



# **GOVERNMENT OF MAKUENI COUNTY**

## **MAKUENI COUNTY TRADE AND INVESTMENT POLICY**

**2020**

**Submitted to the County Executive Committee by:-**

Eng. Sebastian Kyoni,  
County Executive Committee Member – Trade, Industry, Tourism & Cooperatives  
Development.

.....  
Signature

.....  
Date

**APPROVAL**

This Makueni County Trade and Investment Policy, 2020 is hereby approved by  
the County Executive Committee during the ..... meeting held  
on.....

Signed:.....  
Governor/Deputy Governor

Name:.....

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## **FOREWORD**

The advent of devolution presents a huge opportunity for economic growth and development driven by intra and extra county trade. In the County Government of Makueni (CGM), the Department of Trade, Industry, Marketing and Tourism and Cooperative Development is mandated to develop and enhance trade and investment opportunities in the County for improved livelihoods. Trade and investment play a key role in reducing poverty and improving the livelihoods of the people in Makueni.

The strategic location of Makueni County along major infrastructure corridors connecting Nairobi and Mombasa Cities presents a huge and unexploited trade and investment potential. The Standard Gauge Railway (SGR), The Nairobi-Mombasa highway and major power transmission lines are key infrastructural installations, which in addition to the expansive and relatively flat terrain land present opportunities for investment. Moreover, the high potential for agricultural produce and related products present an opportunity for agricultural value addition and trade. The major products traded are livestock and related products, fast moving consumer goods as well as fresh produce including fruits, vegetables and cereals.

Despite the potential for trade and investment, inadequate trading policies and related regulatory frameworks have impeded trade and trade facilitation in Makueni County. Against this background, the gap in policy and regulatory framework, presents an opportunity to identify and implement strategies that will lead to full exploitation of the trade and investment potential in the County.

This policy identifies key challenges facing the sector and spells out specific interventions to address them as well as presenting a raft of measures that will strengthen our institutional capacity and put in place mechanisms for coordinated approaches in developing the sector. The policy was developed in close consultation with various National and County government agencies as well as development partners hence it recognizes the role each of these stakeholders play in effectively addressing the trade and investment needs of the County. It finds anchorage in relevant National and our County laws and legislation and is aligned to the wishes and aspirations of our development partners and stakeholders. The policy further provides for a clear mechanism in coordination of County agencies in addressing the trade and investment agenda. Going forward, it is expected that all efforts in tackling trade and investment matters will be harmonious and focused to deliver more and better results. Being an output of a comprehensive and consultative process, the Makueni County Trade and Investment Policy aims to meet and even exceed the needs and expectations of all involved in achieving the set goal.

The policy measures set out in this policy are a commitment to uplift the County to growth and prosperity and shall be a call to duty for the concerned staff. I congratulate all those who spend long hours in researching and putting this document together. It is now time to get to work and turn the policy pronouncements into solid action for the transformation of Makueni County.

Eng. Sebastian Kyoni,  
**County Executive Committee Member – Trade Industry Tourism & Cooperatives  
Development**

## **ACKNOWLEDGEMENT**

The Trade and Investment Policy was prepared with the overall leadership and visionary guidance of H.E. Prof. Kivutha Kibwana, EGH, the Governor, H.E. Adelina Mwau, the Deputy Governor, and Mr. Benjamin M. Mutie, the County Secretary, Makueni County. I wish to thank you most sincerely for the leadership and guidance you have provided without which this policy would not have been achieved.

Special acknowledgement goes to Eng. Sebastian Kyoni, the County Executive Committee Member in charge of Trade, Industry, Marketing, Tourism and Co-operative Development for his input and tireless efforts in supporting the preparation of the policy. Specifically, I thank the legal team led by Fridah Ng'alu, the Service Delivery Unit Chairperson Dr. Musyoka Philip and member Mr. Marselis Kioko, the Monitoring and Evaluation team led by Redempta Kavindu and Meshack Musyoki (County Liaison Officer) for the technical support accorded to the department.

The overall coordination process was spearheaded by the Directorate of Trade and Industry led by Mr. Harrison Kiandiko (Director Trade and Industry) and Esther Kivindyo (Director Co-operatives). Further appreciation goes to the members of the task force who included Gloria Mulwa (Chief Liaison Officer), Jacinta Pius (Assistant Director Internal Trade), Joseph Maingi (Senior Protocol and PR Officer), Habil Olembo (Senior Co-operatives Officer), Amos Luvai (Senior Weights and Measures Officer), Winfred Musyoka (Industrial Development Officer), Eunice Munywoki (Tourism Officer), Janet Waeni (Tourism Officer) and Nathan Wahome (Departmental Economist). Your tireless effort in populating, reviewing and finalizing this policy is very much appreciated.

