre for Settlement of Investment Disputes (ICSID), as Kenya is a member. Kenya is also a member of the Multilateral Investment Guarantee Agency (MIGA), which allows foreign investors to seek cover for currency transfer risks, expropriation, breach of contract or war and civil disturbance, and a member of Africa Trade Insurance Agency, that insures against commercial and non-commercial risks. Kenya has negotiated and signed bilateral investment treaties (BITs) with a number of countries, which provide for protections and guarantees.

This section codifies the principles implicitly embedded in existing legislation and sets forth key principles for the creation of a robust dispute resolution mechanism.

### **6.2.1 Closure and exit**

- i. Closure of operations of investments shall not be in any way restricted and exit is allowed so long as outstanding tax and legal obligations are satisfied.
- ii. Repatriation of capital and any gains accrued from the closure may be conducted freely, subject to Central Bank regulations. <sup>[[L]]</sup><sub>[[SEP]]</sub>

### **6.2.2 County treatment**

In general, foreign investors receive the same treatment as domestic investors once established in Kenya. The main deviation is in terms of access to agricultural land, where foreigners may only lease land for 99 years as opposed to Kenyan citizens who may purchase land on a freehold basis. The government recognizes the trade-offs involved in specifically targeting Kenyan citizens for preferential treatment even though this practice is aligned with the government’s goal of protecting and providing local Kenyans with opportunities for economic advancement. Moreover, the Kenyan government is committed to principles of fairness, transparency and openness. The need arises therefore to clearly outline situations where local investors may receive preferential treatment and situations where local and foreign investors receive equal treatment.

#### **Policy measures:**

To provide for county treatment of foreign investors while recognizing necessary exceptions to

this treatment to pursue of the counties development goals principles in a transparent and open manner, the Kajiado county government is to:

1. Treat all investors equally in like circumstances with respect to the management, operation and disposition of investments in the county. For greater clarity, “like circumstances” in this policy requires examination on a case-by-case basis of all the circumstances including:
  - a) Effects on the community <sup>[[1]]</sup><sub>[SEP]</sub>
  - b) Effects on the local, disadvantaged, county environment <sup>[[1]]</sup><sub>[SEP]</sub>
  - c) Effects on the investment’s sector
  - d) Aim of measures concerned
  - e) Regulatory process applied in relation to the measures concerned
  - f) Other factors directly related to the investment or investor in relation to the measure concerned. <sup>[[1]]</sup><sub>[SEP]</sub>
2. Reserve the right to provide more favorable treatment to County residents if this treatment is in accordance with domestic legislation enacted specifically to achieve national development goals such as:
  - a) Protecting vulnerable populations including local traditionally disadvantaged investors, women, youth and persons with disabilities;
  - b) Encouraging the development of strategic sectors;
  - c) Acting in the national interest with respect to security-related measures;
  - d) Supporting the development of local SMEs;
  - e) Drawing up a negative list of carefully defined activities where foreign investment is restricted so <sup>[[1]]</sup><sub>[SEP]</sub>as to allow protection of county investors in sensitive areas. <sup>[[1]]</sup><sub>[SEP]</sub>



### 6.2.3 Convertibility and repatriation

The County government of Kajiado accords to investors the right to repatriate the capital invested and investment returns, including related funds such as: proceeds from liquidation or sale of the whole or part of the investment including an appreciation or increase of the value of the investment capital; unspent salaries of the foreign staff of the investor, and payments for maintaining or developing investment projects such as funds for acquiring raw or auxiliary materials, semi-finished products as well as replacing capital assets. It allows these transfers to be made in a freely convertible currency at the market rate of exchange prevailing at the time of transfer subject to prevailing Central Bank regulations.

#### Policy measures:

The County government:

- a) Maintains the right in conjunction with National Government to make exceptions to repatriation in the event the country is experiencing balance of payments difficulties, sudden and massive outflows or inflows of capital, or experiencing serious macro-economic crises; <sup>[L]</sup><sub>[SEP]</sub>
- b) May develop a framework in conjunction with national government to curb against transfer pricing abuses including negotiating, where applicable, taxation agreements with foreign governments and cooperation agreements for sharing of information. <sup>[L]</sup><sub>[SEP]</sub>

### 6.2.4 Expropriation

The Kenya Constitution (2010) prohibits expropriation without compensation. BITs signed also protect investors from undue expropriation.

#### Policy measure

##### The county government:

1. Shall not take any measures depriving an investor of an investment unless all the following conditions are complied with:
  - a. The measures are taken in the public or county interest and in accordance with the law; <sup>[L]</sup><sub>[SEP]</sub>

- b. The measures are not discriminatory; [SEP]
  - c. Provisions for the payment of adequate and effective compensation accompany the measures; [SEP]
  - d. Requiring due process of law. [SEP]
2. Provides compensation, in the event of expropriation, based on the fair market value of the investments affected immediately before the measure became public knowledge. The Investor affected by the expropriation has a right under the law of Kenya to a review of applicable cases and the valuation of applicable investments in accordance with the principles set out in this policy. [SEP]
  3. Excludes as expropriation non-discriminatory good-faith regulations related to public health, safety, and protection of the environment or to the public interest. [SEP]

### 6.2.5 Dispute prevention and resolution

Kajiado county government follows the several dispute resolution mechanisms that are already in place. It is the resolve of the County Government to follow national government participation in international dispute resolution forums including both UNCITRAL and ICSID. Article 159 of the Constitution of Kenya 2010 mandates the Judiciary to promote alternative mechanisms of alternative dispute resolution (ADR) in the administration of justice. This is further given effect by the Civil Procedure Act (Chapter 21 of the Laws of Kenya). The Nairobi Centre for International Arbitration Act 2013 also provides for the establishment of a regional centre for international commercial arbitration and an arbitral court that provides for mechanism for alternative dispute resolution and for related purposes.

### Policy Measures

Recognizing that dispute prevention is a less costly and often more effective way of addressing investment disputes, the county government is to:

1. Establish an early alert and tracking mechanism designed to identify and track at-risk investments and;
2. Initiate immediate problem solving, working closely with investors and relevant parties to resolve potential issues. [SEP]

3. Establish a county business ombudsman from the county Attorney office specifically for investors, within the County Investment Unit who shall receive formal dispute notices and initiate a dispute resolution plan among both parties, to facilitate settlement of arising investment disputes in a speedy, efficient and effective manner.
4. Establish a disputes settlement mechanism between an Investor and the county as follows:
  - i. Disputes between the County and a foreign Investor relating to an Investment of the latter in the Area of the former, shall, if possible, be settled amicably.
  - ii. If the dispute cannot be settled amicably through negotiations within 30 days, the disputing parties shall seek to resolve the dispute through recourse to conciliation or mediation. The conciliator or mediator shall be appointed by mutual agreement of the disputing parties. The disputing parties shall endeavour to reach a resolution of the dispute within 60 days from the appointment of the conciliator or mediator.
  - iii. If the dispute cannot be settled according to the provisions of paragraphs (1) and (2) within a period of three months from the date on which either party to the dispute initially requested amicable settlement, the Investor party to the dispute may submit it to the local courts of the Kenya.
  - iv. If the local courts have not settled the dispute within a period of 12 months from the date of submission to the claim, the Investor party to the dispute may choose to submit it for resolution: <sup>[11]</sup><sub>[SEP]</sub>
    - a) in accordance with any applicable, previously agreed dispute settlement procedure between the disputing parties; or
    - b) To international arbitration, subject to the disputing contracting party's consent in the specific case, this does not affect consent given in IIAs .
  - v. The disputing parties shall jointly select one of the following arbitration mechanisms:
    - a) The International Centre for Settlement of Investment Disputes, established pursuant to the Convention on the Settlement of Investment Disputes

between [SEP]States and Nationals of other States.

