



**State Department
for Investment
Promotion**

**STRATEGIC PLAN
2023-2027**



September, 2023



State Department for Investment Promotion

STRATEGIC PLAN 2023-2027

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DEFINITION OF CONCEPTS AND TERMINOLOGIES

Bankable Projects: Refers to investment projects that are well packaged and are certain to attract investors

Baseline: An analysis describing the initial state of an indicator before the start of a project/programme, against which progress can be assessed or comparisons made.

Indicator: A means for measuring progress or change that results from an intervention. It measures a change in a situation or condition and confirms progress towards achievement of a specific result. It is used to measure a project impact, outcome, outputs and inputs that are monitored during project implementation to assess progress.

Investment Climate: A combination of policies, laws, procedures, structures and infrastructure within which investments operate,

Key Activities: Actions taken or work performed, through which inputs are mobilised to produce outputs.

Monitoring: A continuous assessment that aims at providing all stakeholders with early detailed information on the progress or delay of the ongoing assessed activities. It is an oversight of the activity's implementation stage

Key Results Areas: This is an outline of the organisation's areas of focus. It also refers to the general areas of outputs or outcomes for which an organisation's role is responsible.

Outcome Indicator: This is a specific, observable, and measurable characteristic or change that will represent achievement of the outcome. Outcome indicators include quantitative and qualitative measures. Examples: Enrolment rates, transition rates, mortality rates etc.

Outcome: The intermediate results generated relative to the objective of the intervention. It describes the actual change in conditions/situation as a result of an intervention output(s) such as changed practices as a result of a programme or project.

Output: Products, services or immediate results, tangible or intangible resulting directly from the implementation of activities or applying inputs

Programme: A grouping of similar projects and/or services performed by a Ministry or National/ County Department to achieve a specific objective; the programmes must be mapped to strategic objectives.

Project: A project is a set of coordinated activities implemented to meet specific objectives within defined time, cost and performance parameters.

Strategic Goal: General qualitative statements on what SDIP is hoping to achieve in the long term.

Strategic Issues: These are problems or opportunities emanating from situational analysis that SDIP has to address in order to fulfil its mandate and mission.

Strategic Objectives: These are what the organisation commits itself to accomplish in the long term; they establish performance levels to be achieved on priority issues and measures of success in fulfilling critical mission statement elements.

Strategies: Broad abstractions which are descriptive of the means for achieving the strategic objectives.

Target: A result to be achieved within a given time frame through application of available inputs.

Top Leadership: Individuals or groups of people who carry the vision of SDIP and are responsible for achieving its mandate including the Cabinet Secretary and Principal Secretary.

Value Chain: A description of the production-to-market linkages, generating value to the customer through efficient processes and procedures. Value chains are about understanding how creation of value is distributed along the chain.

ACRONYMS AND ABBREVIATIONS

AGOA:	African Growth and Opportunity Act
AFCFTA:	African Continental Free Trade Area
BETA:	Bottom-Up Economic Transformation Agenda
BMOs:	Business Management Organizations
COMESA:	Common Market for Eastern and Southern Africa
EAC:	East African Community
EPZ:	Export Processing Zones
EPZA:	Export Processing Zones Authority
FDI:	Foreign Direct Investment
GDP:	Gross Domestic Product
HIV/AIDS:	Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome
HoDs:	Heads of Departments
ICT:	Information, Communication and Technology
KEN/INVEST:	Kenya Investment Authority
KDC:	Kenya Development Corporation
KRA:	Key Result Area
LAN:	Local Area Network
MDAs:	Ministries, Departments and Agencies
PC:	Performance Contract
PSC:	Public Service Commission
SDGs:	United Nations Sustainable Development Goals
SDIP:	State Department for Investment Promotion
SEZ:	Special Economic Zones
SEZA:	Special Economic Zones Authority
SMEs:	Small and Medium Enterprises
TICAD:	Tokyo International Conference on African Development
UN:	United Nations
UNCTAD:	United Nations Conference on Trade and Development
UNIDO:	United Nations Industrial Development Organisation
USD:	US Dollar
WAN:	Wide Area Network



FOREWORD



It is my great pleasure to foreword the first Strategic Plan for the State Department for Investment Promotion (SDIP) since its establishment by the Executive Order No 2 of 2023. I take cognizance of the fact that Investment Promotion is an enabler of the national development priorities that include the Kenya Vision 2030, Bottom-Up Economic Transformation Agenda (BETA) and the Fourth Medium Term Plan as well as international commitments such as Africa Agenda 2063 and the UN Sustainable Development Goals (SDGs) among others.

In the medium term, SDIP seeks to increase the value of Foreign Direct Investments (FDI) from USD 500 Million in 2022 to USD 10B by 2027. This goal cannot be achieved without the development and implementation of sound strategies since investment attraction takes place in a competitive environment. This Plan therefore comes at the right

time to provide strategic direction towards the achievement of results during the first five year planning period.

The Plan is therefore at the centre of Kenya's journey towards sustainable economic transformation through increased private investments across the priority pillars of BETA namely: Agriculture, Micro, Small and Medium Enterprise (MSMEs) Economy, Environment and Climate Change, Housing, Digital Superhighway and Creative Economy and Manufacturing. The following strategic issues have been identified to be addressed in order to achieve the desired results: Business environment and investment climate; Investment product development, targeting and positioning; Investor-centric culture development and stakeholder engagement; and Institutional capacity development.

To achieve the strategic goals outlined in the Plan, SDIP will embrace the Whole of Government approach (WOGA) to ensure that the Ksh 5124.5 Million budget required for the implementation of the plan is available, the support needed to pass planned business and investment related legislative reforms is obtained and the continuous participation of Ministries, Departments and Agencies (MDAs) in development of bankable investments projects in all value chains is attained and sustained.

Lastly, I appreciate the good work done by the Principal Secretary State Department for Investment Promotion Mr. Abubakar Hassan Abubakar and his team in developing the Strategic Plan. I therefore urge all of us to focus our energies in the implementation of the Plan since it provides the framework for executing our mandate and tracking our performance towards making Kenya The Premier Investment Destination in Africa.

Hon. Rebecca Miano, EGH.
Cabinet Secretary
Ministry of Investments, Trade and Industry

ACKNOWLEDGEMENTS



The State Department for Investment Promotion Strategic Plan 2023-2027 has been developed to support the achievement of Kenya's vision of becoming the preferred investment destination in Africa. The development of the Plan has taken into consideration the fact that the UNCTAD World Investment Report of 2022 indicate that FDI inflows into Africa stood at USD83 Billion. FDI inflows to East Africa stood at USD8.2 Billion and into Kenya was USD759 Million. The data demonstrates the competitive nature of the environment under which SDIP has to work to attain its objectives.

The Issuance of 5th Generation Strategic Plan Guidelines by the State Department for Economic Planning set the stage for development of this Plan. SDIP then embarked on a consultative process that involved an in depth analysis and review of various documents including the Constitution of Kenya, Kenya Investment Policy 2019, National Investment Act 2004, Special Economic Zones Authority Act 2015, Export Processing Zones Authority Act 1990, The Bottom-Up Economic Transformation Agenda (BETA), Ministry of Industrialization, Trade and Enterprise Development Strategic Plan 2018-2022 among others. To ensure ownership within the state Department, sensitization of staff and representatives from SAGAs was undertaken at different times and views taken into consideration.

Building on the achievements realized previously, leveraging on lessons learnt and the national development priorities as well as the internal and external operating environment, the Strategic Plan focuses on seven (7) key result areas in the context of the value chain approach of the Bottom Up Economic Transformation Agenda (BETA) namely: Business and Investment Climate Reforms; Economic zones Development; Investment Products Development; Investment attraction and facilitation; Investor relationship management; Investment Stakeholder management ; and Operational Efficiency. The methodology adopted in this plan has ensured that the strategies developed are supported by the right structure, leadership, staff, systems, shared values and skills for effective implementation.

I appreciate the Cabinet Secretary, Ministry of Investments, Trade and Industry, Hon. Rebecca Mia-no EGH for her overall leadership and strategic direction throughout this process. My sincere gratitude also goes to Prof. Vincent Machuki, Member President's Council of Economic Advisors for providing valuable expert review of the plan and ensuring that it meets required standards. I also recognize and acknowledge the hard work put in by the technical committee under the leadership of David Waga.

Finally, I take this opportunity to assure all implementers of the plan my full support while on the same breath calling upon them to focus and ensure budgetary allocation and timely implementation and monitoring of the initiatives for the next five years. It is through this that we will realize our strategic objectives.

Mr. Abubakar Hassan Abubakar

Principal Secretary

State Department for Investments Promotion.



EXECUTIVE SUMMARY

The State Department for Investment Promotion Strategic Plan (2023-2027) has been prepared to provide strategic direction in implementation of priorities in the Kenya Vision 2030, the Medium-Term Plan IV, and the Bottom-Up Economic Transformation Agenda (BETA) as well as international commitments such as UN Sustainable Development Goals (SDGs) and AU Agenda 2063. The process has been guided by the Revised Guidelines for Preparation of the Fifth- Generation Strategic Plans issued by the National Treasury and Economic Planning and relevant sectoral policies and laws.

The Plan considers the successes, challenges and lessons learned so far during the implementation of the investment promotion function. SDIP key achievements include: Investments worth Kshs 230.852 billion attracted; ten (10) reforms on ease of doing business undertaken; Kenya International Investment Conference (KIICO) 2023 was hosted and attracted a total of 300 delegates; One Stop Shop Centre for investors completed and operationalized; Nine (9) new Export Processing Zones gazetted to increase the number of gazetted EPZs to 96 from 87 in 2021/22. Similarly, Nine (9) new Special Economic were gazetted bringing the total of SEZs to 25; and loans worth Kshs 1.6 Billion to SMEs issued. Challenges included: High cost of Energy; Multiplicity of licenses; and Limited Investment Spaces. Some of the lessons learnt that have informed strategy in the plan include: Flexible performance-based incentives such as special operating framework agreements attract more investments than the general incentives; The one stop centre provides an attractive investor facilitation facility than traditional regulator-based approach; Structured Public-Private sector dialogue engagements provide effective mechanisms for Business Climate Reforms and Transformation in the country; Public Private Partnerships in development of economic zones being more effective than GOK funding; and Targeting anchor investors was more effective in investor attraction than conventional investment promotion initiatives.

The situational analysis was conducted on both the internal and external environment of SDIP with a view of identifying macro environmental factors that affected implementation of the strategic objectives and strategies. The analysis also assesses SDIP's governance and administrative structures, internal business processes, resources and capabilities, as well as stakeholders to successfully deliver the strategies in the Strategic Plan 2023/2024 – 2027/2028. The outcome of this analysis has together with the review of other documents led to the identification of the following strategic issues: Business environment and investment climate; Investment product development, targeting and positioning; Investor-centric culture development and stakeholder engagement; and Operational Institutional capacity development and Institutional capacity strengthening.

The Vision of SDIP during the implementation of the Plan is to make Kenya the Premier Investment Destination in Africa. The guiding Mission for the first SDIP Plan is to coordinate promotion of local and foreign private investments into the Kenyan Economy through creation of a conducive and competitive business and investment climate for a sustainable transformed economy". The Plan outlines Seven Key Result Areas to achieve SDIP's Vision and Mission. These are: Business and Investment Climate Reforms; Economic zones Development; Investment Products Development; Investment attraction and facilitation; Investor relationship management; Investment Stakeholder management ; and Operational Efficiency.

The Plan proposes an effective implementation and coordination framework to ensure the achievement of the set strategic objectives. This includes a detailed implementation matrix which outlines which key activities are to be undertaken, when, by whom and at what cost for the objectives under each KRA to be achieved. In addition, to ensure that the strategies have requisite resources in terms of , skills and competencies, a detailed analysis of available versus optimal skills, competences, leadership structures, systems and procedures has been undertaken. All the activities in the plan have also been carefully costed giving a budget requirement of Ksh 5124.5 Million to implement for the five years.

SDIP has demonstrated the commitment to achieve the planned targets through thorough analysis of risks and putting in place a robust monitoring and evaluation framework for the plan. Some of the risks identified and mitigation measures formulated include: Delayed Exchequer Releases; Delayed filling/deployment of officers by PSC and Various Scheme managers; and Litigation. Monitoring of the plan will be undertaken based on the indicators and targets under each Key Result Area and as outlined in the Implementation Matrix. Midterm, End term and any ad hoc evaluation have been provided for in the M&E framework to provide information on achievement of strategic results, challenges and lessons learnt.



CHAPTER ONE INTRODUCTION

This chapter presents the critical role strategy will play in steering SDIP towards achievement of objectives. A brief description of the context within which this plan has been developed is also provided for clarity and linkage with national and international development priorities. Finally, the chapter explains the methodology adopted in the preparation of the strategic plan from initiation to finalization.