Acknowledgements go to all the members of the Government of Makueni County family for the ideas shared and cooperation throughout the process.

Lastly, I acknowledge the productive comments, criticism and valuable input from various consultative forums held during the process of drafting this document. Specifically, I thank the consultants whose contributions were quite invaluable.

Jonah Kyathe

**Chief Officer – Trade, Industry, Marketing, Tourism and Co-Operative Development**

# **1. CHAPTER ONE**

## **1.1. INTRODUCTION**

Trade and investment play a significant role in a country's growth and development through their linkages with all the sectors of the economy by creating markets through which goods and services get to the consumer. Trade also plays a critical role in poverty reduction through employment creation in informal, retail, and wholesale trade and provides MSMEs with opportunities of accessing more favourable prices in markets thereby ensuring equitable income distribution.

The integration, linkage and synergy of both local and international trade policies are important ingredients in achieving the overall aim of making Kenya a competitive and efficient market and export-oriented economy. Kenya's producers including at the county level will be internationally competitive if they operate in efficient and well-organized domestic market conditions as the competitive challenge in the home market is a stimulus to preparation for exporting.

With respect to trade, county governments have constitutionally been assigned functions relating to the development and regulation of markets, trade licensing, and fair trade practices inter alia. At the county level, trade contributes immensely towards economic development through creation of sustainable livelihoods by way of employment opportunities, increased household incomes, and enhanced ability to afford health services, education and basic needs.

Within the aegis of trade, the County Government of Makueni commits to economic and political transformation aimed at building a modern and prosperous county hinged on a trade and investment sector that guarantees openness to trade, investment and commerce as well as well as guaranteeing equality of opportunities. This is because there are larger benefits that accrue from opening up to trade and its impact on income and welfare of the people of Makueni County.

Therefore, to better articulate a coherent approach to trade development within Makueni County, the Trade and Investment Policy (hereinafter referred to as "the policy") addresses trade gaps, pays attention not only to the quantity of trade but also to the quality of trade.

The policy also takes cognizance of the existing policies at the national level and strives to define a policy environment that facilitates the development of trade and trade infrastructure within Makueni County. This will be achieved through creation and diversification of markets, development and enhancement of productive capacities with focus to value addition and employment creation. Further, it highlights constraints and challenges in county trade and investment within the context of existing policies, identifies objectives and strategies aimed at enhancing the opportunities for trade and investment within the county whilst leveraging on the opportunities that National Vision 2030, Makueni Vision 2025 and the County Integrated Development Plan (CIDP) 2018 – 2022 have to offer. The policy shall be a point of reference for all strategies aimed at the development and improvement of trade and investment in Makueni County.

## **1.2. SITUATIONAL ANALYSIS**

Trade is crucial for it impacts on the flow of ideas, knowledge and technologies and is linked with the discovery of new ways of doing things, in both production and consumption. Trade enhances business productivity, encourages investments, stimulates MSMEs growth, increases competitiveness, addresses market distortions, encourages value additions and diversification, and improves market access.

In recognition of the vital nature and importance of trade, the Makueni Vision 2025 identifies trade as a key pillar in achieving socio-economic development through the implementation of the following strategic interventions:

- Enhancing the growth of SMEs to boost entrepreneurship skills and ensure market linkages for County producers;
- Developing commerce and industrialization and increasing the level of private investment to create employment opportunities among youth population in the County;
- Promoting marketing and enhancing innovation to attract local and foreign investors through serviced business parks;
- Enhance consumer protection capacity to protect the consumers in Makueni County;
- Promote access to business finance to enhance financial intermediation across the County

- Commercialization of agricultural value chains through reduction of production costs;
- Continuous and extensive marketing of available investment opportunities; and
- Creation of a regional economic block and promotion of public-private partnerships.

Further, the County Integrated Development Plan (CIDP) 2018 – 2022 recognizes trade as a critical economic enabler to achieving Makueni County’s development agenda through:

- Provision of platforms and opportunities at County level for business empowerment
- Socio-economic development through enhancement and development of market infrastructure and enhanced consumer protection
- Promoting and enhancing industrial sector growth through development of industrial development parks and incubation centres
- Strengthening market governance structures.