- b) a sole arbitrator or ad hoc arbitration tribunal established under the Arbitration [SEP]Rules of the United Nations Commission on International Trade Law [SEP](“UNCITRAL”). [SEP]
- vi. A tribunal established under paragraphs IV and V shall decide the issues in dispute in [SEP]accordance with applicable rules and principles of international law. [SEP]
- vii. The award of arbitration, which may include an award of interest, shall be final and [SEP]binding upon the parties to the dispute. [SEP]

### 6.3 RESPONSIBLE INVESTMENT

Kajiado County economic development goals are to realize broad based, sustainable and inclusive economic growth and returns for both businesses, County residents through contribution to the County GDP per capita growth. Presently investor obligations are found in various laws and legislations. However, some are not explicit. To meet the objectives of County development in a sustainable manner, it is important to promote sustainable development, the respect of human rights by investors, environmental protection, and combat corruption among others. The objective is to ensure responsible investment conduct by influencing investor behavior by clearly articulating investor obligations.

#### Policy measures

1. The County Government expects all businesses and investors with an interest in the County, domestic and foreign, to maintain appropriate minimum standards of corporate behavior. The County government requires investors and investments to comply with all local and international laws, regulations, administrative guidelines and policies with regards to: tax administration, corruption and bribery, human rights, labour, environmental protection, and corporate social Investments, among others. In addition, investors shall have specific obligations regarding the County government’s special policy objectives regarding: domestic value addition, promotion of SMEs, and local input sourcing.
2. Businesses and investors are expected to understand Kenya’s regulatory environment and abide by all relevant requirements. Some of the obligations of which foreign investors should

be aware are outlined below. [L]  
[SEP]

### **6.3.1 Legal compliance**

The County government requires that Investors and Investments in the county comply with all laws, regulations, administrative guidelines and policies of Kenya concerning the establishment, acquisition, management, operation and disposition of investments. It also requires that Investors are responsible for complying with payment of taxes due in accordance with the letter and spirit of the law. In addition, investors are obligated to;

1. Comply with national and county laws and regulations and relevant international standards, [L]  
[SEP]
2. Comply with anti-corruption and anti-bribery obligations, and [L]  
[SEP]
3. Comply with minimum standards of corporate governance and responsible business conduct.

These obligations are binding in nature and are based on county and national laws unless there is a commonly accepted higher international standard, based on international best practice, in which case, the obligations should meet the international standard. These obligations should be enforced through national mechanisms of both Kenya and in some areas in the home state of foreign investors as well.

### **6.3.2 Common obligations against corruption**

The County Government of Kajiado strives and commits to doing business with integrity. This policy acknowledges that corruption undermines Kenya's efforts to end poverty, promote development and prosperity. This requires avoiding corruption in any form, including bribery, and complying with the anti-corruption laws of the country. In line with this, the passing of the Kenya Bribery Act 2016 is a significant demonstration of Kenya's forward-thinking stance on corruption and its desire to open up the region to foreign and local investment. The Act provides a more robust system for preventing bribery, including obligations on individuals holding positions of authority in Kenya or companies operating in Kenya to report instances of bribery and obligations on companies to put in place bribery prevention policies and

measures.

**Policy measures:**

The County government is to:

1. Actively campaign against corruption by establishing a mechanism to report corruption by investors to the County Ombudsman and anti-corruption agencies for punitive action.
2. Establish a mechanism to investigate corruption claims from investors and companies for any party participating in corruption in any form, including bribery, and provide clear punitive guidelines for all parties found guilty.
3. Ensure adequate whistle-blower protection in line with domestic and international instruments. [SEP]

The investor shall:

1. Comply with the nation's laws against corruption including the Kenya Bribery Act 2016 including [SEP] establishing mechanisms to prevent bribery and corruption and to meet with reporting requirements.
2. Report all cases of attempted or actual corruption to the ombudsman for information and the established [SEP] ethics and anti-corruption agency for action.

**6.3.3 Minimum standards for human rights and labour**

The Constitution of Kenya (2010) establishes the Bill of Rights as an integral part of Kenya's democratic state and is the framework for social, economic and cultural policies. It recognizes and protects human rights and fundamental freedoms in Kenya to preserve the dignity of individuals and communities and to promote social justice and the realization of the potential of all Kenyans.

**Policy measures:**

Investors and businesses investing in the county are required to familiarize themselves with Bill of Rights and other applicable labour laws and must:

1. Act in accordance with the Kenya Constitution and applicable national legislation governing labour and human rights.
2. Respect human rights throughout all aspects of their operations;
3. Act to protect against human rights abuses;
4. Ensure that they do not interfere with the human rights of others and address any negative impacts <sup>[[L]]</sup><sub>SEP</sub> of their business activities on human rights;
5. Investors and their investments must respect human rights in the workplace and in the county and communities in which they are located.

**The county government must:**

1. Require that Investors and their investments act in accordance with applicable national legislation governing labour and human rights;
2. Require that all business enterprises domiciled in Kajiado county must respect human rights throughout all aspects of their operations; <sup>[[L]]</sup><sub>SEP</sub>
3. Act to protect against human rights abuses; <sup>[[L]]</sup><sub>SEP</sub>
4. Ensure victims of abuse have access to effective remedy and grievance mechanisms <sup>[[L]]</sup><sub>SEP</sub>
5. Ensure that there are repercussions on Investors who violate human rights; <sup>[[L]]</sup><sub>SEP</sub>
6. Enhance coordination between national and county investment promotion organs and labour department to ensure that workers' rights are being protected; <sup>[[L]]</sup><sub>SEP</sub>
7. Ensure that investment is not encouraged by lowering core labor standards. <sup>[[L]]</sup><sub>SEP</sub>

**6.3.4 Domestic value added**

The Vision 2030 national blueprint aims to transform Kenya into a newly industrializing, middle-income country providing a high quality of life to all its citizens by 2030. Developing linkages between investors and domestic firms and employees is a key pillar to enable skills and technology transfers, and job creation. These linkages are key foundations for robust industrial

and economic development for Kenya.

**Policy measures:**

Recognizing that effective policies can help spur sustainable and inclusive economic development while engaging investors as partners, the county government:

1. May develop specific sectoral laws and regulations to guide local content and participation. The Local Content Bill 2016 for the extractives industry sector is one such regulation.
2. Shall put in place policies, frameworks, incentives and regulations focused on increasing domestic participation on various supply chains and increased domestic value addition including local training enhancement and development, technology transfer, enhancing the domestic industrial base, employment generation, and increase in ownership.
3. Promote FDI local content uptake by encouraging backward and forward linkages in various value chains to grow the SMEs capacity and productivity as they transition to medium and large companies.
4. Incentivize foreign and domestic investors, including those seeking investment certificates to develop and provide domestic value added strategy that addresses how they intend to increase local employment, provide training, enhance domestic procurement, provide technology transfer, and <sup>[[[</sup>encourage enterprise development.
5. Measure the effectiveness of any local content legislation and measure its impact with respect to benefitting local communities.