1.1 Strategy as an imperative for Organizational Success

The State Department for Investment Promotion is established by the Executive Order No 2 of 2023 to promote attraction of both local and foreign private investments into the Kenyan economy and position Kenya as a preferred investment destination in Africa. According to the UNCTAD World Investment Report of 2022 FDI inflows into Africa stood at USD83 Billion. FDI inflows to East Africa stood at USD8.2 Billion and into Kenya was USD759 Million. The data demonstrates the competitive nature of the environment under which SDIP has to work to attain its objectives. In addition, it indicates that Kenya must do more in order to attract FDI since only a small proportion of total FDI inflows to East Africa came to Kenya.

Secondly, the process of identifying and undertaking reforms in the investments and business climate requires a constructive engagements with multi agency teams in Government and stakeholders since the reforms cut across all sectors of the economy. The goal of SDIP is to increase FDI from USD 759 Million in 2022 to USD 10Billion by 2027. To be able to achieve this, clear sound, well thought out strategies have to be developed and implemented. Strategy will therefore play a critical role in creating a competitive edge for Kenya as an investment destination and ensuring that through a Whole of Government approach the investment and business climate becomes more competitive than other African countries.

1.2 The context of strategic planning

The development of the Plan has taken into consideration national development priorities as well as the international development frameworks that Kenya has committed to.

1.2.1 United Nations 2030 Agenda for Sustainable Development

SDIP through the implementation of this strategic plan will contribute to the achievement of the following sustainable development goals:

Goal 1. End poverty in all its forms everywhere: SDIP programs seek to attract both local and foreign private investments consequently creating employment opportunities, increasing household incomes and contributing to reduced poverty.

Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture: Through identification, prioritization, development and aggressive marketing of bankable projects in value chains such as Cotton, rice, tea, edible oils among others and agriculture sector in general SDIP is expected to immensely contribute to increased food production and reduced hunger.

Goal 3. Ensure healthy lives and promote well-being for all at all ages: SDIP through aggressive marketing of bankable investment projects in the health sector such as manufacturing of pharmaceutical products will contribute to healthy lives and well being directly through affordability of health products and indirectly through increased incomes.

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all: SDIP programs seek to market Kenya in targeted destinations and attract both local and foreign private investments consequently creating employment opportunities. In addition, development and operationalization of economic zones spurs investments for job creation consequently contributing to increased production and economic growth.



Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation: SDIP programs contribute to sustainable industrialization through attraction of investors to set up industries in Kenya's various sectors, setting up of economic zones where investors are incentivised and through investor aftercare.

Goal 13. Take urgent action to combat climate change and its impacts: Through this, plan, SDIP seeks to prioritize promotion of green investments to contribute to combating climate change

Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for

Sustainable Development: Through strengthened constructive engagements with both local and foreign Business Management organizations (BMOs) as well as international investments and Trade organizations such as UNCTAD, World Economic Forum, UNIDO, AFCFTA, SDIP contributes to revitalization of Global partnerships for sustainable development in Kenya.

1.2.2 African Union Agenda 2063

This is Africa's development blueprint that aims to achieve inclusive growth and sustainable socioeconomic development over a 50-year period (2013-2063). SDIP programs will contribute the achievement of the following aspirations:

Aspiration 1: A Prosperous Africa Based on Inclusive Growth and Sustainable Development

Goal 1.5 Modern Agriculture for Increased Productivity and Production: Through identification, prioritization, development and aggressive marketing of bankable projects in value chains such as rice, tea, edible oils among others and agriculture sector in general SDIP is expected to immensely contribute to increased agricultural production and productivity.

Goal 1.7 Environmentally Sustainable Climate and Resilient Economies and Communities: Through this, plan, SDIP seeks to prioritize promotion of green investments to contribute to combating climate change

Aspiration 6: An Africa Whose Development is People-Driven, Relying on the Potential of African People, Especially its Women and Youth

Goal 6.2 Engaged and Empowered Youth and Children: SDIP programs seek to market Kenya in targeted destinations and attract both local and foreign private investments consequently creating employment opportunities for the youth in Kenya whom according to statistics form the majority of unemployed population.

1.2.3 East Africa Community Vision 2050

The EAC Vision 2050 focuses on development pillars and enablers that will create jobs to absorb the expected expansion of workforce during the duration of the Vision 2050. The Plan will contribute to the achievement of objectives of the following pillars of the Vision:

Industrialization: SDIP programs contribute to sustainable industrialization through attraction of investors to set up industries in Kenya's various sectors, setting up of economic zones where investors are incentivised and through investor aftercare.

Agriculture, food security and rural economy: Through identification, prioritization, development and aggressive marketing of bankable projects in value chains such as rice, tea, edible oils among others and agriculture sector in general SDIP is expected to immensely contribute to increased food production and reduced hunger.

Natural resource and environment management: Through this, plan, SDIP seeks to prioritize promotion of green investments to contribute to combating climate change

Tourism, trade and services development: SDIP aims at increasing FDI, this is expected to boost trade and other services in the country.

1.2.4 The Constitution of Kenya

The Constitution provides the anchor legal framework upon which SDIP will ensure conducting investment and business climate through reforms. The devolved governance system provides an opportunity for SDIP to promote



counties as new frontiers for investments. In addition, Articles 10 and 232 of the Constitution defines important national values and principles of public service that will support establishment of requisite value system in SDIP towards achievement of set strategic objectives. The Constitution also establishes and provides a working mechanism for the three arms of government which will be expected to continue working harmoniously to support the planned strategic interventions.

1.2.5 Kenya Vision 2030, BETA and MTP IV

The Kenya Vision 2030 seeks to transform Kenya into a newly industrializing, middle-income country providing a high-quality life to all its citizens by the year 2030. The Vision identifies attraction of investments, both locally and internationally as one of the key drivers for economic growth in the country. Subsequently, the Fourth Medium Term Plan on implementation of the Kenya Vision 2030 identified two programs namely: Business and Investment Climate Reforms; and Investment attraction, retention, facilitation and enablement as key enablers aimed at setting stage for increased domestic and foreign investments.

The State Department plays a key role in the implementation of the Bottom-up Economic Transformation Agenda (BETA) through creating an enabling environment for attracting investments and identification, prioritization and development of bankable investment projects in all the value chains.

1.2.6 Sector policies and laws

The formulation of strategies in this plan will in addition to other factors be guided by the following policies and laws:

- i. **National Investment Policy 2019:** The Policy aims at supporting and stimulating private sector development by attracting high value added and inclusive investment that contributes to the country's economic diversification and ultimately to sustainable development. This plan therefore will prioritize strategies geared towards development of bankable investment projects and targeted marketing of the same.



- ii. **Investment Promotion Act, 2004:** The Act seeks to promote and facilitate investment by assisting investors in obtaining the licenses necessary to invest and by providing other assistance and incentives for related purposes. The Plan will therefore lay emphasis on investor facilitation by increasing efficiency in licensing and enhancing investor aftercare.
- iii. **Special Economic Zones Act 2015:** The Act provides for the establishment of Special Economic Zones (SEZs) in the Country, a flagship project under the Economic Pillar of the Vision 2030. The SEZ Programme is designed to improve Kenya's competitiveness as an investment destination. Through the SEZs, Kenya aims to boost competitiveness by ensuring regulatory and administrative predictability, quality industrial infrastructure and market access. The plan will therefore prioritize fast tracking development and operationalization of Special Economic Zones in the country.
- iv. **Export Processing Zones Authority Act 1990:** The Act establishes Export processing zones and the Export Processing Zones Authority; to provide for the promotion and facilitation of export oriented investments and the development of enabling environment for such investment and for connected purposes. This legislation will be key in facilitating strategies relating to improvement business environment and investment attraction.

1.3 History of the Organization

The investment promotion function in Kenya dates back to early years of independence where the Government formulated various strategies and policies in an effort to boost investment growth in the country. In 1964, the Foreign Investment Protection Act was passed to provide basic investor protection. This Act was enacted as a statutory guarantee to the protection of certain approved investments in the country. In 1982, the Investment Advisory and Promotion Centre was set up under the then Ministry of Finance. It was later converted to the Investment Promotion Centre (IPC) in 1986 through the Investment Promotion Centre Act, Cap 485 of 1986, with the mandate of promoting private investments in Kenya by both local and foreign investors.

In the year, 1990 the Export Processing Zone Act was enacted to provide for the establishment of export processing zones and the Export Processing Zones Authority; to provide for the promotion and facilitation of export oriented investments and the development of enabling environment for such investment and for connected purposes. The Act was amended in 1992 to empower IPC to issue a Certificate of General Authority to investments that have no policy, planning, security, health or environmental implication, and are not on the restricted list, viz mining, forest products, Manufacturing under Bond (MUB), Export Processing Zones, excisable goods, petroleum operations, tourism, ferries, insurance, banks, financial institutions and mortgages.

Kenya enacted the Investment Promotion Act, 2004 to promote and facilitate investment by assisting investors in obtaining the licenses necessary to invest and by providing other assistance and incentives for related purposes. The Special Economic Zones Act was enacted 2015 to provide for the establishment of Special Economic Zones (SEZs) in the Country, a flagship project under the Economic Pillar of the Vision 2030. The National Investment Policy 2019 was formulated 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.

The Executive Order No 2 of 2023 on the organization of the Government of the Republic of Kenya established the State Department for Investment Promotion (SDIP) under the Ministry of Investments, Trade and Industry to coordinate attraction, facilitation and retention of local and foreign private investments. The establishment of the State Department demonstrates the commitment of the Government in driving the country's economic transformation agenda through increased investments.

1.4 Methodology of developing the strategic plan

The Issuance of 5th Generation Strategic Plan Guidelines by the State Department for Economic Planning set the stage for development of this Plan. The Principal Secretary upon briefing by the Head of Planning established a technical committee on the development of the SDIP Strategic Plan, 2023-2027. The committee comprised of

members from all the departments and SAGAs in the State Department. The committee conducted desk reviews in consultation with all the departments and SAGAs and commenced the drafting of the Plan in teams. Technical committee meetings were held weekly to review progress and updates provided to the PS monthly. Documents reviewed by the technical committee included the Constitution of Kenya, Kenya Investment Policy 2019, National Investment Act 2004, Special Economic Zones Authority Act 2015, Export Processing Zones Authority Act 1990, The Bottom-Up Economic Transformation Agenda (BETA), Ministry of Industrialization, Trade and Enterprise Development Strategic Plan 2018-2022 among others.

The first draft strategic plan was presented to Heads of Departments for input to ensure that national priorities were well addressed. The State Department for Economic Planning issued Revised Guidelines for Preparation of the Fifth Generation Strategic Plans, 2023-2027. The guidelines integrates the priorities Bottom-Up Economic Transformation Agenda (BETA), provides a basis for effective implementation of the Fourth Medium Term Plans (MTP IV) and also addresses the evolving landscape and the challenges posed by the new economic dynamics requiring institutions to adopt ethos of delivering as one in the strategic plan efforts. This necessitated SDIP to review the Zero Draft Strategic Plan 2023/2024 - 2027/2028 to align with the revised guidelines. The revised guidelines introduced changes to the structure and content of the strategic plan, to address the changes, the technical committee held a working retreat in November and developed the second draft. The draft was presented to HODs for concurrence. A sensitization workshop for all staff of SDIP was undertaken to ensure that they all bear the vision of SDIP. The Draft was finalized and published for implementation with support from Kenya Year Book Editorial Board.



CHAPTER TWO STRATEGIC DIRECTION

This chapter provides a detailed description of the mandate, vision, mission, strategic goals and core values of the State Department for Investment Promotion during the Strategic Plan period. A quality policy statement demonstrating SDIP's commitment to its customers while implementing this plan is also contained in this chapter.

2.1 Mandate

The mandate of the State Department for Investment Promotion is to implement investment policy and coordinate promotion of private (foreign and domestic) investments into Kenyan economy and position Kenya as a preferred investment destination in Africa. Specific functions include:

- i. Investment policy and strategy;
- ii. Promote, both locally and internationally, the opportunities for investment in Kenya;
- iii. Promotion and Oversight of the Development of Special Economic Zones;
- iv. Coordinating the transformation of the Eco-system supporting private sector development;
- v. Development of a business reform agenda across the entirety of Government; and
- vi. Championing automation and re-engineering Government business and services processes.