In the promotion of growth and development of trade, investments, marketing and industrialization, the Government of Makueni County has endeavoured to deliver on the following aspects of trade:

- Business empowerment including financial inclusion;
- Private Sector Development for purposes of enhanced trade and development;
- Promotion of ease of doing business, investment promotion and trade facilitation;
- Enhancement of fair-trade practices and consumer protection;
- Promotion of retail and wholesale markets;
- Review and enhancement of the sectoral legal and regulatory framework;
- Product development and standardization.
- Establishment, management and effective regulation of public markets;
- Marketing of the county and county products;
- Development of Special Economic Zones;
- Promotion of cottage industries and the *juakali* sector.

Agricultural produce and products constitute the bulk of trade in Makueni County and they comprise of; the sale of livestock and livestock products, animal feeds, apiculture products, fish,



fresh produce including fruits, vegetables and cereals. Value addition of these products is minimal.

The value-added products that are traded in the County include clay products such as clean-stoves, *juakali* fabricated products especially farm implements and household tools, sisal and cotton products, handicraft products as well as timber and timber products.

The natural resources traded in the County include; sand, clay, charcoal, timber and ballast. However, trade in these natural resources is largely unregulated, negatively impacting the environment through degradation and leads to loss of government revenue.

With the advent of devolution leading to increased demand for physical infrastructure, trade in hardware products has substantially increased in the County.

Imported manufactured products largely from China and other international origins are also significantly traded within the county. These include assembly and trade in motor vehicles, parts accessories, electronics and household goods. Retail, wholesale and distribution of fast-moving consumer goods is also significant.

With regards to industrial development, the County has invested in agro-processing facilities such as Makueni Fruit Processing plant, Kikima Dairy Cooperative Society Ltd, Makiou Dairy Cooperative Society Ltd, Kaiti Dairy Value Chain Cooperative Ltd, Kathonzweni Dairy plant, Kitise Poultry Plant, Makueni Bulk Grain Handling plant and Konza South Milling Plant.

Significant private sector led investment initiatives in the county include; Makueni Ginnery, Makindu Motors Vehicle Assembly, Subati Agricultural Farm, Rea Vipigo Holdings – Dwa Estate among others. The County economy has also experienced significant investments in the service industry such as in the education, health, hospitality and transport sectors. This notwithstanding, the available opportunities for private sector led investments initiatives is greatly underexploited. This policy shall provide a means through which further investments may be realized.

Marketing remains a key enabler to agricultural production and trade in Makueni County. Postharvest losses have remained high and a constraint to the growth of Makueni County

economy. Despite efforts by the county Government to facilitate a conducive trading environment, the current market situation in the County is characterized by trade distorting practices, inadequate market information and offering of uncompetitive goods in the market.

This policy seeks to engrave marketing as a key strategy in enhancing trade and investment in Makueni County.

The Government of Makueni County in collaboration with the national government has led initiatives to attract both Local and Foreign Direct Investments. This policy will provide a structured approach to attract and retain investments destined for the County.

Guided by the Makueni Vision 2025 and CIDP 2018-2022, the Government of Makueni county has undertaken the following notable interventions in an effort to create a friendly trading environment;

*Table 1: Notable Achievements*

| Program              | Interventions  |
|----------------------|--|
| Trade Infrastructure | <p>The County has endeavoured to provide a conducive working environment for various categories of trade by constructing 37 trade infrastructures spread across all the 6 sub counties. The trade infrastructural facilities include:</p> <ul style="list-style-type: none"> <li>- Home craft and handcrafts centres such as Emali and Kiboko.</li> <li>- Recreational, cultural and heritage centres such as Makongo View Point, Muukamba Cultural Centre and Kalamba Historical Site.</li> <li>- Market sheds and open-air markets such as Wote <i>Maririki</i>, Nunguni Market Shed, Kasikeu Market Shed, Kibwezi market shed, Kambu Market Shed and Kalawa Market Shed.</li> <li>- 165 modern market stalls in Nunguni and Emali bus parks.</li> <li>- Stockyards across the county such as in Kitise, Kilala, Kambu, Kalawa among other markets.</li> <li>- Numerous bodaboda sheds in all sub-wards across the county</li> </ul> |