**6.3.5 Environmental protection**

Kajiado county is endowed with some of the country's richest natural resources and ecosystems. The County Government is committed to sustainable development without destruction of the natural resources base. This is evident in the country's commitments to sustainable environmental management demonstrated through various initiatives including those contained in the various National Development Plans. The primary legal framework for environmental management and governance in Kenya is contained in:



1. Environment Management and Co-ordination Act, 1999 which recognizes the right of every person to a clean and healthy environment and provides every person locus standi to institute a case for any environmental rights violation.
2. <sup>[[L]]</sup><sub>[[SEP]]</sub>The Constitution of Kenya (2010) which elevated environmental rights and environmental issues generally to constitutional status under the Bill of rights. Article 69 of the constitution sets out certain obligations of both the state and persons with respect to the environment. It places an obligation on the state to ensure sustainable exploitation, utilization, management and conservation of the environment and natural resources, and ensure the equitable sharing of the accruing benefits, encourage public participation in the management, protection and conservation of the environment; establish systems of environmental impact assessment, environmental audit and monitoring of the environment, eliminate processes and activities that are likely to endanger the environment, and utilize the environment and natural resources for the benefit of the people of Kenya.
3. The Climate Change Act 2016 allows the responsible Cabinet Secretary and relevant State Departments, impose obligations related to climate change on private entities.
4. The Kenya National Environment Policy 2013 provides a framework for an integrated approach to sustainable management of Kenya's environment and natural resources and integrates environmental management with economic growth, poverty reduction and improving livelihoods. <sup>[[L]]</sup><sub>[[SEP]]</sub>

**Policy measures:**

While seeking to attract investment, Kajiado County recognizes the need to ensure adequate environmental protection.

1. The County Government of Kajiado shall not encourage investment by relaxing or waiving domestic environmental legislation in line with the national constitution and regional agreements that Kenya is party to.
2. Investors and business shall comply with applicable laws and regulations, in performing their business and investments activities, protect the environment and where the activity causes damage to the environment, the County government shall mandate that investors restore it to the extent appropriate and feasible, and ensure fair compensation is paid to those impacted by the environmental damages.

3. Investors and business shall seek to leverage and apply green or sustainable technologies wherever possible to reduce the carbon footprints of their investments and other detrimental environmental impact.

### **6.3.6 Corporate social Investment**

Responsible investment and business practices require that investors should act with due care, skill and diligence, in line with professional norms and standards of behaviour, act in good faith in the interests of their beneficiaries and clients, including avoiding conflicts of interest, or where such conflicts are unavoidable, to balance and disclose such conflicts and to take account of environmental, social and governance (ESG) issues, in their investment processes and decision making, encourage high standards in the companies or other entities in which they have invested, and contribute positively to the communities they do business in.

#### **Policy measures:**

The County government understands the importance of good corporate citizenship to sustain a healthy relationship between business and our citizenry and:

1. Encourages companies to develop and integrate CSI practices into their core business activities that meet international acceptable standards or as stipulated by annexure <sup>[1]</sup><sub>SEP</sub> Encourage investors to contribute to a. human capital formation,
  - b) local capacity building in close cooperation with local communities,
  - c) create high-quality employment opportunities and facilitate relevant training and professional development for communities, and encourage the transfer of technology to local suppliers. Investors will be encouraged to empower local communities in areas they choose to invest in within the county in order to grow the local work force.

## **6.4 INVESTMENT PROMOTION AND FACILITATION**

Currently, the investment promotion and facilitation initiatives are administered through numerous policies, regulations and legislations cutting across several sectors of the economy. This has created ambiguity and confusion regarding handling of investors leading to unnecessary delays. Kenya's institutional and legislative framework governing investment is found in the Investment Promotion Act (IPA) of 2004. The Act aims at promotion and facilitation of investment by assisting investors in obtaining the licenses necessary to invest, and providing

other assistance and incentives for related purposes. The Investment Promotion and facilitation is made more difficult by the fact that investors in Kenya face numerous challenges and obstacles, such as inadequate access to investor services, inadequate information and cumbersome manual and duplicative procedures.

The policy recognizes that various departments and agencies (EPZA, SEZA, Brand Kenya, EPC, KTB, NEMA, Immigration, KRA, KPLC, CAK, NCA, NLC, Registrar of companies) also interface with investors; it further considers the new constitutional dispensation creating the national and county levels of government. The policy also acknowledges current provisions in the Export Processing Zones Act, Special Economic Zones act, State Corporations Act, Tourism Act (2011), Companies Act (2015), Regulations on Taxes, Immigration Act, Kenya Citizenship and Immigration Act (2011), Environmental Management and Coordination (Amendment) Act (2015), Competition Act (2010), National Land Commission Act (2012), National Construction Authority Act (2011), Energy Act (2006) encompass promotion and facilitation functions.

The foregoing necessitates purposeful, coordinated, synergized, targeted, strategic and comprehensive framework encompassing all relevant stakeholders in attracting, facilitating and retaining high quality and sustainable investment. Combined with a world-class approach to handling and responding to investor inquiries, countries can sway potential investors in the site selection process to choose their countries.

A key part of investment promotion is obtaining follow-on investment from existing investors. This process is usually a result of diligent aftercare efforts that are aligned with supporting existing investors and continued improvement of the investment climate. With respect to measures that have been undertaken to support facilitation, there is a digital platform under the e-citizen platform. There also exists a one stop shop that brings together all sector regulators to help fast track approval and licensing needs thus shortening project implementation period.

#### **6.4.1 Investment promotion**

To increase both the share of FDI and DDI that the county receives and align the county's promotion activities with international best practice in this area, the county government will consider the following policy measures:

##### Policy measures

1. Consider formulating a county Investment Council,

2. Formulate framework legislation at county level, guidelines and stakeholder engagement for seamless coordination of investment promotion and facilitation and to ensure investor targeting and support to meet priority objectives.
3. Align county and national and investment promotion strategies as part of the investment promotion process.
4. Embrace ICT and develop a digital platform to enhance investment information sharing.

### 6.4.2 Investment facilitation

To streamline the investment process from entry to project implementation and operationalization, the county government will rely on the One Stop Centre run by national government that enables investors to receive essential services under one roof digitally and physically, with continuous process mapping and simplification efforts. Appropriate channels are identified to help with coordination of provision of essential services offered to the relevant county government departments.

#### Policy measures

To improve investment facilitation, the county government is to:

1. Develop a county Customer Relationship Management (CRM) system
2. Establish investor services that help investors with pre-establishment support
3. Mandate the KCIU to handle land investment related matters from inception of the project to dispute resolution where it may arise. They should take cognizance of the fact that land is an economic resource that should be managed productively, and is a finite resource that should be utilized sustainably.
4. In line with the Land Act, 2012 and subject to Article 65 of the constitution, there will be established land banks which could be used for large projects, including consideration by the county to establish a forced savings scheme where a percentage part of the county budget allocation goes to purchasing land to be set aside for investment purposes. In order to ring fence the development budget for land and to

stop the scheme from time to time, a mechanism will be developed to review the adequacy of the land bank and other investment constraints pertaining to land, to identify whether the hindrance has been addressed successfully. [SEP]

## **7.0 POLICY IMPLEMENTATION, MONITORING AND EVALUATION**

### **7.1 INSTITUTIONAL FRAMEWORK**

The existence of multiple departments that deal with investment-related issues without adequate coordination has weakened the effectiveness of the county's investment promotion and facilitation efforts. These institutions extend from the national government following the promulgation of the constitution that brought about devolution. This lack of efficacy is manifested through under capacity of the various institutions, an unclear strategy about which investment opportunities to target, and a negative investor experience as they navigate multiple bureaucracies. Increased institutional complexity also means longer delays, as investors seeking special approval or incentives for significant investments are forced to wait. These factors contributed to limit private investment, including FDI, relative to the county's potential.