2.2 Vision Statement

“The Premier Investment Destination in Africa”

2.3 Mission Statement

“To coordinate promotion of local and foreign private investments into the Kenyan Economy through creation of a conducive and competitive business and investment climate for a sustainable transformed economy”

2.4 Strategic goals

SDIP will seek to achieve the following strategic goals during the plan period:

- i. Enhance competitiveness of business environment and investment climate
- ii. Improve investment products, targeting and positioning
- iii. Enhance investor-centric culture and stakeholder engagement
- iv. Strengthen institutional operational capacity

2.5 Core values

Value	Description
1 Transparency and Accountability	SDIP will uphold transparency and accountability in service delivery.
2 Integrity	SDIP will adhere to corporate and moral values, act with honesty and fairness, and treat all internal and external stakeholders with respect and within the law.
3 Innovation and creativity	We will be original, flexible and more effective in creating value and growth in the investment sector and society at large.
4 Professionalism	All SDIP staff shall uphold high moral standards and competence in service delivery.
5 Inclusivity	SDIP will ensure all stakeholders are involved in key decision making processes



2.6 Quality policy statement

SDIP is committed to providing quality services to investors both local and foreign. The implementation of the quality policy will be monitored to generate feedback for continuous improvement in service delivery. The Quality Policy principles and objectives shall be communicated and made available to all members and staff.

CHAPTER THREE SITUATIONAL AND STAKEHOLDER ANALYSIS

This Chapter provides an analysis of SDIP's working environment to inform strategic choices for planning period 2023-2027. It details the key achievements, challenges, and lessons learnt during the implementation of the investment promotion function have therefore been summarized from various source documents and presented. The situational analysis was conducted on both the internal and external environment of SDIP with a view of identifying macro environmental factors that affected implementation of the strategic objectives and strategies. The analysis also assesses SDIP's governance and administrative structures, internal business processes, resources and capabilities, as well as stakeholders to successfully deliver the strategies in the Strategic Plan 2023-2027.

3.1 Situational analysis

3.1.1 External environment

3.1.2 Macro-environment

The strategic plan should outline initiatives that address factors which create a conducive environment for investments.

POLITICAL

Political stability: Kenya has had regular democratic elections with smooth transitions from one administration to another. This political stability is expected to continue throughout the 2023-2027 strategic planning period.

Political goodwill: The country's leadership led by His Excellency the President, has continuously championed Kenya's investment potential globally through diplomatic engagements.

Regional political integration: Kenya's strategic involvement in regional political integration, particularly as a member of the AfCFTA, COMESA and EAC is expected to enhance investor confidence.

Global geo-political issues: There is increasing interest in Africa as an investment destination as demonstrated by global forums such as TICAD, Saudi-Africa, China Belt and Road Initiative, AGOA, Russia-Africa Summit among others.

Devolution: Kenya's devolution, which involves the decentralization of governance and resources to county levels, is a critical aspect of the country's political landscape. The dynamics of devolution and local needs vary throughout the country.

Political pronouncements and policy changes: Vibrant democratic space provided by the Constitution, has led to increased political statements that influence investor decisions. It is expected that during the planned period, such pronouncements will be minimal.

ECONOMIC

GDP Growth Rate: The GDP growth rate stood at 4.8% in 2022 and is expected to grow to 5.2% in 2023. This growth trajectory is expected to be sustained throughout the plan period.

Interest Rates: The Central Bank rate dropped from 10% in 2017 to 7% in 2022. These rates are expected to remain favorable over the plan period.

Inflation: Kenya's inflation rate increased from 5.62% in 2020 to 9.1% in 2022. The rates are expected to ease during the planned implementation period.

Foreign Exchange Rate: The Kenya Shilling remained under pressure against the US Dollar from 103.41 in 2017 to 117 in 2022. The Shilling is expected to stabilize against the Dollar and other major foreign currencies during the plan period.



Tax Policy: Kenya's tax policy aims at enhancing fairness and equity in taxation as well as embracing international best practices in tax administration. Every year, the country enacts the Finance Acts at National and County level that introduce new taxation measures.

SOCIO-CULTURAL

Civil Societies: Kenya has a vibrant civil society that advocate for good governance and best practice.

Cultural Heritage: The richness of Kenya's cultural heritage provides a basis for investment in tourism and local creative arts. Economic potential of cultural assets, such as historical sites and traditional arts encourages investment in industries that promote both cultural preservation and economic growth.

Skilled Workforce: Education levels of the population underscores the potential for a skilled, well-educated workforce.

Youth Bulge: Youth in Kenya (15 to 34 years) constitute 35% of the total population.

Disease Burden: Kenya has not completely managed its health challenges with Malaria, HIV/AIDS, respiratory diseases, non-communicable diseases and waterborne diseases being responsible for the significant health morbidity.

African-Global Social Convergence: The family structures reflect broader societal changes. Recognizing the convergence of African and global family structures informs strategies for businesses targeting family-oriented markets. These dynamics contribute to market segmentation and product positioning.

Religious Practices: Kenya embraces diversity which promotes a tolerant religious landscape that respects various cultural and religious practices, fostering a harmonious business atmosphere.

Material Culture and Cultural Practices: Kenya's cultural diversity provides valuable insights for shaping marketing and product development strategies.

Security: The crime rate increased by 8.4% in 2022. This represented a decrease from a high of 16.7% in 2021. This trend is expected to continue over the plan period.

TECHNOLOGICAL

Core Technology: Kenya has a robust ICT infrastructure that has the capability of supporting adoption of core technology such as artificial intelligence (AI) and machine learning among others.

Technological Advancements: The speed and scale of technological disruptions in the present business and financial sectors such as e-commerce, mobile money payments, blockchain, fin-tech among others which have a profound impact on traditional businesses.

ECOLOGICAL

Climate Change: One of the significant impacts of climate change is the alteration of weather patterns. Kenya, like many regions globally, experiences shifts in temperature, precipitation, and the frequency of extreme weather events. These variations directly affect various economic sectors, especially agriculture, energy, and infrastructure.

Green and Circular Economy: Kenya is leading in green energy output in Africa (86%) and financing with the world's largest auction of voluntary carbon credits hosted in 2023. The government is promoting conservation of natural ecosystems and sustainable resource management.

Blue Economy Resources: Kenya has identified key sectors in the blue economy which include fisheries and aquaculture, maritime transport and logistic services and extractives (oil and gas, minerals and energy). It is estimated that the blue economy has the potential of injecting \$4.6 Billion in the next six years.

LEGAL

Constitution of Kenya 2010 and Enabling Legislation: The Constitution of Kenya 2010 serves as the supreme law, providing a framework for governance and legal principles. This has created over time a positive and cooperative relationship among the executive, legislative, and judicial branches

Treaties and Conventions: Kenya is a signatory to a number of bilateral and multilateral agreements which underscores its commitment to international legal standards.

Table 1: Summary of opportunities and threats

	OPPORTUNITIES	THREATS
POLITICAL	Investor confidence	Political unrest
	Counties as frontiers for investment	Bureaucracy in investment management
	Gateway for investments in the Region.	Investor realignment.
ECONOMIC	Investor confidence	Weakened investor confidence.
SOCIAL	Transparent and ethical business culture (culture of social accountability)	Reputational risks
	Access to skilled workforce	Brain drain
	Wide range of investment options (cultural and religious)	Religious extremism
TECHNOLOGICAL	Innovation	Cyber-crime
ECOLOGICAL	Green financing and acceleration of green businesses	Asset loss
	Wide range of investment options (blue and circular economy)	Environmental degradation
LEGAL	Cordial Relationship Between the Three Arms of Government including County governments	Bureaucracy

3.1.3 Internal environment

3.1.3.1 Governance and administrative structures

The State Department was created through Executive Order No. 2 of, 2023 as one of the three State Departments in the Ministry of Investments, Trade and Industry (MITI). The State Department has two directorates namely; Business Environment and Private Sector development, and Department of Business Reforms and Transformation (DBRT). Additionally, there are four Agencies namely; Kenya Investment Authority (KenInvest), Kenya Development Cooperation (KDC), Special Economic Zones Authority (SEZA) and Export Processing Zones Authority (EPZA). Further there is the National Investment Council (NIC) and is chaired by the H.E the President.

There exists an operational organizational structure headed by the Cabinet Secretary (CS) with a functional reporting lines.

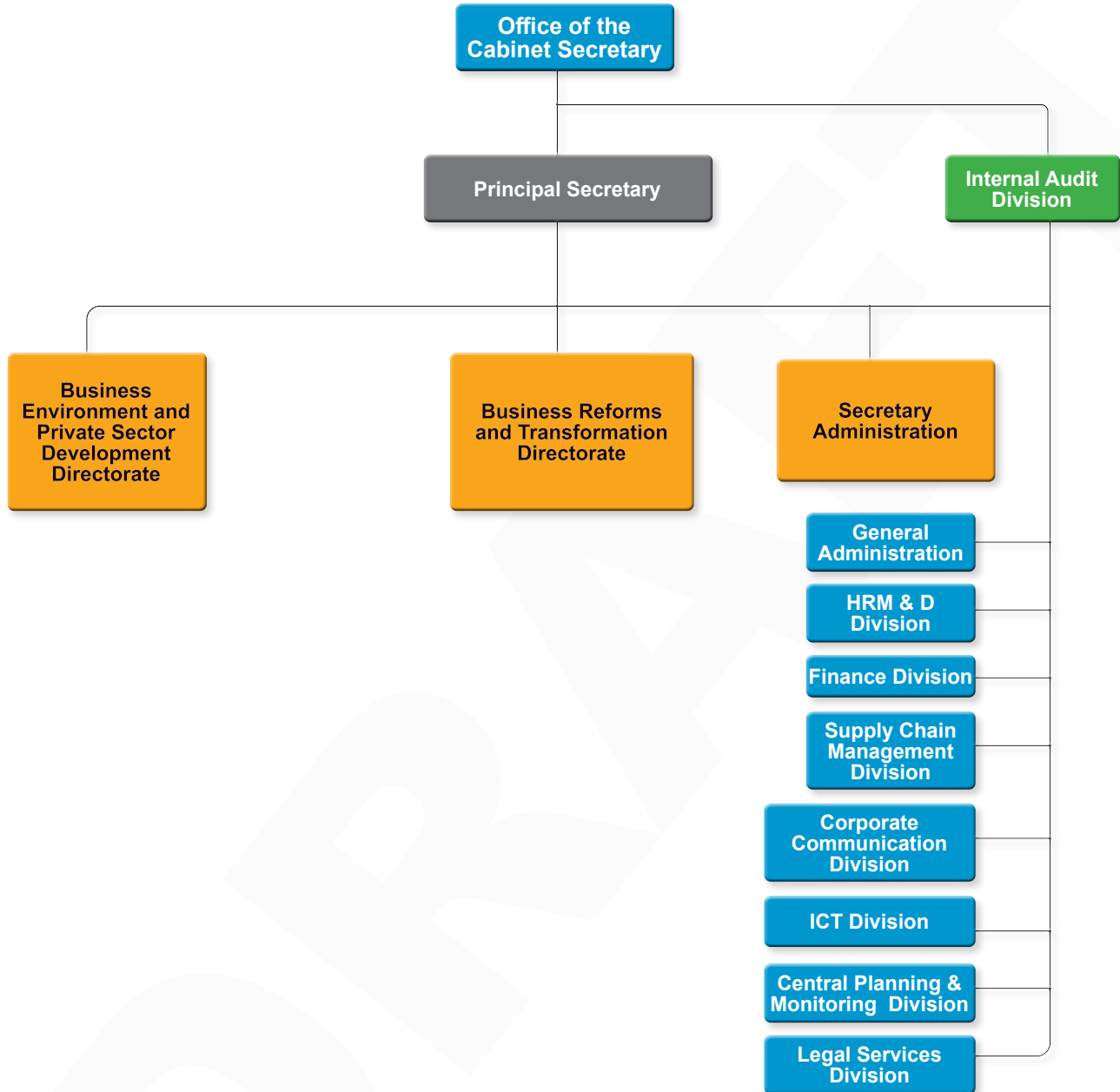
Office of the Cabinet Secretary: Provides overall leadership and strategic direction. The office is fully established with all required staff and equipment.

Office of the Principal Secretary: Is fully established and responsible for among others being the Accounting Officer and Authorized Officer of the State Department; Implementing government policies and the Strategic Plan for the State Department; Facilitating the achievement of the goals and objectives of Government and Inter-Governmental programmes and projects. The Office still requires additional staff for more efficiency.

Business Environment and Private Sector development: Headed by a Director, the department is responsible for coordinating private sector engagements both locally and internationally as well as receiving and addressing their business concerns. Existing staff establishment stand at only four officers pointing serious under staffing given the huge mandate the department has to undertake.



Figure 1: Current Organogram



Department of Business Reforms and Transformation (DBRT): Headed by a Deputy Director and responsible for among others the co-ordination of Business and investment Reforms, regulatory & Communication Services; and Private Sector Development Divisions, headed by Business Competitiveness Secretary who is responsible for the co-ordination of Business and investment Reforms, regulatory & Communication Services; and Private Sector Development Divisions. The Department has adequate skilled staff to undertake its mandate with existing establishment standing at 20 officers.