|                     |  |
|---------------------|--|
| MSME Development    | Since 2013, 473 MSMEs have been trained in entrepreneurship and basic business operation skills.   |
| Consumer protection | <ul style="list-style-type: none"> <li>- Establishment of the first phase of the County Consumer Protection Unit. It encompasses legal metrology, trade descriptions and labelling of goods.</li> <li>- Inspection 6,770 weighing and measuring equipment, verification of 35,200 weighing and measuring equipment.</li> </ul>                   |
| Support to MSMEs    | <ul style="list-style-type: none"> <li>- Since 2013, the department has set aside Ksh. 25,800,000 through Tetheka Fund to provide business financing to MSMEs.</li> <li>- The Government of Makueni has also supported the MSMEs through provision of 2 lorries for transport to Makueni County hawkers at a cost of Ksh. 10,000,000.</li> </ul> |

### 1.3. CHALLENGES

As it is in the regional and national markets, trade and industrialization in the county of Makueni faces a myriad of challenges that include the following:

1. Inadequate policy and institutional framework on fair trade practices, investment, retail and wholesale trade.
2. Poor state of infrastructure which limits investments and trade in the county.
3. Limited access to affordable business financing
4. Inadequate business management and entrepreneurial skills
5. Inadequate trade facilitation
6. Low levels of industrial development, low value addition and inaccessibility of land for industrial development
7. High cost of doing business
8. Weak market access, market linkages and marketing
9. Weak governance in public markets.

## 2. CHAPTER TWO

### 2.1. POLICY OBJECTIVES AND STRATEGIES

In view of the foregoing, the County of Makueni has remarkable potential for becoming an integral player in the regional and global economy. The county's trade competitiveness largely remains at stake due to unexploited productivity potential, underdeveloped infrastructure, ineffective legal and regulatory framework, limited access to credit, ineffective collaboration and coordination between government departments, inter alia. It is therefore important for the county government to put in place structures and systems that effectively and efficiently support all trade and investment related processes.

#### 2.1.1 Inadequate policy and institutional framework on fair trade practices, investment, retail and wholesale trade.

Trade is a devolved function that had been constrained due to lack of a legal and regulatory framework for ease of doing business.

**Policy objective:** Providing an enabling legal and regulatory framework to support growth and development of trade in the county.

**Policy strategies:**

- a. The County Government shall develop an enabling and facilitative legal and regulatory environment for trade and investment in the county.
- b. The County Government shall implement and enforce the enacted legal and regulatory framework to facilitate trade in the county.
- c. Competitive and fair-trade practices shall be encouraged through specific provisions in the legal and regulatory framework for trade and investment.
- d. The County Government shall promote competitiveness of trade in the county through harmonization of inter-departmental linkages in business licensing.
- e. The County Government shall collaborate with the National Government to establish a one stop office for accessing all National and County Governments' business information and licenses for investments, distribution, wholesale and retail trade.

- f. The County Government shall enhance governance and compliance through coordinated communication with the National Government, County Government agencies, stakeholders and traders.
- g. The County Government shall collaborate with the National Government agencies to ensure that all products and services offered in the County or imported for consumption, meet the prescribed standards on quality, quantity and other requirements as per the applicable legislation.

### **2.1.2 poor state of infrastructure that limits investments and trade in the county**

Infrastructure plays a key role in promotion of trade and investment. In Makueni County, infrastructure is largely underdeveloped thus limiting trade.

**Policy Objective:** The County Government in collaboration with National Government Agencies, the private sector and other stakeholders will ensure the improvement and development of infrastructure to provide an enabling environment for investment and trade.

#### **Policy strategies:**

- a. Promote Public-Private Partnerships (PPPs) in the development and maintenance of markets and general trade infrastructure;
- b. Build new and rehabilitate the existing market infrastructure;
- c. Promote, through collaboration with other county governments, the development of cross border markets and support infrastructure;
- d. Promote fair trade practices in the access of market infrastructure and business opportunities through private sector driven regulatory framework that ensures and guarantees inclusivity and fairness in access of established markets for business and,
- e. Promote innovation and use of Information and Communication Technology (ICT) in trade.

### **2.1.3 Limited access to affordable business financing**

The growth and development of businesses within the county is hampered by limited access to affordable business finance occasioned by high loan interest rates coupled with lack of collateral.

There is also the challenge of an effective system of credit that enables businesses to acquire goods on credit.