The successful implementation of this policy will be dependent upon the collaborative efforts and synergies of all the stakeholders and actors through establishment of an effective partnership framework via new institutional and management arrangements. The policy is also cognizant of functional assignments between the two levels of government with respective accountability, reporting, and management responsibilities as stated in Article 189 of the Constitution of Kenya (2010) and Article 4 of the Intergovernmental Relations Act.

The policy implementation process will adopt a multi-sectoral approach involving different stakeholders— state actors (government ministries and agencies) at the national and county levels; investors (individuals, corporations, domestic and foreign); regulatory bodies; professional associations; private sector representatives; non-state actors (chambers of commerce); and development partners. The following are the key investment sector actors and their respective roles in implementing this policy:

#### **Policy Measures**

##### **7.1.1 County Investment Council**

The county government of Kajiado shall consider establishing a county investment council through the enactment of appropriate county law. The County Investment Council shall be an

unincorporated body whose chairman shall be the Governor or the Deputy Governor. The CIC is envisaged to;

- a) To advise the County government and relevant county departments on ways to increase investment and economic growth in the county; and
- b) To promote co-operation between the public and private sectors in the formulation and implementation of county government policies relating to investment and county government per capita growth.

Recognizing the need for better coordination of investment policy, promotion and investment-related initiatives the County Investment Council (CIC) shall be operationalized to provide an overarching coordination mechanism. The County Executive Committee Member responsible for investment shall be the secretary to the Council, while the County Investment unit shall serve as the Secretariat of the Council.

The mandate of the CIC is:

1. Approving investment agreements, investment related policies <sup>[[ ]]</sup>programmes and strategies of investment promotion and facilitation within the county;
2. Addressing high impact and unique investor requests in the county;
3. Assist in resolving investment related disputes at the highest levels;
4. Providing guidance on review, amendment and harmonization of sectoral laws and policies <sup>[[ ]]</sup>to achieve the objectives of this policy;
5. Administer the County Sovereign fund
6. Monitor the county macro and micro environment to identify impediments to investment and to propose incentives to promote investment and economic growth;
7. Consult with persons from both the public and private sectors to obtain views and <sup>[[ ]]</sup>suggestions for promoting investment in the county <sup>[[ ]]</sup>

The CIC is comprised of not more than ten members who shall be appointed by the Governor and is constituted as follows;

- a. The County Executive committee Member responsible for Investment Affairs;
- b. The County Executive committee member responsible for the County Treasury and Economic planning;
- c. The County Executive committee member responsible for labour;
- d. The County Executive committee member responsible for environment;
- e. The representative of the County Executive Committee members in charge of investments
- f. two representatives of the private sector nominated by the bodies representing the largest number of institutions in the private sector in the county;
- g. A representative from the Kajiado County community who has knowledge and experience in matters relating to investments in the county;
- h. Temporary members can be co-opted considering the merits of an investment, policy or legislative initiative.

### **7.1.2 Kajiado County Investment Unit**

To ensure that the county benefits from investment activities and better define the coordination with national government agencies, the following policy measures will apply to Kajiado county:

1. Kajiado county will create the Kajiado county investment unit (KCIU) responsible for matters of investment. The Government of Kajiado County shall notify the national Investment promotion agency in writing upon the creation of this unit.
2. The Kajiado county Investment Unit will be responsible for the following promotion related activities:
  - a. Develop a value proposition to investors based on the county's competitive advantages including formulating promotional literature that can be shared with potential investors.
  - b. Identifying and/or defining concrete projects within the county that are ready for investment.
  - c. Working closely with local communities to identify land available for investment and

facilitate the entry process for investors,

- d. Providing incentives to investors that fall within the county's devolved authority including land and fast tracking of investor permits.
- e. Facilitating community engagement and review of potential investment projects and obtaining local endorsement for any county-based government incentives.
- f. Provide effective investor aftercare and identifying and facilitating reinvestment and upgrading of current investments.
- g. Monitoring the investment climate in the county and provide write ups /policy memorandums to the county and national government for corrective action.
- h. Profile and maintain a database of MSMEs that could form partnership with large players, in order to encourage and enhance domestic value addition. [L]  
[SEP]

### **7.1.3 Summary of the roles of various actors**

The functions across the investment cycle are delineated as follows:

#### **1. Investment strategy development**

The CIC is responsible for formulating the county's overall investment strategy and implementing a corresponding policy to ensure that investment contributes to the county's development goals.

#### **2. Investment promotion and facilitation**

The primary responsibility of investment promotion and facilitation falls on the KCIU. The KCIU will outline its competitive position and prepare marketing materials aligned to its area of strategic focus. The KCIU will play an important role in investment facilitation, including securing community approval, providing land where needed and participating in investment promotion activities for specific investment projects.

#### **3. Investment retention and aftercare**

The Government of Kajiado County plays a major role in ensuring that investments located within the county are given the highest level of attention. The County Government is responsible



for ensuring that the overall investment climate remains attractive to potential and existing investors. The County ministry of trade, tourism, culture and wildlife is responsible for taking the lead to provide effective aftercare services by working with other county departments to offer a wholesome service to the overall county.

#### **4. Investment entry and establishment**

Various national government agencies as well as county agencies are involved at different levels along the investment entry and establishment process. These agencies include the Revenue Authority, the Department of Immigration, and the ministries in charge of granting special permits and licenses. The county ministry of trade, tourism, culture and wildlife will play a facilitation role among these entities through the One-Stop Centre to minimize the administrative burden to investors and government agencies.

#### **5. Investment retention and aftercare**

The Government of Kajiado County will play its role in ensuring that investments located within its boundaries are given the highest level of attention. The County Government is responsible for ensuring that the overall investment climate remains attractive to potential and existing investors.

#### **6. Investment assessment**

Ensuring that investments are contributing to the county's economic, social and environment sustainability objectives is important. Measuring investment impact with respect to community engagement, development objectives, and key investment linkages between investors and small and medium enterprises is shared responsibility among the different actors. While the KCIC will spearhead this process, it must work closely with national institutions to ensure that the county continues to target and attract the proper investment mix that would in turn result to social economic benefits.

To ensure greater cohesion among county government committee's, the County government may:

7. Formalize functions across different committees through inter departmental service level agreements,
8. Such agreements should be submitted to the KCIC to prevent redundancy and monitoring and evaluation purposes.

## 8.0 FINANCIAL REQUIREMENTS

Financing of county governments is currently guided by the Public Financial Management Act 2012. The Budget estimates and annual Appropriation Bill and the Controller of budget bills guide the allocation.

Presently, the efforts of investment promotion, facilitation, aftercare services and advocacy are hampered by inadequate funding given that funding that is allocated by national government is hardly enough for investment related activities. The effective implementation of this policy will require devoting resources to the investment promotion, facilitation, aftercare and retention process required to support the activities of the county investment related institutions.

To facilitate effective implementation of this policy:

1. A Kajiado County sovereign Fund will be established, which shall be contributed to by the county treasury, investor services revenue generation streams, grants and donations.
2. The funds will be used to undertake approved programmes under promotion, facilitation, and aftercare and upgrading.