Support Departments: There exists support services departments that enhance the delivery of the functions of the State Department. These include Administration, internal Audit, Planning, Human Resource Management and Development, Finance, Accounts, Information and Communication Technology, Legal and Public Communication.

A comprehensive organization structure was developed and submitted to the Public Service Commission and has since been approved for implementation.

3.1.3.2 Internal business process

- i. SDIP agencies and support services have clearly documented standard operating procedures for key processes. However, the Technical departments are yet to develop standard operating procedures for key processes.
- ii. Management of Human Resource is guided by the human resource procedures and manual from the Public Service Commission.
- iii. While there is a directive to use official government emails there are staff who use personal emails due to unreliable internet connectivity.
- iv. The State Department uses a number of systems to dispense its mandate, this includes GHRIS, UHR, IFMIS, GIMIS however there are issues of interoperability within and among the system that leads to absence of integration.
- v. The State Department has facilitated the development of a physical and digital One Start-One Stop Centre in key service points for enablement of Investment, the centres need additional resources to make them more effective.
- vi. There is availability of investment statistical data but it is Inadequate due to uncoordinated data collection and dissemination mechanisms.

3.1.3.3 Resources and capabilities

- i. Kenya is an investment hub for investors with a favourable business and investment climate, however, there is inadequate infrastructure to meet investors demands.
- ii. Government financing is insufficient for the completion of ongoing Investment Promotion projects.
- iii. There is availability of information on the SDIP official website and other media platforms. There is no communication strategy for a coordinated communication framework.
- iv. The available assets which include office space, vehicles, ICT infrastructure are inadequate to cater for all staff in the State department.
- v. The personnel have requisite skills and competences. However, there is sub optimal placement compared to the proposed establishment especially in the technical departments. In addition there is stagnated career progressions, inadequate succession planning and insufficient training and development.
- vi. Bankable projects for investor uptake are available. However, they do not cover all sectors in the priority value chains under BETA.
- vii. There is a co-investment mechanism within the State Department.



3.1.4 Summary of strengths and weaknesses

Table 2: Summary of strengths and weaknesses

Factor	Strengths	Weaknesses
Governance and Administrative Structures	<ul style="list-style-type: none"> i. There is a clear mandate. ii. An operational National Investment Council (NIC) iii. Enabling policy, legal and regulatory framework. 	<ul style="list-style-type: none"> i. Lack of an approved organization structure for SDIP. ii. Lack of a national investment strategy.
Internal Business Processes	<ul style="list-style-type: none"> i. A clear documented standard operating procedures for key processes for SDIP agencies and support services. ii. There exists standard human resource management policies and procedures from PSC. iii. Existence of ICT systems to support key business processes. iv. There is a mechanism for solving investment concerns v. Existence of One Start One Stop Centres. 	<ul style="list-style-type: none"> i. Undocumented standard operating procedures for key SDIP processes. ii. Unreliability in connectivity and low integration of the systems iii. Inadequate data on investments and investors
Resources and Capabilities	<ul style="list-style-type: none"> i. Favourable business and investment climate. ii. SDIP has online presence. iii. Availability of bankable projects iv. Availability of co investment mechanisms. 	<ul style="list-style-type: none"> i. Inadequate investor ready infrastructure in the economic zones. ii. Inadequate funding for investment promotion and facilitation Programmes. iii. Absence of communication strategy. iv. Inadequate office space, ICT infrastructure and vehicles v. Inadequate staff, poor succession planning, insufficient training and capacity building.

3.1.5 Analysis of past performance

3.1.5.1 Key achievements

In recognition of the fact that the State Department for Investments Promotion was created vide Executive Order No 2 of 2023, the scope of this section is limited to the Investment promotion function as it existed under the State Departments for Industrialization and East African Community and Regional Development .

During the review period, a total of 799 projects were attracted and facilitated translating to investments worth of Kshs. 340 Billion and with potential to create 35,472 jobs for Kenyans. Key output achievements included: Development of Kenya Investment Policy (KIP); Operationalization of the One Stop Centre (OSC) which coordinates and streamlined the investment facilitation services to investors; Development and Implementation of the Investment Promotion and Marketing Strategy; Establishment of two digital platforms, namely E-regulations which mapped investment procedures and E-opportunities where profiled projects are uploaded; and Supported 20 counties to establish and operationalize County Investment Units (CIUs).

Kenya's ranking in the ease of Doing Business (a measure of competitiveness) Report published by the World Bank in 2019, improved from position 136 to 56 out of 190 countries globally. This was attributed to the following strategies implemented to improve product competitiveness and business environment: Spearheading reengineering of 200 government processes and upgrade of online government systems (at Business Registration services, Nairobi City Water & Sewerage Company, Nairobi County Government, the Judiciary and National Construction Authority); establishment of the Small Claims Courts under the judiciary; Reviewed over 15 laws to Sustain legal and regulatory reforms yielding over 200 business startups being recoded under the Business registration services from 2019; Coordinated the reduction of Multi Agency Teams at the port of entry to allow only 4 agencies (KEBS, KPA, KRA-Customs and Immigration) and strengthened Pre-Export Verification of Conformity (PVoC) at the Coun-

try of origin; prepared observatory reports on taxes affecting investors, logistics of imports/ exports, cost of energy leading to address of assorted business concerns such as immigration issues; Developed and launched National and County (10 pilot counties) Regulatory tool kit to provide information on regulatory requirements for setting up a business and Developed a communication strategy to create awareness on business reforms which included publications of the Ease of Doing Business Reform Milestones report (2014-2020) and Kenya Business Climate Reform Milestones report (2020-2021).

The cumulative value of investment in the zones stood at Kshs 134,311 Billion in the 2022 from Kshs.105,066 Billion in 2018. The growth was as a result of the new enterprises and expansion of existing enterprises. The number of gazetted Export Processing Zones (EPZs) increased from 72 in 2018 to 89 in 2022. Consequently, the number of persons employed in the zones increased from 57,099 in 2018 to 82,764 year 2022. The employment was largely generated through establishment of new apparel firms and expansion of the existing ones. The value of exports from EPZs increased from Kshs. 72,390 million in 2018 to Kshs. 106,143 million in 2022. This is attributed to a large extent to apparel, food processing, pharmaceuticals & medical supplies and edible oil based EPZ firms. The value of local purchases increased stood at Kshs. 15,156 million in 2022 up from Kshs. 10,385 million in 2018 mainly as firms continued to source raw materials locally (Backward linkages created) to the extent of their availability and quality. Other projects initiated for development of EPZs were: Development of textile hub at Athi River EPZ to 65 completion level; initiation of construction of Railway siding and related infrastructure at EPZA Athi River to link EPZ Zone to Mombasa/ Nairobi Standard Gauge Railway to 6% completion level.

A total of 21 Special Economic Zones (SEZ) were gazetted and facilitated out of which 10 SEZs were licensed. The gazetted zones with licenses attracted proposed investments worth 1.5 billion USD and a total of 10,907 jobs. In addition, construction of Naivasha and Dongo Kundu Special Economic Zones was done to 6% and 7% completion levels respectively.

3.1.5.2 Challenges

The following challenges were experienced during the period:

- i. High cost of Energy: High energy tariffs reduced Kenya's competitiveness
- ii. Multiplicity of licenses: High number of licenses required from different agencies
- iii. Limited Investment Spaces: Few investments ready infrastructural facilities

3.1.5.3 Lessons learnt

- i. Flexible performance-based incentives such as special operating framework agreements attract more investments than the general incentives.
- ii. The one stop centre provides an attractive investor facilitation facility than traditional regulator-based approach.
- iii. Structured Public-Private sector dialogue engagements provide effective mechanisms for Business Climate Reforms and Transformation in the country.
- iv. Targeting anchor investors was more effective in investor attraction than conventional investment promotion initiatives



3.2 Stakeholder analysis

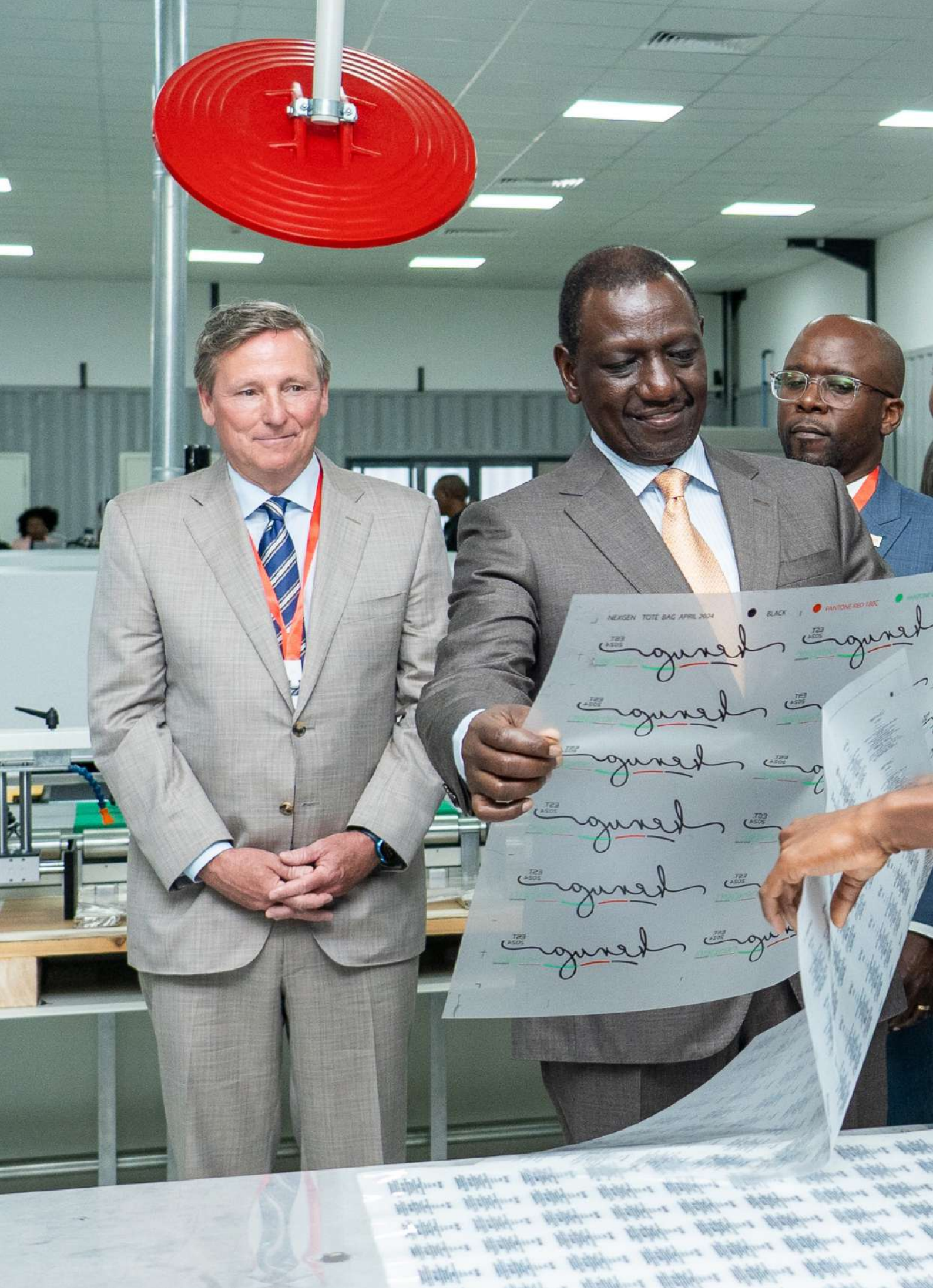
Stakeholders are a key factor in the achievement of SDIP strategic objectives. In this regard, key stakeholders have been identified and analyzed with the objective of outlining the relationships between the different stakeholders' expectations. The stakeholder analysis is summarized in Table 3.