**Policy Objective:** Promote access to affordable business financing.

**Strategies:**

- a. Establish a trade financing facility for provision of affordable business loans to business start-ups and traders.
- b. Collaborate with financial institutions in provision of affordable trade finance.
- c. Enhance financial literacy among MSMES and traders to cultivate a savings culture through organized structures such as SACCOs.
- d. Promote the use of local produce and products to qualify as credit collateral
- e. Facilitate the formation of community owned financial institutions and intermediaries such as micro-finance institutions.

**2.1.4 Inadequate business management and entrepreneurial skills**

Lack of business management and entrepreneurial skills is prevalent among most traders within the county. In most occasions, business related decisions are not guided by business management best practices.

**Policy objective:** To increase business management and entrepreneurial skills in MSMEs.

**Strategies:**

- a. In collaboration with other stakeholders, seek to involve rural farmers, traders, exporters, women groups, business associations, MSMEs and other relevant players in all trade related capacity building and training for trade development.
- b. Establish of a county business incubation centre to nurture nascent businesses with main focus on cottage industry.
- c. Develop human skills and competencies for government personnel with particular attention to MSMEs.
- d. Enhance skills acquisition and technology transfer at the local level for MSMEs with limited access to economic information.

### **2.1.5 Inadequate trade facilitation.**

Trade facilitation has the connotation of simplifying and harmonising trade procedures such as trade licensing or attracting local investments. In this context, procedures refer to activities (practices and formalities) encompassing the collection, presentation, communication and processing of data necessary for trading.

**Policy Objective:** Development and improvement of infrastructure, documentation and harmonisation of trade procedures.

#### **Strategies:**

- a. Harmonize the function of trade development and regulation to streamline trade and investments in the County.
- b. Establish a trade customer service desk responsible for providing or facilitating access to trade related information and documents.
- c. Develop procedures that guide on investing in the county.
- d. Carry out continuous private sector engagement.

### **2.1.6 Low levels of industrial development, low value addition and inaccessibility of land for industrial development**

Makueni County has a low level of industrial development resulting from untapped industrial raw materials and low value addition.

**Policy objective:** To provide suitable investment environment for both local and international investors to support County industrial growth, the County Government will;

#### **Strategies:**

- a. Promote provision of incentives to investors to stimulate industrial growth.
- b. Promote value addition of Makueni products.
- c. In collaboration with relevant stakeholders, map out suitable land for industrialization and have the land titled.
- d. Collaborate with national Government and other stakeholders to promote

### **2.1.7 High cost of doing business**

A generally high-cost business environment has hindered the actualization of trade potential for the County. Among the key constraints limiting trade growth include high cost of business premises and high cost of overheads.

**Policy objective:** To promote development of an affordable business environment.

**Strategies:**

- a) Promote proper planning of retail business zones and offer supportive infrastructure, services and amenities.
- b) Promote investment in business parks.
- c) Support provision of business incubation infrastructure.
- d) Develop affordable public market infrastructure.
- e) In collaboration with relevant stakeholders, promote use of green energy, waste to energy and rain water harvesting initiatives

### **2.1.8 Weak market access, market linkages and marketing**

Trade in Makueni County is affected by weak access to markets and market linkage systems manifested by the heavy reliance on brokers for supplies. The situation is further worsened by lack of information on available markets and access to the same. Enhancing the current markets linkages is critical and a priority in efforts geared towards sustainable development of the sector.

**Policy objective:** Develop vibrant market access and market linkage initiatives.

**Strategies:**

- a. Establish a trade inquiry desk and online marketing system to enhance access to market information and product pricing.
- b. Support an innovation, research and development ecosystem that enables the development of competitive and diversified products, systems and services.



- c. Promote produce transport facilities, warehousing and fresh produce storage facilities.
- d. Establish product-based markets based on product categories and provide trade facilitation to enhance competitiveness;
- e. Promote County zoning according to competitive and comparative advantage to enhance agricultural production and marketing;
- f. Enhance visibility of county produce and products through investors conferences, trade fairs and exhibitions;
- g. Promote federation of business entities within value chains in order to strengthen the value chain management;
- h. Promote product diversification and value addition for competitiveness and reduced post-harvest losses

### **2.1.9 Weak governance in public markets.**

Market management committees are vital in ensuring that market users' needs are well articulated in policy making decisions. These committees are important in maintaining and managing public markets as well as supporting the enforcement of laws related to market management.