## 9.0 MONITORING AND EVALUATION

Monitoring and evaluation is crucial to ensuring effective implementation of the KCIP, as measured by progress against stated policy objectives. In this regard, the matrix annexed highlights what needs to be done in line with the proposed measures, including verifiable indicators, showing clear expected outcomes.

1. Provide for an effective monitoring and evaluation process by improving investment (including FDI) data collection methodologies, including collecting data on investment impact in terms of employment, imports and exports, fiscal contribution, linkages etc. <sup>[L]</sup><sub>[SEP]</sub>
2. Supervise a triennial review on the investment climate and produce recommendations on legislative actions for county assembly's consideration. <sup>[L]</sup><sub>[SEP]</sub> Commission a report every two years studying the effectiveness of investment incentives and produce recommendations on how to modify them to achieve development goals. <sup>[L]</sup><sub>[SEP]</sub>

Monitoring and Evaluation efforts may utilize the integrated monitoring systems available at national level designed to track government performance.

## **10.0 ANNEXES**

### **10.1 Related Investment Legislation**

The Parliament of Kenya has enacted Statute laws that conform and are in accordance with the Constitution of Kenya (2010). Such subsidiary law serves to regulate, administrate and manage, and serve to promote and protect persons in interactions from political, social or economic relationships at global, national and county level.

The following Statute laws promote and protect investment, local or international, either directly or indirectly, and may, by provisions of the statute provide, relating to the matters thereof, the statute is regulating, an authority or board, or any other person or institution (Ministry or the Judiciary, Parliament or county assembly) to set policy and rules in a discretionary manner relating to matters thereof, to which it is established or provided for to mandate.

As well, other statutes serve to, both, promote and limit investment in an aim to achieve sustainable development and gear to meet the goals of vision 2030.

The following are the statutes and authorities set therein to regulate, impose taxation and set policies to matters related thereof;

| STATUTE                                    | AUTHORITY  |
|--|--|
| Constitution of Kenya 2010                 |  |
| Banking Act. 1989                          | Central Bank of Kenya                                    |
| Capital Markets Act 1989                   | Capital Markets Authority.                               |
| Competition Act 2011                       | Competition Authority of Kenya and Competition Tribunal. |
| Contracts in Restraint of Trade Act 1932   | Judiciary.   |
| Consumer Protection Act 2013               | Kenya Consumer Protection Advisory Committee.            |
| Customs & Excise Act 1978                  | Kenya Revenue Authority.                                 |
| Dairy Industry Act.                        | Kenya Dairy Board.                                       |
| Arbitration Act 1996                       | Judiciary.   |
| Agriculture & Food Authority Act 2014      | Agriculture & Food Authority                             |
| Companies Act 2015                         | Office of the Attorney General.                          |
| Air Passenger Service Charge Act 1970      | Kenya Revenue Authority.                                 |
| Anatomy Act 1967                           | Ministry of Health.                                      |
| Anti-Doping Act 2016                       | Anti-Doping Agency.                                      |
| Anti-Counterfeit Act 2009                  | Anti-Counterfeit Agency.                                 |
| Anti-Corruption & Economic Crimes Act 2003 | Ethics and Anti-Corruption Commission.                   |
| Appellate Jurisdiction Act 1977            | Judiciary.   |
| Architects & Quantity Surveyors Act 1934   | Board of Registration of Architects & Quantity           |

| <b>STATUTE</b>                         | <b>AUTHORITY</b>  |
|--|---|
|  | Surveyors.  |
| Auctioneers Act 1997                   | Auctioneers Licensing Board   |
| Advocates Act 2000                     | Council of Legal Education and Council of The Law Society of Kenya.   |
| Accountants Act 2008                   | Institute of Certified Public Accounts of Kenya. (Chief Justice.)   |
| Basic Education Act 2013               | National Education Board, Education Standards and Quality Assurance Commission, and County Education Board. |
| Betting, Lotteries & Gaming Act 1966   | Betting Control and Licensing Board   |
| Bill of Exchange Act 1927              | Central Bank of Kenya.  |
| Biosafety Act 2011                     | National Biosafety Authority  |
| Branding of Stock Act 1907             | Ministry of Industry  |
| Brokers Act 1930                       |   |
| Building Societies Act 1956            | Ministry of Industry  |
| Business Registration Service Act 2015 | Business Registration Service Board   |
| Carriage by Air Act 1993               | Ministry of Transport and Infrastructure.   |
| Carriage of Goods by Sea Act 1926      | Ministry of Transport and Infrastructure.   |
| Cattle Cleansing Act 1937              | Ministry of Agriculture, Livestock and Fisheries.   |
| Central Depositories Act 2003          | Capital Markets Authority.  |

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| Cheques Act 1968                             | Central Bank of Kenya.   |
| Bill of Lading Act                           | 1927 Central Bank of Kenya.                                      |
| Civil Aviation Act 2013                      | Civil Aviation Authority.  |
| Co-operative Societies Act 1998              | Ministry of Industry   |
| Coastal Development Authority Act 1990       | Coastal Development Authority                                    |
| Copyrights Act 2003                          | Kenya Copyrights Board   |
| Compounding of Portable Spirits Act 1961.    | Ministry of Health   |
| Crop Production & Livestock Act 1926         | Agriculture, Livestock and Fisheries.                            |
| Crops Act 2014                               | Agriculture & Food Authority                                     |
| Debts Act 1913                               | Judiciary.   |
| Deeds of Arrangement Act 1930                | Ministry of Land, Housing and Urban Development.                 |
| Disposal of Uncollected Goods Act 1987       | Ministry of Industry.  |
| Distress for Rent Act 1938                   | Judiciary.   |
| Employment Act 2008                          | National Labour Board.   |
| Employment & Labour Relations Court Act 2011 | Judiciary.   |
| Energy Act 2007                              | Energy Regulatory Commission and Rural Electrification Authority |
| Engineering Technology Act 2016              | Kenya Engineering Technology Registration Board.                 |
| Engineers Act 2012                           | Engineers Board of Kenya   |

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| Environment & Land Court Act 2011              | Judiciary.  |
| Environment Management & Coordination Act 2000 | National Environmental Management Authority                   |
| Equitable Mortgages Act 1909                   | Judiciary.  |
| Estate Agents Act 198                          | Estate Agents Registration Board                              |
| Ethics & Anti-Corruption Commission Act 2011   | Ethics & Anti-Corruption Commission                           |
| Excise Duty Act 2015                           | Kenya Revenue Authority.                                      |
| Explosives Act 1931                            | Ministry of Interior and Coordination of National Government. |
| Export Processing Zones Act 1990               | Export Processing Zones Authority                             |
| Fatal Accidents Act 1946                       | Judiciary.  |
| Civil Procedure Act 1924                       | Judiciary.  |
| Criminal Procedure Act 1930                    | Judiciary.  |
| Ferries Act 1936                               |   |
| Fertilizers and Animal Foodstuffs Act 1967     | Fertilizer and Animal Foodstuffs Board of Kenya.              |
| Firearms Act 194                               | Firearms Licensing Board                                      |
| Fisheries Act 2016                             | Ministry of Agriculture                                       |
| Food, Drugs and Chemical Substances Act 1965   | Public Health (Standards) Board                               |
| Foreign Investments Protection Act 1964        | Under the Ministry of Foreign Affairs and                     |