Table 3: Stakeholder analysis

S/No.	Stakeholder	Role	Expectation of the Stakeholder	Expectation of SDIP
1	National Investment Council	To provide advise on investment promotion and resolution of investor concerns	Implementation of recommendations on investor concerns	Prompt resolution of investor concerns. Provision of advise on investment promotion
2	Investors	To invest in Kenyan economy	Provide an enabling environment and information for investment	Comply with investment regulatory frameworks
3	SDIP staff	To implement the mandate of the State Department	Provide a conducive working environment for achieving SDIP mandate	Effective and efficient performance
4	Autonomous and Semi-Autonomous Government Agencies (SAGAs) under SDIP	To implement investment strategy	Provide policy direction; Timely transfers of funds	Effective implementation of their mandate
5	Local Business Membership Organizations (BMOs)	To represent their members and mobilize their participation	Provide an enabling environment for investment	Participation in investment policy formulation and legal review processes
6	Foreign Business Membership Organizations (BMOs)	To represent their members and mobilize their participation	Provide an enabling environment for investment	Support investment attraction initiatives;
7	Council of Governors (COG)	To represent County governments in National government policy development	Technical support to counties in investment promotion	Support county level investment initiatives
8	County Governments	To participate in the attraction and promotion of investments in Counties	Technical support to counties in investment promotion	Create enabling environment for investment in the Counties
9	The National Treasury	To provide fiscal policy that promotes investment climate	Prudent utilization of resources	Allocation of adequate budget and timely release of exchequer
10	Judiciary	To provide guidance and settlement of investment disputes	Observe the law in implementing programs	Expeditious resolution of commercial disputes
11	Local and international Media	To promote investment opportunities at National and County levels	Provide access to investment information	Accurate reporting on investment issues
12	State Department for Industry	To establish policy direction for the industrial and manufacturing sectors	Sharing of relevant information	Sharing of relevant information
13	State Department for Trade	To establish policy direction for investments in trading activities	Sharing of relevant information	Sharing of relevant information
14	Ministries, Departments, and Agencies	To establish policy direction	Sharing of relevant information	Sharing of relevant information
15	Ministry of Foreign Affairs	To provide a platform for promotion of investments in foreign countries	Provide Investment information	Widely disseminate investment information through embassies

Stakeholder analysis (Continued)

S/No.	Stakeholder	Role	Expectation of the Stakeholder	Expectation of SDIP
16	Diplomatic Corps/ Foreign missions in Kenya	To promote local investments to their countries	Provide an enabling environment for foreign investors	Support investment promotion initiatives
17	Parliament	To make investment climate related laws	Prudent utilization of resources	Adequate budget allocation; Expeditious processing of legislative proposals
18	Office of Attorney General (OAG) and Department of Justice	To provide legal advise	Timely Submission of requests for legal advice	Timely legal advice
19	International Bodies on Trade Investment and Industry	Development of standards and investment data	Domestication and implementation of investment best practice	Support investment promotion initiatives
20	Development Partners	Provide financial and technical support	Partnership in investment	Provide financial and technical support



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CHAPTER FOUR STRATEGIC ISSUES, GOALS AND KEY RESULT AREAS

This chapter outlines the Strategic Issues, Strategic Goals as well as the Key Result Areas. It highlights the SDIP's strategic priorities over the Period 2023-2027. The strategic issues have been identified out of the analysis of the internal and external environment, the review of previous performance and national and international development priorities.

4.1 Strategic issues

Factor Analysis of the review of previous performance, the challenges, lessons learnt, emerging issues, SWOT and PESTEL Analysis generate the following strategic issues that the State Department will focus on during the 2023-2027 planning period:

- i. Business environment and investment climate:
- ii. Investment product development, targeting and positioning:
- iii. Investor-centric culture development and stakeholder engagement
- iv. Institutional capacity development

4.2 Strategic goals

In addressing the strategic issues in 4.1, SDIP will seek to achieve the following strategic goals:

- i. Enhance competitiveness of business environment and investment climate
- ii. Improve investment products, targeting and positioning
- iii. Enhance investor-centric culture and stakeholder engagement
- iv. Strengthen institutional operational capacity

4.3 Key result areas

- i. Business and Investment Climate Reforms: Focuses on Driving Legislative and regulatory reform on business climate and transformation. This includes constructive engagement with private sector organizations on policy, legal and business regulatory reform processes.
- ii. Economic zones Development: Formulation and implementation of a multi agency approach to development of investor ready economic zones as well strengthening licensing and regulation of zones.
- iii. Investment Products Development: Entails packaging of bankable investment products/projects across all MDAs and value chains
- iv. Investment attraction and facilitation: Focuses on aggressive targeted marketing of bankable investment projects with special emphasis on all the Value Chains.
- v. Investor relationship management: Focuses on enhancing investor establishment, and provision of aftercare services for expansion and sustainability of investments.
- vi. Investment Stakeholder management: Lays emphasis on establishing structures for periodic constructive engagements with key investment stakeholders both locally and internationally.
- vii. Operational Efficiency: Focuses on enhancing SDIPs human resource capacity, developing and maintaining a good public image, and improvement of internal processes to support the core function.

Table 4 : Strategic Issues, Goals and KRAs

S/ No	Strategic Issue	Strategic Goal	KRA
1	Business environment and Investment climate	Enhance competitiveness of business environment and investment climate	Business and investment climate reforms Economic zones Development
2	Investment product development targeting and positioning	Improve investment products, targeting and positioning	Investment Attraction and Facilitation Investment Product Development
3	Investor-centric culture development and stakeholder engagement	Enhance investor-centric culture and stakeholder engagement	Investor relationship management Investment Stakeholder engagement
4	Institutional capacity development	Strengthen institutional operational capacity	Institutional operational excellence



CHAPTER FIVE

STRATEGIC OBJECTIVES AND STRATEGIES

Overview

5.1 Strategic objectives

- i. To improve competitiveness of business environment
- ii. To improve investment climate
- iii. To increase access to investment ready economic zones
- iv. To enhance bankability of investment projects
- v. To increase local and foreign investments
- vi. To enhance investor entry, establishment and aftercare services
- vii. To increase access to information on investments
- viii. To enhance partnerships and collaborations with stakeholders
- ix. To enhance Institutional capacity and performance excellence

Table 5 :Outcomes annual projections

			Projections				
Strategic Objective	Outcome	Outcome Indicator	Year 1 (2023/24)	Year 2 (2024/25)	Year 3 (2025/26)	Year 4 (2026/27)	Year 5 (2027/28)
KRA 1: Business and investment climate reforms							
S.O 1.1: To improve competitiveness of business environment	Improved business environment	No of Business Amendment Bills	1	1	1	1	1
		Proportion of counties implementing county harmonized Licensing (%)	-	-	10	30	50
S.O 1.2: To improve investment climate	Improved investment climate	B-Ready Ranking	-	-	X	X-2	X-3
		Global Competitiveness Index (GCI)	92	88	85	82	80
KRA2: Economic Zones Development							
S.O 2.1: To increase access to investor ready economic zones	increased access to investor ready economic zones	Number of new investor ready economic zones	5	5	5	5	5
KRA:3 Investment Products Development							
SO3.1: To enhance bankability of investment projects	Enhanced bankability of investment projects	Rate of uptake of bankable projects (%)	X	X+3	X+5	X+7	X+10



Outcomes annual projections (Continued)

			Projections				
Strategic Objective	Outcome	Outcome Indicator	Year 1 (2023/24)	Year 2 (2024/25)	Year 3 (2025/26)	Year 4 (2026/27)	Year 5 (2027/28)
KRA 4: Investment attraction and facilitation							
S.O 4.1: To increase local and foreign investments	Increased local and foreign investments	Value of new investments attracted (USD Billions)	2.5	3.5	6	8	10
KRA 5: Investor relationship management							
S.O5.1: To improve investor entry, establishment and aftercare management	Improved investor entry and establishment	Turn around time (days)	3	2	1	1	1
		Investor satisfaction index (%)	-	x	x+5	X+5	X+5
		Investor concerns resolution rate (%)	100	100	100	100	100
S.O 5.3: To increase access to investments data and information	Increased generation and dissemination of investment data and information	No of visits to SDIP digital platforms	1000	1200	1500	1800	2000
		Operational Integrated Investment data Management system	-	-	1	-	-
		No of publications	4	4	4	4	4
KRA 6: Investment Stakeholder engagement							
S.O 6.1: To enhance partnerships and collaborations with stakeholders	Increased stakeholder engagements and collaborations	Number of new MoU's signed	12	15	17	19	20
		Number of business and investment fora	20	20	20	20	20
		Number of bilateral and multilateral agreements	4	4	4	4	4
KRA 7: Institutional operational excellence							
S.O 7.1 To enhance Institutional capacity and performance	Improved employee satisfaction	Employee satisfaction Index (%)	X	X+5	X+8	X+10	X+12
	Improved customer satisfaction	customer satisfaction Index (%)	-	X	X+2	X+4	X+6
	Increased productivity	Productivity Index	X	X+0.5	X+1.0	X+1.5	X+2.0

5.2 Strategic choices

Table 6 : Strategic objectives and strategies

KRA	Strategic Objectives	Strategic Initiatives
KRA 1: Business and investment climate reforms	S.O 1.1: To improve competitiveness of business environment	<ul style="list-style-type: none"> • Develop and implement short, medium and long-term Business environment reforms agenda • Promote harmonization of County licensing frameworks • Enhance county competitiveness • Promote public awareness on business climate reforms
	S.O 1.2: To improve investment climate	<ul style="list-style-type: none"> • Develop and implement short, medium and long-term investment climate Reforms agenda.
KRA2: Economic Zones Development	S.O 2.1: To increase access to investor ready economic zones	<ul style="list-style-type: none"> • Promote the development and expansion of the EPZs and SEZs • Enhance incentives in EPZs and SEZs
KRA:3 Investment Products Development	SO3.1: To enhance bankability of investment projects	<ul style="list-style-type: none"> • Strengthen profiling and packaging of investment products. • Enhance capacity of MDAs
KRA 4: Investment attraction and facilitation	SO 4.1: To increase local and foreign investments	<ul style="list-style-type: none"> • Promote domestic and foreign direct investment in priority value chains • Promote investments in county economic zones
KRA 5: Investor relationship management	S.O5.1: To improve investor entry and establishment	<ul style="list-style-type: none"> • Digitization of investor entry and establishment processes. • Enhance one start one stop centres.
	S.O 5.2: To enhance investor after-care services	<ul style="list-style-type: none"> • Enhance investor concerns management mechanisms
	S.O 5.3: To increase access to investments data and information	<ul style="list-style-type: none"> • Enhance investment data generation, processing and dissemination. • Enhance market intelligence for investors
KRA 6: Investment Stakeholder engagement	S.O 6.1: To enhance partnerships and collaborations with stakeholders	<ul style="list-style-type: none"> • Promote Constructive engagement with Private sector • Promote creation of new opportunities, new markets and innovative solutions
KRA 7: Institutional operational excellence	S.O 7.1 To enhance Institutional capacity and performance	<ul style="list-style-type: none"> • Strengthen the human skills, talent, management and competency development strengthen corporate communication, image and brand. • Resource mobilization, utilisation and management • Strengthen planning monitoring and evaluation processes • Strengthen ICT infrastructure and systems



CHAPTER SIX**IMPLEMENTATION AND COORDINATION FRAMEWORK**

This chapter presents the implementation and coordination framework to support the achievement of the strategic objectives set out in the strategic plan. The framework clearly defines the implementation plan, organizational structure, skills and competencies required for effective implementation of the Plan. In addition, a brief description of leadership, systems and procedures that will be needed to supported the implementation of the strategic plan has been provided. An analysis of anticipated risks and suggested mitigation measures have also been outlined to ensure that the planned results are achieved.

6.1 Implementation plan

The Service will implement this strategic plan through the development of detailed annual action plans. This will inform the development of a comprehensive budgeted annual work plan.

6.1.1 Action Plan

Implementation of the plan will be guided by a clear action plan that covers strategic issues, strategic goals, key result areas, outcomes, Strategic objectives, strategies, key activities, expected outputs, output indicators, annual targets, annual budgets and responsibility for execution of the activities. This is summarised and presented in the implementation matrix shown in Annex 1.

6.1.2 Annual workplan and budget

The strategic plan targets will be implemented through annual work plans to ensure all SDIP Departments are contributing to the implementation of this strategic plan and that adequate budgets are allocated to the strategic plan activities. SDIP will therefore ensure that each year the annual work plan will be drawn from the corresponding year in strategic plan implementation matrix.

6.1.3 Performance contracting

The strategic plan targets will be cascaded through performance contracting system to ensure all SDIP staff are contributing to the implementation of this strategic plan. SDIP will therefore ensure that all the performance contracting targets are drawn from the strategic plan each year.