**Policy objective:** To promote effective governance of public markets, the county government will;

#### **Strategies:**

- a. In collaboration with all relevant stakeholders, develop and implement a legal framework for the governance of public markets.
- b. In collaboration with other stakeholders, enhance the capacity of market governance committees.
- c. In collaboration with other stakeholders, conduct public awareness and civic education on the role of the management committees and the responsibility of the public in the operations of public markets.
- d. In collaboration with all relevant stakeholders, identify and designate demand driven market days

- e. In collaboration with all relevant stakeholders, plan and safeguard public land within the markets
- f. In collaboration with the market management committees, enforce proper use and maintenance of market infrastructure and ensure environmental conservation
- g. Lobby market management committees to support all government initiatives pertaining to specific markets.

### **3. CHAPTER THREE**

#### **3.1 ACTORS AND STAKE HOLDERS ROLES AND/OR RESPONSIBILITIES**

##### **3.1.1 THE GOVERNMENT OF MAKUENI COUNTY**

The Government of Makueni County remains the principal stakeholder in the formulation and implementation of this policy. Her roles include:

- a. Identifying need for initiating the process of policy formulation.
- b. Providing leadership to all stake holders in determining the content of the policy.
- c. Ensuring stake holders support in the whole process.
- d. Ensuring periodic and necessary policy updates and reviews.
- e. Aligning county policies to the National Government policy framework.

Additionally, the County Government of Makueni shall also pursue the following initiatives to promote industrial development in the county and speed up the process of realization of the Vision 2030 and Makueni Vision 2025 by:

- a. Maintaining a stable political and economic climate that generates business confidence, protects property rights and upholds the rule of law and administration of justice;
- b. Providing institutional support to businesses and producers in the development of competitive products;
- c. Providing administrative and social services, such as education and training, and health through partnership with the private sector. Where possible, beneficiaries of such social services will be called upon to contribute towards their provision;
- d. Providing and maintaining basic trade infrastructure at reasonable cost to consumers. Involvement of private sector operators in the provision and management of infrastructure will be encouraged;
- e. Catalysing increased county investments through new industries and continuous flow of new foreign direct investments into the county. In pursuance of this, specific policy objectives, strategies and flagship projects have been designed to create inter-industry linkages, development of small-scale industries through linkages, subcontracting, and entrepreneurship development among others; and

- f. Enhancing the participation of civil groups and private sector organizations in the decision-making process by encouraging regular dialogue.

### 3.1.2 THE BUSINESS FRATERNITY

Both individual and organised groupings – These are key stake holders in this policy. Their roles include:

- a. Probing the government in appreciating the need for the policy; and
- b. Supporting the formulation and implementation of the policy.

### 3.1.3 THE GENERAL PUBLIC

The general public is always affected by government policy directly or indirectly. Citizen roles and responsibilities include:

- a. Supporting the government through the process;
- b. Checking the government to ensure full adherence to the policy; and
- c. Owning the policy.

### 3.1.4 INTERNATIONAL BODIES AND OTHER ORGANISED INSTITUTIONS

Their roles and responsibilities include:

- a. Providing product standards applicable in the international markets;
- b. Supporting the government through the process; and
- c. Checking the government to ensure full adherence to the policy.

### 3.1.5 NATIONAL GOVERNMENT

Its roles and responsibilities include:

- a. Research
- b. Development of standards
- c. Providing an alternative mechanism in the absence of a policy in the County Government;

- d. Supporting the county government through the process; and
- e. Enforcement of adherence to the policy and other relevant national policies.

## **4. CHAPTER FOUR**

### **4.1 POLICY IMPLEMENTATION, EVALUATION AND REVIEW MECHANISM**

#### **4.1.1 IMPLEMENTATION STRATEGY**

This policy will be implemented through periodic implementation strategies or plans drawn by the County Government to implement specific policy measures that are in line with its role and responsibilities on matters pertaining to trade and investment. The County Government shall be responsible for resource mobilization and fundraising towards the implementation of the policy as well as providing periodic implementation guidelines.

The implementation strategy is as per the annexed matrix.

#### **4.1.2 MONITORING AND EVALUATION:**

Systematic monitoring and evaluation are essential for policy assessment. The overall responsibility for the monitoring and evaluation of the policy implementation lies with the County Department responsible for matters relating to trade and investment, which the department shall work in close collaboration with all relevant stakeholders both at the national and county level.

Effective monitoring will depend on coordinated efforts and close cooperation between public institutions and the private sector in a relationship of enduring partnership. Clear definition of the specific roles of the different institutions in the course of monitoring and evaluating of this trade policy is a function of time and the process of learning that results from active implementation.