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|  | International Trade.  |
| Foreign Judgments (Reciprocal Enforcement) Act 1984        | Judiciary.  |
| Forests Act 2007   | Board of the Kenya Forest Service   |
| General Loan and Stock Act 1950                            | National Treasury.  |
| Gold Mines Development Loans Act 1952.                     | Gold Mines Development Loans Board under the Ministry of Mining               |
| Government Proceedings Act 1956                            | Judiciary.  |
| Hide Skin and Leather Trade Act 1987                       | Under the Ministry of Industry  |
| High Court (Organization and Administration) Act 2016      | Judiciary.  |
| Hire-Purchase Act 1970                                     | National Treasury.  |
| Housing Act 1953   | National Housing Corporation  |
| Human Resource Management Professionals Act 2013           | Institute of Human Resource Management  |
| Human Tissue Act 1967                                      | Under the Ministry of Health.   |
| Immigration Act 2011                                       |   |
| Income Tax Act 1974  | Kenya Revenue Authority.  |
| Industrial and Commercial Development Corporation Act 1955 | Industrial and Commercial Development Corporation                             |
| Industrial Property Act 2002                               | Kenya Industrial Property Institute   |
| Industrial Training Act 1960                               | National Industrial Training Authority and National Industrial Training Board |



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| Insurance Act 1987                                     | Insurance Regulatory Authority.                      |
| International Development Association Act 1963         | Ministry of Foreign Affairs and International Trade. |
| Inter-Governmental Relations Act 2013                  |  |
| International Finance Corporation Act 1963             | Ministry of Foreign Affairs and International Trade  |
| International Interests in Aircraft Equipment Act 2013 | Ministry of Foreign Affairs and International Trade. |
| Investment and Financial Analysts Act 2015             | Capital Markets Authority.                           |
| Investment Disputes Convention Act 1966                | Judiciary.   |
| Investment Promotion Act 2004                          | Kenya Investment Authority                           |
| Kenya Airports Authority Act 1991                      | Kenya Airports Authority.                            |
| Kenya Broadcasting Corporation Act 1989                | Kenya Broadcasting Corporation                       |
| Kenya Cultural Centre Act 1951                         | Kenya Cultural Centre                                |
| Kenya Information and Communications Act 1999          | Communications Authority of Kenya                    |
| Kenya Literature Bureau Act 1980                       | Kenya Literature Bureau                              |
| Kenya Maritime Authority Act 2007                      | Kenya Maritime Authority.                            |
| Kenya Meat Commission Act 1950                         | Kenya Meat Commission.                               |
| Kenya Medical Supplies Authority Act 2013              | Kenya Medical Supplies Authority                     |
| Kenya Plant Health Inspectorate Service Act 2016       | Kenya Plant Health Inspectorate Service.             |

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| Kenya Ports Authority Act 1978   | Kenya Ports Authority.  |
| Kenya Revenue Authority Act 1995.  | Kenya Revenue Authority   |
| Kenya Roads Board Act 2000   | Kenya Roads Board   |
| Kenya Roads Act 2007   | Kenya National Highways Authority, Kenya Urban Roads Authority and Kenya Rural Roads Authority. |
| Kenya Water Institute Act 2002   | Kenya Water Institute   |
| Kenya Water Institute Act 2002   | Kenya Water Institute   |
| Labour Relations Act 2007  | National Labour Board.  |
| Labour Institutions Act 2008   | National Labour Board.  |
| Land Act 2012  | National Land Commission  |
| Land Control Act 1967  | Ministry of Land, Housing and Urban Development.  |
| Land Registration Act 2012   | National Land Commission  |
| Landlord and Tenant (Shops, Hotels and Catering Establishments) Act 1965 | Ministry of Land, Housing and Urban Development.  |
| Law of Contract Act 1961   | Judiciary.  |
| Law of Domicile Act 1970   | Judiciary.  |
| Law of Succession Act 1981   | Judiciary.  |
| Limitation of Actions Act 1967   | Judiciary.  |
| Limited Liability Partnership Act 2012                                   |   |

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| Local Manufactures (Export Compensation) Act 1974     | Kenya Revenue Authority   |
| Marine Insurance Act 1968                             | National Treasury.  |
| Maritime Zones Act 1989                               | Ministry of Agriculture   |
| Meat Control Act 1972                                 | Ministry of Agriculture   |
| Medical Practitioners and Dentists Act 1978           | Medical Practitioners and Dentists Board.                               |
| Merchant Shipping Act 2009                            | Ministry of Industry  |
| Micro and Small Enterprises Act 2013                  | Micro and Small Enterprises Authority                                   |
| Microfinance Act 2008                                 | Central Bank of Kenya.  |
| Mortgages (Special Provisions) Act 1968               | Judiciary.  |
| Motor Vehicle Components and Accessories Act 1965     | Ministry of Transport and Infrastructure.                               |
| Nairobi Centre for International Arbitration Act 2013 | Nairobi Centre for International Arbitration.<br>(The Attorney General) |
| National Cereals and Produce Board Act 1985           | National Cereals and Produce Board                                      |
| National Construction Authority Act 2012              | National Construction Authority   |
| National Employment Authority Act 2016                | National Employment Authority.  |
| National Land Commission Act 2012                     | National Land Commission  |
| National Social Security Fund Act 2014                | Retirement Benefits Authority.  |
| Non-Governmental Organizations Act 1992.              | Non Governmental Organizations Coordination Board                       |
| Nurses Act 1983                                       | Nursing Council of Kenya under the Ministry of Health                   |

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| Nutritionists and Dieticians Act.2008             | Council of the Institute of Nutritionists and Dieticians. |
| Occupational Safety and Health Act 2007           | National Council for Occupational Safety and Health.      |
| Occupiers' Liability Act 1963                     | Judiciary.  |
| Office of the Attorney-General Act 2013           | The Attorney-General.                                     |
| Partnerships Act 2012                             |   |
| Pest Control Products Act 1963                    | Pest Control Products Board                               |
| Petroleum (Exploration and Production) Act 1984   | Ministry of Energy and Petroleum.                         |
| Petroleum Development Fund Act 1991               | Ministry of Energy and Petroleum.                         |
| Pharmacy and Poisons Act 1957                     | Pharmacy and Poisons Board                                |
| Physical Planning Act 1998                        |   |
| Plant Protection Act 1937                         | Ministry of Agriculture                                   |
| Preferential Trade Area (Implementation) Act 1991 | Authority of the Preferential Trade Area                  |
| Prevention of Fraud (Investments) Act 1977        | National Treasury.  |
| Price Control (Essential Goods) Act 2011          | National Treasury.  |
| Privatization Act 2008                            | Privatization Commission.                                 |
| Public Private Partnerships Act 2013              | National Treasury.  |
| Radiation Protection Act 1984                     | Radiation Protection Board.                               |
| Rating Act 1963                                   | Land, Housing and Urban Development.                      |

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| Refinery Throughput Tax Act 1983                                    | Kenya Revenue Authority                                    |
| Registration of Business Names Act 1951                             | Ministry of Industry                                       |
| Registration of Documents Act 1901                                  | Judiciary.   |
| Rent Restriction Act 1959   | Ministry of Land, Housing and Urban Development.           |
| Retirement Benefits Act 1997  | Retirement Benefits Authority.                             |
| Transfer of Businesses Act 1930                                     | Ministry of Industry                                       |
| Treaty for the Establishment of the East African Community Act 2004 | East African Community                                     |
| Treaty Making and Ratification Act 2012.                            | Ministry of Foreign Affairs & International Trade.         |
| Sacco Societies Act 2009  | Sacco Societies Regulatory Authority                       |
| Sale of Goods Act 1931  | Judiciary.   |
| Science, Technology and Innovation Act 2013                         | National Commission for Science, Technology and Innovation |
| Scrap Metal Act 2015  | Scrap Metal Council.                                       |
| Second-hand Motor Vehicles Purchase Act 1963                        | Tax Kenya Revenue Authority.                               |
| Sectional Properties Act 1990                                       | Ministry of Land, Housing and Urban Development.           |
| Societies Act 1968  | Ministry of Industrialization and Enterprise Development.  |
| Special Economic Zones Act 2015                                     | Special Economic Zones Authority                           |

