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NAIROBI KENYA

REF. NO. MITI/SDIP/PRESS/VOL1 (2)

PRESS STATEMENT ON THE DRAFT PUBLIC-PRIVATE SECTOR
ENGAGEMENT POLICY AND DRAFT PUBLIC-PRIVATE ENGAGEMENT BILL,
2025

For Immediate Release

Nairobi, Kenya—December 9, 2025

The Government recognizes the private sector as a central pillar of Kenya's economic growth, competitiveness and investment attractiveness. The Policy and Bill have been developed to strengthen, not diminish, the role of private sector actors in national development. They provide a structured, predictable and transparent framework for collaboration between the Government and private sector organisations across all sectors of the economy.

Kenya's current public-private engagement landscape has evolved over time, producing a wide array of Business Membership Organisations (BMOs) representing different industries, counties and thematic interests. While this vibrancy demonstrates the strength of the Kenyan private sector, it has also resulted in fragmented advocacy, overlapping mandates, inconsistent messaging and challenges in organising a coherent national dialogue on business reforms. These gaps have often slowed the pace of policy reform and undermined the collective ability of the private sector to influence the business environment in a unified and impactful manner.

The Draft Public-Private Engagement Policy therefore seeks to strengthen coordination, improve coherence and create a clear institutional anchor for structured dialogue. Its goal is to foster a transparent and inclusive environment where private sector concerns are consolidated, prioritised and addressed through evidence-based engagement. The Policy supports the growth

and empowerment of BMOs by enhancing their capacity to participate effectively in national policy formulation processes.

The Bill operationalises this Policy by establishing a coordinated mechanism for engagement. It provides definitions that safeguard the independence of BMOs and affirms their continued role as the primary voice of the private sector. Its object is to establish a national framework for engagement, guide the conduct of these engagements and create an institution: The Business Council of Kenya (BCK) to facilitate coordination. The BCK will not replace or absorb BMOs; rather, it will serve as a platform through which BMOs collectively articulate priority issues that require government attention.

The Act applies to both the public and private sectors, ensuring mutual accountability and consistency. Under the Bill, BMOs retain their autonomy, membership structures, leadership and advocacy mandates. The Government does not acquire the power to register, regulate, dissolve, or interfere with the operations of any private sector organisation. Instead, BMOs gain a formal channel through which their issues are consolidated, elevated and acted upon in a time-bound process.

To ensure seamless dialogue, the Bill establishes a series of mechanisms that guarantee continuous, structured and inclusive engagement. These include regular calls for submissions of private sector issues, technical reviews, sector-based consultations, joint meetings between government entities and BMOs, escalation pathways for unresolved matters and a formal feedback system. These mechanisms enhance responsiveness, reduce duplication and ensure that private sector concerns are addressed comprehensively and transparently.

The State Department emphasises that the proposed framework enhances not restricts participation. By strengthening coordination and ensuring that every BMO has a recognised channel for engagement, the Policy and Bill promote fairness, inclusivity and efficiency. They are designed to reinforce Kenya's competitiveness and create a more conducive environment for investment, entrepreneurship, job creation and sustainable economic development.

We remain committed to open dialogue, continuous consultation and strengthening the country's public-private partnership ecosystem. Stakeholders are encouraged to participate actively in the ongoing public participation exercises to enrich the final framework and ensure it reflects the collective aspirations of the Kenyan business community.

Abubakar Hassan Abubakar, CBS
PRINCIPAL SECRETARY