6.2 Coordination framework

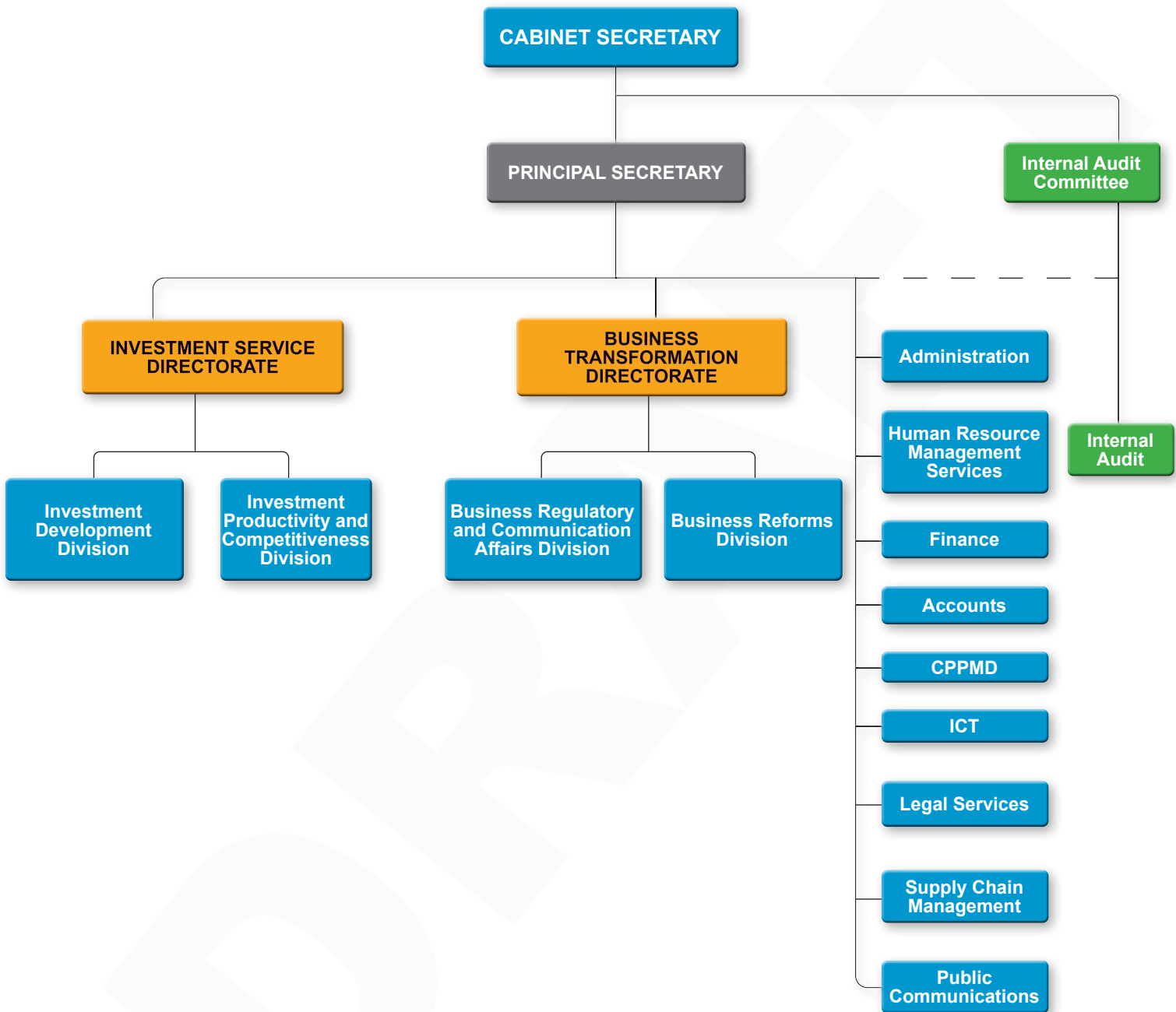
In the implementation of the strategic initiatives, there will be need to have a clear reporting structure, proper coordination among the technical departments and support service departments, synergies between State Department and its agencies and engagement with the key stakeholders.

6.2.1 Institutional framework

The implementation of the strategic initiatives requires an organizational structure headed by the Principal Secretary with two Technical Directorates, namely; Investment Services Directorate and Business transformation Directorate and ten support services Departments in addition to the existing four Agencies namely; KenInvest, KDC, SEZA and EPZA.



Figure 2: Approved Organizational Structure for State Department for Investment Promotion



6.2.2 Staff establishment, skills set and competence development

This strategic plan will implement the staffing levels as per the approved Organizational Structure for State Department for Investment Promotion as indicated in table 7.

Table 7 : Staff establishment

Cadre	Establishment	In Post	Variance
Principal Secretary	1	1	0
Secretary Investments	2	2	0
Secretary Administration	1	0	-1
Snr Deputy Secretary	1	1	0
Snr Admin Secretary	1	0	-1
Director Investments	4	0	-4
Deputy Director Investments	9	0	-9
Assistant Director Investments	10	3	-7
Principal Investment Officer	20	0	-20
Senior Investment Officer	18	0	-18
Investment Officer I/II	24	0	-24
Director HRM	1	1	0
Deputy Director HRM	0	0	0
Assistant Director HRM	0	0	0
Principal HRMO	1	0	-1
Senior HRMO	1	0	-1
HRMO I	2	2	0
HRM Assistant	1	3	2
Director of Planning	1	1	0
Chief Economist	0	0	0
Principal Economist	0	1	1
Senior Economist	1	0	-1
Economist I/II	1	2	1
Senior Chief Finance Officer	1	0	-1
Chief Finance Officer	0	1	1
Principal Finance Officer	0	1	1
Senior Finance Officer	0	0	0
Finance Officer I	1	2	1
Snr Deputy Director SCM	1	0	-1
Deputy Director SCM	0	1	1
Assistant Director SCM	0	0	0
Principal SCMO	1	0	-1



Cadre	Establishment	In Post	Variance
Snr SCMO	0	0	0
SCMO I/II	1	4	3
SCM Assistant	1	0	-1
Director ICT	1	0	-1
Assistant Director ICT	1	0	-1
Principal ICT Officer	0	0	0
Snr ICT Officer	1	0	-1
ICT officer I	1	0	-1
Snr Deputy Accountant General	1	0	-1
Deputy Accountant General	0	1	1
Assistant Accountant General	1	1	0
Principal Accountant	1	4	3
Senior Accountant	1	0	-1
Accountant I/II	1	2	1
Accountant Assistants	5	0	-5
Deputy Director Communication	1	0	-1
Assistant Director Communications	0	0	0
Principal Communications Officer	1	0	-1
Senior Communications Officer	0	0	0
Legal Officers	1	1	0
Assistant Director Records Management	1	0	-1
Principal Record Management Officer	0	0	0
Senior Records management Officer	0	0	0
Records Management Officer I/II	1	0	-1
Records Management Assistant	0	0	0
Assistant Director Library Services	0	0	0
Assistant Librarian	0	0	0
Administrative Officers	8	0	-8
Drivers	5	5	0
Support Staff	3	4	1
Security Officers	0	0	0
Clerical Officers	3	4	1
TOTAL	155	74	

Table 8: Skills set and competence development

Sno.	Cadre	Skills Set	Skills Gap	Competence Development
1	Investment Officers	Leadership Entrepreneurial Marketing Project management Customer care Budgeting Presentation Public speaking Report writing Negotiation Mediation Protocol Etiquette	Customer care Budgeting Presentation Public speaking Report writing Negotiation Mediation Protocol	Training
2	Economists	Research and innovation Policy development process Data analysis Report writing Statistical interpretation Decision making skills Strategic planning Etiquette	Strategic planning Research and Innovation Leadership Budgeting Data Analysis	Training
3	Finance Officers	Leadership Budgeting Report Writing Analytics Presentation Negotiation	Analytics Negotiation Leadership	Training
4	Communication Officers	Report writing Foreign language proficiency Customer service orientation Protocol. Photography, videography and graphics Etiquette Public Speaking Branding	N/A	N/A
5	Supply Chain Management Officers	Strong planning and organization Conflict resolution Public relations Reports writing Etiquette	Conflict resolution Public relations Reports writing	Training
6	Accountants	Budgeting and financial management skills Analytical skill Customer care Presentation Interpersonal relations Etiquette	Customer care Presentation Analytical Supervisory	Training
7	Internal Auditors	Analytical Skills Strategic management skills Accounting Leadership Problem solving Team work Communication skills Interpersonal skills	Problem solving Team work Communication skills Interpersonal skills	Training



Skills set and competence development (Continued)

Sno.	Cadre	Skills Set	Skills Gap	Competence Development
8	Human Resource management Officers	Budgeting skills Counselling Problem solving Strategic thinking Leadership Interpersonal Industrial Relations Supervisory Administration Coaching and mentoring Team building Etiquette	Counselling Strategic thinking Leadership Coaching and mentoring Team Building	Training ⁹
9	Legal Officers	Analytical Research Minute writing Report drafting and writing skills Leadership Communication Interpersonal skills Etiquette	Research Report drafting and writing skills Leadership Interpersonal skills	Training
10	ICT Officers	ICT project management Programming and scripting Cyber security Interpersonal Analytical Communication	Programming and scripting Cyber security Interpersonal	Training
11	Administrators	Interpersonal Communication Fleet Management Report writing Minutes writing Customer care Etiquette Public Speaking Protocol	Minutes writing Customer care Team work	Training
12	Office Assistants	Interpersonal Communication Time Management Customer care Etiquette Records and Mail Management	Records and Mail Management Customer care	Training
13	Drivers	Interpersonal Communication Fleet Management Decision Making Time Management Protocol Etiquette Defensive driving First Aid	Decision Making Time Management Protocol Etiquette	Training
14	Clerical and Support Staff	Computer literacy Time Management Interpersonal Administrative Records Management Communication Teamwork Adaptability	Computer literacy Interpersonal Teamwork Adaptability	Training

6.2.3 Leadership

The strategic plan has identified four strategic issues of focus during the planned period 2023-2027. The strategic focus areas are: business environment and investment climate; investment product development, targeting and positioning; investor-centric culture development and stakeholder engagement and; institutional capacity development. Each of these areas will consist of teams with overall coordination by the Principal Secretary for Investment Promotion.

Table 9: Strategic Theme Teams

S/NO.	STRATEGIC ISSUE	TEAM LEADER	TEAM MEMBERS
1.	Business environment and investment climate	Director, DBRT	Deputy Director, BE&PSD, Assistant Director Business Reforms, Head Communication, Legal Officer, Principal Economist, Snr Investment Officers- Business Reforms, Finance Officer, Assistant Secretary.
2.	Investment product development, targeting and positioning	Director, BE&PSD	Deputy Director, BE&PSD, Assistant Director Business Reforms, Economist, Senior Investment Officers, Finance Officer, Communication Officer, Snr Deputy Secretary
3.	Investor-centric culture development and stakeholder engagement		
4.	Institutional capacity development	Secretary, Administration	Head, Planning, CFO, Head Accounting Unit, Director HRMD, Head ICT, Head SCM, Snr Deputy Secretary, Investment Officers

6.2.4 Systems and procedures

SDIP will strengthen systems and develop procedures towards enhancing efficiency in implementation of the plan. Specifically, the following will be prioritized:

- i. Internal systems: These will include fastracting of customization and operationlaization of existing systems such as GIMIS, UHR, GHRIS. In additional development of databases for investors will be supported to enhance data management.
- ii. Standard Operating Procedures (SOPs): SOPS will developed for key processess including investor concerns management, conducting investment roadshows and conducting investor aftercare Services.

6.3 Risk management framework

Risk analysis has been undertaken to identify risks that SDIP anticipates during implementation of this Strategic Plan and the respective categorization. Table 10 provides a summary of the risks, planned actions for mitigation, monitoring and reporting of the identified risks.

Table 10: Risk Management Framework

S/No	Risk	Risk Likelihood (L/M/H)	Severity (L/M/H)	Overall Risk Level (L/M/H)	Mitigation measure (s)
1	Delayed filling/deployment of officers by PSC and Various Scheme managers	High	High	High	Timely submission of recruitment requests to PSC. continuous engagement with PSC and Scheme Managers Motivation of existing staff
2	Delayed Exchequer Releases	High	High	High	Prioritize high impact programs Mobilize external Resources
3	Corrupt Practices	High	Medium	Medium	Sensitize staff on relevant laws and regulations Strengthen internal controls
4	Litigation	Medium	Medium	Medium	Strict adherence to legal provisions Alternative Dispute Resolution mechanisms
5	Political Interference	Low	High	Medium	Strict adherence to legal provisions Constructive stakeholder engagement



CHAPTER SEVEN

RESOURCE REQUIREMENTS AND MOBILIZATION STRATEGIES

This chapter presents Financial Requirements needed to implement this strategic plan, resource gaps and strategies for mobilizing and managing the resources.

7.1 Financial requirements

Financial resources are a key consideration for successful implementation of the Plan. To estimate the budget required, the activities needed to be implemented in order to achieve the strategic objectives outlined in this strategic plan have been identified and costed. Table 11 presents a summary of the financial requirements by key result areas.