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| Stamp Duty Act 1958                                      | Kenya Revenue Authority.                                  |
| Standards Act 1974                                       | National Standards Council                                |
| Stock and Produce Theft Act 1933                         | Judiciary.  |
| Supplies Practitioners Management Act 2007               | Kenya Institute of Supplies Management.                   |
| Technical and Vocational Education and Training Act 2013 | Technical and Vocational Education and Training Authority |
| Timber Act 1971  | Ministry of Environment, and Natural Resource.            |
| Tobacco Control Act 2007                                 | Tobacco Control Board                                     |
| Tourism Act 2012   | Tourism Regulatory Authority                              |
| Trade Descriptions Act 1979                              | Ministry of Industry                                      |
| Trade Marks Act 1957                                     | Ministry of Industry                                      |
| Trading in Prohibited Goods Act 1966                     | Ministry of Industry                                      |
| Transfer of Businesses Act 1930                          | Judiciary.  |
| Trustee Act 1929   | Judiciary.  |
| Trustees (Perpetual Succession) Act 1923                 | Ministry of Industrialization and Enterprise Development. |
| Work Injury Benefits Act 2007                            | National Council for Occupational Safety and Health.      |
| Wildlife Conservation and Management Act 2014            | Kenya Wildlife Service                                    |
| Weights and Measures Act 1988                            | Ministry of Industry                                      |
| Water Act 2003   | Water Resources Management Authority                      |

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| Unclaimed Financial Assets Act 2011                            | Unclaimed Assets Authority.                      |
| Universities Act 2012  | Commission for University Education              |
| Urban Areas and Cities Act 2013                                | Ministry of Land, Housing and Urban Development. |
| Use of Poisonous Substances Act 2006                           | Ministry of Health.                              |
| Valuation for Rating Act 1992                                  | Ministry of Land, Housing and Urban Development. |
| Value Added Tax Act 2013                                       | Kenya Revenue Authority.                         |
| Valuers Act 1985   | Valuers Registration Board                       |
| Veterinary Surgeons and Veterinary Para-professionals Act 2011 | Kenya Veterinary Board.                          |

**10.2 Implementation Matrix**

|                                      | Policy Sub-Section                           | Policy measures   | Lead Institution | Time Frame | Success Indicators  |
|--------------------------------------|--|---|------------------|------------|---|
|                                      |  |   |                  |            |   |
| 1.Investment Entry and Establishment | Notification, Registration and Establishment | <p>1.Create an information management system and assign unique identification numbers for all companies residing in Kajiado County for data collection and monitoring</p> <p>2. Create a coordinating framework for county and national agencies to share company registration information and ease investment implementation</p> | KCIU             | 2018       | <ul style="list-style-type: none"> <li>Completed Investment registration framework</li> </ul> |



|  |                                     |   |             |             |   |
|--|-------------------------------------|---|-------------|-------------|---|
|  | <p>Minimum Capital Requirements</p> | <ol style="list-style-type: none"> <li>1. Draw up a negative list of carefully defined activities where foreign investment is restricted to allow protection of national and county investors in sensitive areas. The list would be determined by the Kajiado County cabinet upon the recommendation of the County Investment Council, and be reviewed periodically and applied flexibly so that growing businesses in restricted sectors would be prevented from forming beneficial joint ventures with foreign partners</li> <br/> <li>2. Ensure foreign investment in all other activities are open without restriction. FDI will not be subject to compulsory investment certificates and minimum capital requirements, except by certain prescribed sector requirements set by various sectoral licensing regimes</li> <br/> <li>3. Ensure foreign investment in all other activities are open without restriction. FDI will not be subject to compulsory investment certificates and minimum capital requirements, except by certain prescribed sector requirements set by various sectoral licensing regimes</li> <br/> <li>4. Establish clear conditions for special incentives – Whether domestic or Foreign – Obtaining an Investment certificate. The entitlement to a number of entry permits for foreign workers, in turn, shall be linked to the amounts invested on</li> </ol> | <p>KCIC</p> | <p>2019</p> | <ul style="list-style-type: none"> <li>• List of restricted sectors and activities</li> <li>• Published list of available incentives and conditions for receiving them</li> </ul> |
|--|-------------------------------------|---|-------------|-------------|---|

|   |  |   |       |      |  |
|---|--|---|-------|------|--|
|   |  | a sliding – scale basis and the nature of the investment.   |       |      |  |
| 2. Investment protection and Guarantees | Dispute Prevention and Resolution            | <ol style="list-style-type: none"> <li>1. Establish an early alert and tracking mechanism designed to identify and track at-risk investments and;</li> <li>2. Initiate immediate problem solving, working closely with investors and relevant parties to resolve potential issues.</li> <li>3. Establish a business ombudsman specifically for investors, within the County Investment Unit, who shall receive formal dispute notices and initiate a dispute resolution plan among both parties, to facilitate settlement of arising investment disputes in a speedy, efficient manner.</li> <li>4. Establish a disputes settlement mechanism between an investor and the county</li> </ol> | KCIU  | 2018 | <ul style="list-style-type: none"> <li>• Clear dispute mechanism</li> </ul>                              |
| 3. Responsible Investment               | Minimum Standards for Human Rights and Labor | <ol style="list-style-type: none"> <li>1. Require that investors and their investments act in accordance with applicable legislation governing labor and human rights</li> <li>2. Ensure that investors and their investments in the</li> </ol>   | Labor | 2018 | <ul style="list-style-type: none"> <li>• Enact Policy measures into applicable county by-laws</li> </ul> |

|  |                           |  |            |             |  |
|--|---------------------------|--|------------|-------------|--|
|  |                           | <p>county shall not establish, manage or operate investments shall not establish, manage or operate investments in a manner inconsistent with international environment, labor, and human rights obligations binding in Kenya;</p> <ol style="list-style-type: none"> <li>3. Act to protect against human rights abuses by third parties, including investors;</li> <li>4. Mandate that investors who violate human rights provide victims effective remedy;</li> <li>5. Ensure labor legislation or by-laws is not lowered to attract incentives</li> </ol>   |            |             |  |
|  | <p>Domestic Value Add</p> | <ol style="list-style-type: none"> <li>1. May develop specific county by-laws to guide local content and participation.</li> <li>2. Shall put in place policies, frameworks, incentives and county regulations focused on increasing county participation on various supply chains and increased domestic value addition including training enhancement and development, technology transfer, enhancing the domestic industrial base, employment generation, and increase in ownership.</li> <li>3. Promote FDI local content uptake by encouraging backward and forward linkages in various value chains</li> </ol> | <p>CIU</p> | <p>2019</p> | <ul style="list-style-type: none"> <li>• Clear domestic value added by-laws and legislation</li> </ul> |