In addition, the monitoring system shall be established in order to:

- a. Provide a centralized hub of data to allow the stakeholders to utilize the data and incorporate the same into their planning processes and strategies.
- b. Conduct trend analysis and anticipate the growth of the sector over time.
- c. Identify the needs of the sector.

#### 4.1.3 POLICY REVIEW:

At the end of three years, the policy shall be reviewed against the problem statement, and the policy directives set out in this policy. A new problem statement and set of objectives will be determined by all stakeholders. Alternative forms of monitoring shall also be used such as surveys, focus group discussions and workshops.

## ANNEX

Table 2: Implementation Matrix

### IMPLEMENTATION MATRIX

| Policy Objectives   | Strategies   | Indicators   | Actors                      | Timelines |
|---|--|--|-----------------------------|-----------|
| <p><b>Objective 1:</b><br/>Providing an enabling legal and regulatory framework to support growth and development of trade in the county.</p> | <ul style="list-style-type: none"> <li>a. Develop an enabling and facilitative legal and regulatory environment for trade and investment in the county.</li> <li>b. Implement and enforce the enacted legal and regulatory framework to facilitate trade in the county.</li> <li>c. Encourage competitive and fair-trade practices through specific provisions in the legal and regulatory framework for trade and investment.</li> <li>d. Promote competitiveness of trade in the county through harmonization of inter-departmental linkages in business licensing.</li> <li>e. Establish in collaboration with the National Government, a one stop office for accessing all National and County Governments' business information and licenses for investments, retail, wholesale and distribution trade.</li> <li>f. Enhancing governance and compliance through coordinated communication with the National Government. County Government agencies, stakeholders and traders.</li> <li>g. Ensure that all products and services offered in the County or imported for consumption meet the prescribed standards on quality, quantity and other requirements as per the applicable legislation, in collaboration with national government agencies.</li> </ul> | Trade and investment related bills and regulations | County Executive Committee  | 2 years   |
| <p><b>Objective 2:</b><br/>The County Government in collaboration with National Government Agencies, private</p>                              | <ul style="list-style-type: none"> <li>a. Promote Public-Private Partnerships (PPPs) in the development and maintenance of markets and the general infrastructure;</li> </ul>  | Trade and investment related bills and             | County Executive Committee. | 3 years   |



|   |   |   |                                     |                |
|---|---|---|-------------------------------------|----------------|
| <p>sector and other stakeholders will ensure the improvement and development of infrastructure to provide an enabling environment for investment and trade.</p> | <ul style="list-style-type: none"> <li>b. Build new and rehabilitate the existing market infrastructure;</li> <li>c. Promote, through collaborating with other county governments, the development of cross border markets and support infrastructure; and,</li> <li>d. Promote fair trade practices in the access of market infrastructure and business opportunity through private sector driven regulatory framework that ensures and guarantees inclusivity and fairness in access of established markets for business.</li> <li>e. Promote innovation and use of Information and Communication Technology in trade.</li> </ul>   | <p>regulations.<br/>Trade infrastructure</p>  |                                     |                |
| <p><b>Objective 3:</b><br/>Promote access to affordable business financing.</p>   | <ul style="list-style-type: none"> <li>a. Establish a trade financing facility for provision of affordable business loans to business start-ups and traders.</li> <li>b. Collaboration with financial institutions in provision of affordable trade finance.</li> <li>c. Enhance financial literacy among MSMES and traders to cultivate a savings culture through organized structures such as Saccos.</li> <li>d. Promote risk management of local produce and products to qualify as collateral when seeking for financing.</li> <li>e. Facilitate the formation of community owned financial institutions and intermediaries such as micro-finance institutions.</li> </ul> | <ul style="list-style-type: none"> <li>- 1 government run trade financing facility.</li> <li>- Number of traders financed.</li> <li>- Number of traders trained in financial literacy.</li> <li>- Amount of credit accessed by local</li> </ul> | <p>Government of Makueni County</p> | <p>3 years</p> |