Table 11: Financial requirements for implementing the strategic plan

KRA Cost Item	Projected Resource Requirements (Kshs. M)					Total
	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Year 4 2026/27	Year 5 2027/28	
KRA 1						
Business and Investment Climate Reforms	217	238	171	195	180	1001
KRA 2						
Economic Zones Development	33	61	41	41	40	216
KRA 3						
Investment Products Development	-	-	11	5	5	21
KRA 4						
Investment Attraction and Facilitation	151	114	92	66	56	479
KRA 5						
Investor Relationship Management	50	50	150	30	60	340
KRA 6						
Investment Stakeholder Engagement	38	53	33	33	33	190
KRA 7						
Institutional Operational Excellence	116.5	71.5	112	110.5	104	514.5
Personal Emoluments	119	153	164	179	188	803
Other Administrative Costs	259	293	326	337	345	1560
Total	983.5	1033.5	1100	996.5	1011	5124.5

The State Department will require a total of Kshs 5124.5 Million to implement the strategic plan. Based on the Medium term Expenditure Framework (MTEF) budget estimates, resource gaps have been established as summarized in table 12.

Table 12: Resource gaps

Financial Year (Kshs. M)	Estimated Financial Requirements (Kshs. M)	Estimated Allocation (Kshs. M)	Variance
Year 1	408	259	149
Year 2	734	447	287
Year 3	764	490	274
Year 4	801	517	284
Year 5	935	620	315
Total	3,642	2,333	1,309



7.2 Resource mobilization strategies

The following strategies will be implemented during the plan period to mobilize resources bridge the resource gaps summarized in table 7.2: Enhance negotiations for additional budgetary allocation through the MTEF budget process; strengthen partnerships and collaborations with development partners; and promote Public Private Partnerships in financing the development of economic zones.

7.3 Resource management

The State Department through this Plan will adopt the BETA principle of prioritization and sequencing in the utilization of financial resources on value chain activities to achieve desired outcomes on quick wins, short term and medium term basis. This will be achieved through the following:

- i. Embrace the whole of Government Approach (WOGA) in planning and implementation of activities.
- ii. Development and implementation of Risk Management Frameworks
- iii. Ensure proper implementation and adhere to internal controls in budgeting;
- iv. Facilitate an effective and credible resource management process consistent with the laws of Kenya with development of realistic budgets being a priority;
- v. Strengthen the implementation capacities to ensure that expenditures are in line with approved budgets and enhance the monitoring of budget execution to minimise the levels of discretion that could threaten the expenditure execution systems;
- vi. Adhere to the Public Procurement and Disposal Act, 2015 to ensure that the procurement system is transparent, efficient (both administrative and transactional), cost-effective and fair.
- vii. Strengthen linkages between the strategic plan, work plans, the procurement plan and the budget;
- viii. Strengthen monitoring and evaluation by providing enough resources to facilitate reliable and timely executions of policies, programmes and projects to ensure the SDIP receives value for money in all its activities;

CHAPTER EIGHT**MONITORING, EVALUATION AND REPORTING FRAMEWORK**

This chapter presents the monitoring, evaluation, reporting and learning framework for the SDIP Strategic Plan 2023/2024-2027/2028. A description of the monitoring, evaluation, reporting activities to be undertaken, how and when they will be undertaken and by whom to ensure continuous flow of timely information for decision making and learning has been provided

8.1 Monitoring framework

Monitoring will be undertaken to determine progress in implementing this strategic plan. Monitoring will involve the systematic collection and analysis of information on a continuous basis to determine deviations as implementation progresses. The aim is to measure the effectiveness in the implementation of policies, programmes and projects against set targets and outputs by the State Department.

The monitoring process will be based on the indicators and targets under each Key Result Area and as outlined in the Implementation Matrix. Data and information will be sourced from field visits, progress reports, minutes, attendance registers among others. Field monitoring will be used to check progress on activity implementation, verify data and information received from the field and interact with actual implementers and stakeholders to gather any unreported information and data.

Progress shall be monitored daily, weekly, and monthly through individual work plans, quarterly, and annually through annual departmental work plans.

8.2 Performance standards

The formulation of outputs and outcomes and respective indicators has been undertaken based on the Kenya Norms and Standards for M&E, 2020. This has ensured that the selected indicators are Clear, Relevant, Economic, Achievable and Measurable (CREAM). In addition, all monitoring and evaluation activities will focus on relevance, efficiency, effectiveness, success and sustainability of SDIP interventions. Consequently, the monitoring process will be based on the indicators and targets under each Key Result Area and as outlined in the Implementation Matrix.

8.3 Evaluation framework

Evaluation of this Strategic Plan will involve the systematic and objective assessment of the relevance, effectiveness, efficiency, sustainability and impact of the policies, programmes, and projects in light of specified objectives. Evaluation will compare actual project and programme outcomes and impacts against the agreed strategic objectives and assess what was set out to be done, what was accomplished, and how it was accomplished. Evaluation will also assess the relevance and sustainability of the policies, programmes and projects for evidence-based decision making. Three major evaluation activities will be undertaken. These include mid-term evaluation; end-term evaluation and ad hoc evaluation.

Table 13: Outcome Performance Matrix

KRA	Outcome	Key Performance Indicator	Baseline		Target	
			Value	Year	Mid-Term period target	End of plan period target
Business and investment climate reforms	Improved investment climate	B-Ready Ranking	-	-	X	X-3
		Global Competitiveness Index (GCI)	95	2019	85	80
		Morgan Stanley Competitiveness Index (Rating)	-ve	2022	stable	stable
Economic Zones Development	increased access to investor ready economic zones	Total No of Export Processing Zones	96	2022/23	106	116
		Total No of Special Economic Zones	24	2022/23	34	44
Investment Products Development	Enhanced bankability of investment projects	Rate of uptake of bankable projects (%)	-	-	X+7	X+10
Investment attraction and facilitation	Increased local and foreign investments	Value of new investments attracted (USD Billions)	0.5	2021/2022	6	10
Investor relationship management	Improved investor entry and establishment	Turn around time (days)	5	2021/2022	3	1
	Investor satisfaction index (%)	-	-	X+2	x+5	
Investment Stakeholder engagement	Increased stakeholder engagements and collaborations	Number of new MoU's signed	12	2022/23	44	64
		Number of business and investment for a held	20	2022/23	60	100
Institutional operational excellence	Improved employee satisfaction	Employee satisfaction Index	-	-	X+8	X+12
	Improved customer satisfaction	customer satisfaction Index	-	-	X+4	X+8
	Increased productivity	Productivity Index	-	-	X+1.0	X+2.0

8.3.1 Mid-term evaluation

Mid Term Evaluation of this plan will be conducted mid-course (2025/2026) to assess the implementation progress, take corrective actions, review the Strategic Plan, and inform the preparation of the next strategic planning.

8.3.2 End-term evaluation

End-term evaluation will be conducted at the end of the Strategic Plan period to assess the extent to which the strategic objectives have been achieved. The achievements, challenges, lessons learnt and recommendations will inform the next cycle of the strategic planning

8.4 Reporting framework and feedback mechanism

Directorates, Departments and Units implementing the Strategic Plan will conduct monitoring and report on the progress of achievement of results and objectives based on the key indicators and targets they are responsible for. Reports prepared will be disseminated timely to relevant users for evidence-based decision making, feedback and information.

Lessons on policies, programmes and projects successes (or failures) and innovations during the strategic plan implementation period will be documented using prescribed formats. This is to enable the upscaling of success stories, mitigating future failures and implementation, and sharing of innovations within and without the State Department. Lessons learnt will be shared through MITI newsletters, magazines, stakeholder fora, conferences, and talk shows among others. Key information will also be published in the SDIP annual reports and posted on the website and other social media platforms.



ANNEXTURES

Annex 1: Implementation Matrix

Key Result Areas	Strategic Objective	Strategy	Key Activities	Expected Output	Output Indicators	Target for 5 years	Target ¹					Budget (Million)					Responsibility		
							Y 1	Y 2	Y 3	Y 4	Y 5	Y 1	Y 2	Y 3	Y 4	Y 5			
KRA 1: Business and Investment Climate Reforms	To improve competitiveness of business environment	Develop and implement short, medium and long-term Business environment reforms agenda	Carry out surveys on business and investment bottlenecks at both levels of government	Survey report prepared	No. of reports	2	1	-	-	1	-	15	-	-	15	DBRT			
				Action plans developed	No. of action plans	2	1			1		10			10	DBRT			
				Review Legal and regulatory framework	Laws and Regulations reviewed	No. of laws	20	4	4	4	4	4	50	50	50	50	50	DBRT	
				Develop business reform agenda	Annual business reform agenda and action plan prepared	No. of plans	5	1	1	1	1	1	10	10	10	10	10	DBRT	
					Business Laws Reform Amendment Bill	No. of Bills	5	1	1	1	1	1	50	50	50	50	50	DBRT	
					Undertake periodic stakeholders' fora on business environment reforms and transformation agenda.	Public sector engagement framework developed	No. of framework	1		1				10				DBRT	
						Value chain mapping reports	No. of reports	30	6	6	10	10	12	5	5	10	10	10	DBRT
						Track implementation of business & investment climate reforms reports	No. of Monitoring reports	5	1	1	1	1	1	5	5	5	5	5	DBRT
						Improved business environment	No of Business Amendment Bills	5	1	1	1	1	1	2	2	2	2	2	DBRT
				Promote harmonization of County licensing frameworks	Undertake review of business processes at both levels of government	Business process review reports developed	No. of review reports	5	1	1	1	1	1	5	5	5	5	5	DBRT
	Enhance county competitiveness	Develop and Implement County Competitive	County Competitive Index report developed	No. of Competitive Index reports	2	-	1	-	1	-	-	-	-	20	-	-	20	DBRT	

Key Result Areas	Strategic Objective	Strategy	Key Activities	Expected Output	Output Indicators	Target for 5 years	Target ¹					Budget (Million)					Responsibility
							Y 1	Y 2	Y 3	Y 4	Y 5	Y 1	Y 2	Y 3	Y 4	Y 5	
			Index														
			Roll out National & County Regulatory Toolkits	National and County Regulatory toolkits and dissemination	Updated Tool kit	1	-	1	-	-	-	-	10	-	-	-	DBRT
					No. of counties covered	37	10	10	10	7		10	10	10	10	-	DBRT
		Promote public awareness on business climate reforms	Develop and implement a Business Reforms communication strategy;	Business Reforms Communication strategy developed	Business Reforms Communication strategy	1	1	-	-	-	-	20	-	-	-	-	DBRT
			Develop and implement a Central Repository, Single Window, Business and Investment platform – PASHA.	Central Repository, Single Window, Business and Investment platform developed	% Completion of the Communication platform (Linkages to PASHA)	100	50	100	-	-	-	10	32	-	-	-	DBRT
			Undertake Business Reforms awareness campaigns	Business Reforms awareness forums	No of Business Reforms awareness forums	10	-	3	3	2	2	-	4	4	3	3	DBRT
	To improve investment climate	Develop and implement short, medium and long-term investment climate Reforms agenda.	Track implementation of investment climate reforms	Business and investment climate reforms reports	No. of M & E reports	5	1	1	1	1	1	5	5	5	5	5	DBRT
			Analysis of global competitive performance reports;	Performance analysis report developed	No. of reports	5	1	1	1	1	1	5	5	5	5	5	DBRT
			Peer to peer learning and benchmarking on best practices;	Learning and benchmarks held	No. of Peer-to-peer learning and benchmark Forum reports	5	1	1	1	1	1	15	15	15	15	15	DBRT
KRA 2: Economic zones Development	To increase access to investor ready economic zones	Promote the development and expansion of the EPZs and SEZs	Support gazettement and development of new zones	Increased access to investor ready economic zones	Number of new investor ready economic zones	25	5	5	5	5	5	20	20	20	25	25	DBE&PSD
			Establish inter-agency collaboration for development of EPZs and SEZs	Inter-agency technical committees established	No of technical committee operationalized	2	-	1	1	-	-	-	5	5	-	-	DBE&PSD



Implementation Matrix (Continued)