|  |                      |  |                       |      |   |
|--|----------------------|--|-----------------------|------|---|
|  |                      | <p>to grow the SMEs capacity and productivity as they transition to medium and large companies.</p> <ol style="list-style-type: none"> <li>4. Incentivize foreign and domestic investors, including those seeking investment certificates to develop and provide domestic value added strategy that addresses how they intend to increase local employment, provide training, enhance domestic procurement, provide technology transfer, and encourage enterprise development.</li> <li>5. Measure the effectiveness of any local content legislation and by-laws and measure its impact to benefitting local communities</li> </ol> |                       |      |   |
| 4. Investment Promotion & Facilitation | Investment Promotion | <ol style="list-style-type: none"> <li>1. Operationalize the Kajiado County Investment Council &amp; Kajiado County Investment Unit</li> <li>2. Formulate framework county by-laws, guidelines and stakeholder engagement for seamless coordination of investment promotion and facilitation and to ensure investor targeting and support to meet priority objectives.</li> <li>3. Align county to national investment promotion strategies as part of investment promotion process</li> <li>4. Embrace ICT and develop a digital platform to</li> </ol>   | KCIC/ County Assembly | 2019 | <ul style="list-style-type: none"> <li>• Formation of county investment promotion by-law</li> </ul> |

|  |                         |   |   |      |   |
|--|-------------------------|---|---|------|---|
|  |                         | enhance investment information sharing  |   |      |   |
|  | Investment facilitation | <ol style="list-style-type: none"> <li>1. Establish investor services that help investors with pre-establishment support.</li> <li>2. Constitute a land committee comprising of relevant county ministries to handle investment related matters from inception of the project to dispute resolution where it may arise, keeping in mind the fact that land is an economic resource that should be utilized productively; and that land is a finite resource that should be utilized sustainably. This committee shall be cognizant of the fact that in respect to private land, no land shall be taken without the express consent of the registered owner.</li> <li>3. In line with the Land Act, 2012 and subject to Article 65 of the constitution, there will be established land banks which could be used for large projects. The County will consider establishing a forced savings scheme where a percentage part of the budget allocation goes to purchasing land to be set aside for investment purposes. In order to ring fence the development budget for land and stop the scheme from time to time, a mechanism will be developed to review the adequacy of the land bank and other investment constraints pertaining to land, to identify whether the</li> </ol> | KCIU in collaboration with County ministry of lands | 2018 | <ul style="list-style-type: none"> <li>• County Land Investment committee established.</li> </ul> |

|                         |                                   |  |  |      |  |
|-------------------------|-----------------------------------|--|--|------|--|
|                         |                                   | hindrance has been addressed successfully.   |  |      |  |
|                         | Aftercare, Retention and Advocacy | <ol style="list-style-type: none"> <li>1. Establish clear quantitative and qualitative targets for retention of high- quality investments</li> <li>2. Provide for the continual evaluation of quality investor support</li> <li>3. Undertake strong advocacy role to improve investment climate based on its ongoing evaluation of the investment climate. An annual state of investment report for the county shall be published.</li> </ol>  | KCIU in collaboration with KCIC                                  | 2018 | <ul style="list-style-type: none"> <li>• Clear retention KPIs</li> <li>• M&amp;E plan for evaluating quality of investor support</li> <li>• Advocacy plan defined and implemented</li> </ul> |
| 5. Incentives Framework | Incentives                        | <ol style="list-style-type: none"> <li>1. Utilize evidence based tax incentives to avoid unnecessary erosion of the tax base through tax incentives, by undertaking research to ascertain empirical outcomes to existing incentives</li> <li>2. Conduct periodic review of tax incentives to ensure relevance and effectiveness</li> <li>3. Seek to publish a periodic investor related tax incentives manual for information sharing purposes</li> <li>4. Develop and implement county policies that incentivize investors in developing human capacity of the domestic labor force. They may include incentives to encourage employers to invest in training, capacity building and knowledge transfer, paying attention to</li> </ol> | KCIU in collaboration with Kenya Revenue Authority and KenInvest | 2019 | <ul style="list-style-type: none"> <li>• Publish County investor incentives</li> <li>• Completed RIA</li> <li>• Define Incentives framework</li> </ul>                                       |

|                    |                    |  |                                 |                       |  |
|--------------------|--------------------|--|---------------------------------|-----------------------|--|
|                    |                    | <p>the special needs for youth, women and other vulnerable groups</p> <p>5. Undertake mandatory Regulatory Impact Assessment (RIA) on any law/ by-law, regulation proposed at the county as well as at national level. The RIA will provide a detailed and systematic appraisal of the potential impacts of the new regulation/legislation/by-law the county or national government action impacting on business in order to assess whether the action is likely to achieve the desired objectives. This shall apply across the board</p>  |                                 |                       |  |
| 6.Sector Framework | Restricted Sectors | <p>1. <b>Restricted List</b> – The KCIC shall publish a list of restricted sectors on the counties website and on any promotional materials which comprehensively layout Kajiado County Investment Policy. This list shall be generated by the KCIC in its periodic reviews of the investment climate.</p> <p>2. <b>Review:</b> Every three years, the KCIC will update and publish the list on sensitive and restricted sectors.</p> <p>3. <b>Exemptions:</b> County assembly and by extension national Parliament may grant exemptions from this policy upon recommendation of the KCIC for investors seeking to make significant investments in priority sectors within the county. Current investments</p> | KCIU in collaboration with KCIC | 2108/2019 and ongoing | <ul style="list-style-type: none"> <li>List of restricted sectors</li> </ul> |

|                               |                                   |   |                                 |      |  |
|-------------------------------|-----------------------------------|---|---------------------------------|------|--|
|                               |                                   | that would otherwise be restricted under this policy shall be grandfathered in as of the enactment of the policy except in instances where such investors wish to expand their investment after policy enactment.   |                                 |      |  |
| 7. Institutional Architecture | KCIC establishment                | <ol style="list-style-type: none"> <li>1. To advise the County Government on ways to increase investment and economic growth in the county; and</li> <li>2. To promote co-operation between public and private sectors in the formulation and implementation of county policies relating to investment and economy</li> </ol>   |                                 |      |  |
|                               | Kajiado County Investment Council | <ol style="list-style-type: none"> <li>1. The County Government must ensure that KCIC has adequate resources to actively provide pre – and post – investment support to various investors willing to invest in the county as well as those already operating in the county</li> <li>2. To avoid different units within the county contacting the same investor without coordination, and to ensure that the county government is appraised of the potential investment opportunities;                     <ol style="list-style-type: none"> <li>a) The KCIU will maintain a database of all contacts established with current and potential investors</li> <li>b) The KCIU will also formulate a file of all investment concepts from potential investors</li> </ol> </li> </ol> | KCIU in collaboration with KCIU | 2018 | <ul style="list-style-type: none"> <li>• Ensure KCIC is fully funded</li> <li>• Participate in annual forums</li> <li>• Establish an Investor database.</li> </ul> |



|                           |                                     |  |  |                                   |   |
|---------------------------|-------------------------------------|--|--|-----------------------------------|---|
| Municipal Investment plan | Establish Municipal Investment plan | <ol style="list-style-type: none"> <li>1. Develop Ngong Municipal Investment plan</li> <li>2. Develop Kajiado Central Municipal Investment plan</li> </ol> | <ol style="list-style-type: none"> <li>1. Ngong Municipal manager</li> <li>2. Kajiado Municipal Manager</li> </ol> | <p>June 2018</p> <p>June 2018</p> | <p>Ensure Municipal Investment plans are developed as per World Bank requirements</p> |
|---------------------------|-------------------------------------|--|--|-----------------------------------|---|