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|  |   | producers<br>- Number of community owned financial institutions.   |                            |         |
| <b>Objective 4:</b><br>To increase business management and entrepreneurial skills in MSMEs.                                | <p>a. The County Government in collaboration with other stakeholders will actively seek to involve rural farmers, traders, exporters, women groups, business associations, MSMEs and other relevant players in all trade related capacity building and training for trade development.</p> <p>b. Establishment of a county business incubation centre to nurture nascent businesses with main focus on cottage industry.</p> <p>c. Human skills development for government personnel with particular attention to MSMEs.</p> <p>d. Enhance skills acquisition and technology transfer at the local level for MSMEs with limited access to economic information.</p> | <p>- Number of MSMEs &amp; rural farmers trained.</p> <p>- 1 incubation centre established.</p> <p>- Number of staff capacity built.</p> | County Executive Committee | 3 years |
| <b>Objective 5:</b><br>Development and improvement of infrastructure, documentation and harmonisation of trade procedures. | <p>a. Harmonize the function of trade development and regulation to streamline trade and investments in the County.</p> <p>b. Establish a trade customer service desk responsible for providing or facilitating</p>   | <p>- An established Customer service desk.</p>   | County Executive Committee | 3 years |

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|  | <p>access to trade related information and documents.</p> <p>c. Develop procedures that guide on investing in the county.</p> <p>d. Carry out continuous private sector engagement.</p>  | <ul style="list-style-type: none"> <li>- Investment procedures developed.</li> <li>- Number of private sector actors engaged</li> </ul>  |                                     |                |
| <p><b>Objective 6:</b></p> <p>To provide suitable investment environment for both local and international investors to support County industrial growth.</p> | <p>a. The County Government will promote provision of incentives to investors to stimulate industrial growth.</p> <p>b. The County Government will promote value addition of Makueni products.</p> <p>c. In collaboration with relevant stakeholders, map out suitable land for industrialization and have the land titled.</p> <p>d. Collaborate with National Government and other stakeholders to promote industrialization in Makueni County</p> | <ul style="list-style-type: none"> <li>- An established trade enquiry desk for market information.</li> <li>- Number of fresh produce support facilities established.</li> </ul> | <p>Government of Makueni County</p> | <p>3 years</p> |

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|  |   | <ul style="list-style-type: none"> <li>- Number of product-based markets established</li> <li>- Number of new county products supported for exhibition.</li> <li>- Number of value-added products.</li> </ul> |                              |         |
| To promote development of an affordable business environment.                        | <ul style="list-style-type: none"> <li>a. Promote proper planning of retail business zones and offer supportive infrastructure, services and amenities.</li> <li>b. Promote investment in business parks.</li> <li>c. Support provision of business incubation infrastructure.</li> <li>d. Development of affordable public market infrastructure.</li> <li>e. In collaboration with relevant stakeholders, promote use of green energy, waste to energy and rain water harvesting initiatives</li> </ul> | Makueni County Investment Regulations   | County Government of Makueni | 2 years |
| <b>Objective 8:</b><br>Develop vibrant market access and market linkage initiatives. | <ul style="list-style-type: none"> <li>a. Establishment of a trade inquiry desk and online marketing system to enhance access to market information and product pricing.</li> <li>b. Support an innovation, research and</li> </ul>   | Supportive markets infrastructure   | County Executive Committee   | 3 years |

|   |  |                           |                                    |                |
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|   | <p>development ecosystem that enables the development of competitive and diversified products, systems and services.</p> <p>c. Promote produce transport facilities, warehousing and fresh produce storage facilities.</p> <p>d. Establish product-based markets based on product categories and provide trade facilitation to enhance competitiveness;</p> <p>e. Promote County zoning according to competitive and comparative advantage to enhance agricultural production and marketing;</p> <p>f. Enhance visibility of county produce and products through investors conferences, trade shows and exhibitions;</p> <p>g. Promote federation of business entities within value chains in order to strengthen the value chain management;</p> <p>h. Promote product diversification and value addition for competitiveness and reduced post-harvest losses</p> |                           |                                    |                |
| <p>To promote effective governance of public markets.</p> | <p>a. The county government will, in collaboration with all relevant stakeholders, develop and implement a legal framework for the governance of public markets.</p> <p>b. The County Government will, in collaboration with other stakeholders, enhance the capacity of market governance committees.</p>   | <p>Public Markets Act</p> | <p>Government of Makeni County</p> | <p>3 years</p> |

- c. The County Government will, in collaboration with other stakeholders, conduct public awareness and civic education on the role of the management committees and the responsibility of the public in the operations of public markets.
- d. The County Government will, in collaboration with all relevant stakeholders, identify and designate demand driven market days
- e. The County Government will, in collaboration with all relevant stakeholders, plan and safeguard public land within the markets
- f. The County Government will, in collaboration with the market management committees, enforce proper use of and maintenance of market infrastructure and environmental conservation
- g. The market management committees will support all government initiatives pertaining to specific markets