Key Result Areas	Strategic Objective	Strategy	Key Activities	Expected Output	Output Indicators	Target for 5 years	Target ¹					Budget (Million)					Responsibility	
							Y 1	Y 2	Y 3	Y 4	Y 5	Y 1	Y 2	Y 3	Y 4	Y 5		
				Holding Inter-agency collaboration meetings	No. of engagement forums	20	4	4	4	4	4	10	10	10	10	10		
			Resource mobilization for EPZs and SEZs	Partnerships established for infrastructure development	No of MoU's signed	5	-	2	2	1	-	-	1	1	1	-		
			Support the development of national and county incentive frameworks	Private investment incentive strategy developed	Private Investment incentive strategy	1	-	1	-	-	-	-	20	-	-	-		
			Enhance incentives in EPZs and SEZs	Review and develop streamlined regulatory processes	Revised national investment related laws and incentive frameworks of SEZs and EPZs	No. of legislations developed/R eports	10	2	2	2	2	2	5	5	5	5		5
KRA:3 Investment Products Development	To enhance bankability of investment projects	Strengthen profiling and packaging of investment products	Develop Guidelines for profiling and packaging of investment projects	Guidelines for profiling and packaging of investment projects	Guidelines for profiling and packaging of investment projects	1	-	-	1	-	-	-	-	5	-	-	DBE&PSD	
		Enhance capacity of MDAs	Conduct trainings for MDAs in profiling and packaging of investment projects	MDAs trained n profiling and packaging of investment projects	Proportion of MDAs trained n profiling and packaging of investment projects	100	-	-	40	30	30	-	-	6	5	5	DBE&PSD	
KRA 4: Investment attraction and facilitation	To increase local and foreign investments	Promote domestic and foreign direct investment in priority value chains	Facilitate local and international investment campaigns	International investment campaigns facilitated	No of international investment campaigns facilitated	41	12	10	8	6	5	12	10	80	60	50	DBE&PSD	
			Support Publishment of investment news letters	News letters	No of investment news letters	20	4	4	4	4	4	1	1	1	1	1	1	DBE&PSD
			Develop National Investment Strategy	National Investment Strategy	National Investment Strategy	1	1	-	-	-	-	15	-	-	-	-	-	DBRT/DBE&PSD
		Promote investments in county economic zones	Partner with County Investment Units on investment promotions fora	County Investment Forums	No. of County Investment reports	90	30	20	15	15	10	10	8	6	5	5		DBE&PSD
			Mobilization of private investments for CAIPs	Partnerships established	No of MoU's signed	47	17	15	15			5	5	5				DBE&PSD
KRA 5: Investor relations management	To improve investor entry and establishment	Digitization of investor entry and establishment	Support development of digitized system	Digital System for investor entry and establishment	Completion rate	100	-	-	10	-	-	-	-	50	-	-	DBE&PSD	

Key Result Areas	Strategic Objective	Strategy	Key Activities	Expected Output	Output Indicators	Target for 5 years	Target ¹					Budget (Million)					Responsibility	
							Y 1	Y 2	Y 3	Y 4	Y 5	Y 1	Y 2	Y 3	Y 4	Y 5		
ment		nt processes		t														
	To enhance investor aftercare services	Enhance investor concerns management mechanisms	Develop Investment aftercare and retention a framework	Investment aftercare and retention a framework	Investor retention rate	1	-	1	-	-	-	-	10	-	-	-		DBE&PSD
			Monitoring aftercare investments	Aftercare investment program	No. of reports	5	1	1	1	1	1	15	15	15	15	20		DBE&PSD
	To increase access to investments data and information	Enhance investment data generation, processing and dissemination	Establishment of a investor data processing and information System	Increased generation and dissemination of investment data and information	No of visits to SDIP digital platforms	110	20	20	20	25	25	10	5	5	5	5		DBE&PSD
					Operational/I ntegrated Investment data Management system	1	-	-	1	-	-	-	-	50	5	5		DBE&PSD
					No of quarterly and annual publications	12	-	-	1	1	1	-	-	5	5	5		DBE&PSD
		Enhance market intelligence for investors	Establish a national investor database	National investor database	National investor database	1		1						20				DBE&PSD
			Support the preparation of the state of investment report	State of investment report	No of state of investment reports	3	1		1		1	20		20		20		DBE&PSD
			Hold periodic dissemination fora	Dissemination fora held	No of dissemination fora held	3	1		1		1	5		5		5		DBE&PSD
	KRA 6: Investment stakeholder engagements	To enhance partnerships and collaborations with stakeholders	Promote creation of new opportunities , new markets and innovative solutions	Develop streamlined business regulatory and administrative processes	Increased stakeholder engagements and collaborations	Number of new MoU's signed	66	12	15	17	19	20	5	5	5	5	5	
Number of business and investment fora						100	20	20	20	20	20	2	2	2	2	2		DBE&PSD
Number of bilateral and multilateral agreements						20	4	4	4	4	4	10	10	10	10	10		DBE&PSD
Promote Constructive engagement with Private sector		Establish and operationalize investment climate observatory	Investment climate observatory	Investment climate observatory operational	1	1	-	-	-	-	5	-	-	-	-		DBE&PSD	
			Investor after care mitigation visits	No. of visits	10	2	2	2	2	2	10	10	10	10	10		DBE&PSD	
			Investment Climate Reports	No of investment Climate	5	1	1	1	1	1	2	2	2	2	2		DBE&PSD	



Implementation Matrix (Continued)

Key Result Areas	Strategic Objective	Strategy	Key Activities	Expected Output	Output Indicators	Target for 5 years	Target ¹					Budget (Million)					Responsibility		
							Y 1	Y 2	Y 3	Y 4	Y 5	Y 1	Y 2	Y 3	Y 4	Y 5			
					Reports														
			Review of the Private Sector Development Strategy	5-year Private Sector Development Strategy	No. of strategy documents	1	-	1	-	-	-	-	20	-	-	-	DBE&PSD		
			Hold engagements for a with the private sector/business community	stakeholder forums held	No. of reports	20	4	4	4	4	4	4	4	4	4	4	DBE&PSD		
KRA 7: Institutional operational excellence	To enhance Institutional capacity and performance	Strengthen the human skills, talent, management and competency development	Onboard staff into the Performance Appraisal System (PAS)	Functional Staff Appraisal System	Proportion of staff onboarded in PAS (%)	100	-	50	50	-	-	-	4	4	-	-	DHRMD		
			Develop and implement Productivity Metrix	Productivity metrix	Productivity metrix	1	1	-	-	-	-	5	-	-	-	-	-	DHRMD	
					Productivity Reports	4	-	1	1	1	1	-	2	2	2	2	-	DHRMD	
			Undertake Workload Analysis	Workload Analysis Report	Workload Analysis Report	1	-	-	1	-	-	-	-	4	-	-	-	DHRMD	
			Undertake skills Gap Analysis	Skills Gap Analysis Report	Skills Gap Analysis Report	1	-	-	1	-	-	-	-	4	-	-	-	DHRMD	
			Undertake Training Needs Assessment	Training Needs Assessment Report	Training Needs Assessment Report	1	1	-	-	-	-	3	-	-	-	-	-	-	DHRMD
			Undertake employee satisfaction survey	Employee satisfaction Report	Employee satisfaction Report	2	-	1	-	1	-	-	3	-	3	-	-	-	DHRMD
			Strengthen corporate communication, image and brand.	Develop and implement communication and branding strategy	Strategy Developed	Communication Strategy	1	1	-	-	-	-	6	-	-	3	-	-	Communication & Admin
					Branded SDIP Materials & Events	No of branded Events	20	4	4	4	4	4	4	2	3	4	5	4	Communication & Admin
						Number of Information Education and Communication (IEC) Materials	20	4	4	4	4	4	4	7	8	8	8	9	Communication & Admin
	Communication platform developed	No of Active social media Platforms	6	6	6	6	6	6	6	1	1	1	1	1	Communication & Admin				

Key Result Areas	Strategic Objective	Strategy	Key Activities	Expected Output	Output Indicators	Target for 5 years	Target ¹					Budget (Million)					Responsibility
							Y 1	Y 2	Y 3	Y 4	Y 5	Y 1	Y 2	Y 3	Y 4	Y 5	
			Review of communication and branding strategy	communication and branding strategy reviewed	Reviewed communication and branding strategy	1	-	1	-	-	-	-	-	3	-	-	Communication & Admin
		Resource mobilization, utilization and management	Develop SDIP Risk Management Policy Framework and Risk Registers	Risk Framework & Registers developed	SDIP Risk Management Framework	1	1	-	-	-	-	10	-	-	-	-	ADMIN
				Updated risk register		4		1	1	1	1		4	4	4	4	ADMIN
			Evaluation of effectiveness of risk management, controls & governance processes	Audit reviews carried out	Number of Audit Reports	24	4	5	5	5	5	5	6	8	8	8	IAU
		Audit committee meetings held		Number of Audit committee reports	10	2	2	2	2	2	1	1	1	1	1	IAU	
		Strengthen planning monitoring and evaluation processes	Coordinate Preparation and implementation of Department's Performance Contract	Annual Performance Contract	Annual Performance Contract	5	1	1	1	1	1	1	1	1	1	1	CPPMD
					Quarterly (4) PC reports	20	4	4	4	4	4	-	-	-	-	-	-
			Develop SP & launch	Strategic plan	Strategic Plan	1	1					6					CPPMD
			Mid-term Review of SP	Revised Strategic Plan	reviewed Strategic Plan	1	-	-	1	-	-	-	-	3	-	-	CPPMD
			Carry out Monitoring of projects & programs	Monitoring Reports	No of reports	20	4	4	4	4	4	5	4	4	4	4	CPPMD
			Conduct an evaluation on effectiveness of business climate reforms	Evaluation Report	No of Reports	1	-	-	-	1	-	-	-	-	10	-	CPPMD
			Carry out a Baseline Survey on Level of public awareness of reforms in the business climate and ease of doing business	Baseline survey reports	No of Reports	3	1	-	1	-	1	4	-	4	-	4	CPPMD
			Strengthen ICT infrastructure and systems	Acquisition of ICT Infrastructure	ICT Equipment	No of ICT Equipment	150	30	30	30	30	30	25	25	30	35	40
		Installed LAN, WAN and active			Functional LAN	1	1	-	-	-	-	19	-	-	-	-	ICT



Implementation Matrix (Continued)

Key Result Areas	Strategic Objective	Strategy	Key Activities	Expected Output	Output Indicators	Target for 5 years	Target ¹					Budget (Million)					Responsibility
							Y 1	Y 2	Y 3	Y 4	Y 5	Y 1	Y 2	Y 3	Y 4	Y 5	
				equipment													
				LAN and WAN Maintenance	Functional LAN and WAN	4	-	1	1	11			5	5	5	5	ICT
			Develop Specific investment promotion ICT Systems	System Developed	No of Digitized services	5	1	1	1	1	1	10	10	15	20	20	ICT
			ICT user support	ICT Help desk established and maintained	Functional ICT Helpdesk	1	1	-	-	-	-	.5	.5	1	.5	1	ICT
			Develop and Implement ICT policy	ICT Policy developed	ICT policy	1	1	-	-	-	-	4	-	-	-	-	ICT
			Review ICT Policy	ICT Policy reviewed	Reviewed ICT Policy	1	1	-	-	-	-	-	-	4	-	-	ICT
			Develop ICT Strategy	ICT Strategy developed	ICT Strategy	1	1	-	-	-	-	2	-	-	-	-	ICT
			Review ICT Strategy	ICT Strategy reviewed	Reviewed ICT Strategy	1	-	-	1	-	-			2	-	-	ICT

Annex 2: -Quarterly progress reporting template State Department for Investment Promotion

Quarterly Progress Report
Quarter Ending.....

Expected Output	Output Indicator	Annual Target (A)			Quarter for Year.....			Cummulative to Date	Remarks	Cor-rective Action
		Target (B)	Actual (C)	Variance (C-B)	Target (E)	Actual (F)	Variance (F-E)			

Annex 3: Annual progress reporting template State Department for Investment Promotion

Annual Progress Report
Year Ending.....

Expected Output	Output Indicator	Achievement for Year.....			Cummulative to Date			Remarks	Corrective Action
		Target (B)	Actual (C)	Variance (B-C)	Target (E)	Actual (F)	Variance (E-D)		

Annex 4: Evaluation reporting template

Key Re-sult Area	Outcome	Outcome Indicator	Baseline		Mid Term Evalu-ation		End of Plan Eval-uation		Re-marks	Corrective Action
			Value	Year	Target	Achieve-ment	Target	Achieve-ment		

Annex 5 : Strategic Plan 2023-2027 Technical Committee Members

S/No	Name	Designation	Department/Organization
1.	Dr. Paul Kangira	Director	HRMD
2.	Joseph Nguyo	Senior Deputy Secretary	Administration
3.	Patricia Arua	Deputy Director	BE & PSD
4.	Hyrine Nyonga	Deputy Director	BE & PSD
5.	Reuben Ngeno	Deputy Director	BRT
6.	Bernard Amimo	Assistant Directo	BRT
7.	Emma Kirungu	Deputy Director	Supply Chain Management
8.	David Waga	Principal Economist	CPPMD
9.	Nancy Muchangi	Principal Economist	CPPMD
10.	Dr. Isabella Kiplagat	Senior Economist	CPPMD
11.	Cynthia Muchai	Economist I	CPPMD
12.	Mercy Muruiki	Economist II	CPPMD
13.	Halaku Jarso Leila	Communications Officer	Communications
14.	Robert Bwire	GM Research Planning & Policy	KenInvest
15.	Guracha Abdi	GM Investor Services	KenInvest
16.	Michael Opiyo	Economist	EPZA
17.	Dominic Maluki Ndewa	Economist	KDC
18.	Osborne Onyango	Economist I	SEZA



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