

# Private Sector Development

<b>Organisation</b> Ministry of Foreign Affairs, The Hague Budget Holder: NAI	<b>Publication Date</b> May 2020	<b>Reporting Period</b> reports received between 1 October 2018 - 30 September 2019
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## Result area 1 - Private sector development Private Sector Development

### RESULTS

During the reporting period, the Netherlands, together with other stakeholders, has been able to mobilise over 5 million of private capital investment through the SDG platform for investment in primary health care. The Netherlands also contributed to an increment in investments by 7 Companies to a total of 15. Also the Dutch seed potato sector continues to penetrate the Kenyan market notwithstanding the retrogressive regulations in place; the specific project supporting it will come to a close in December 2020.

INDICATORS	Baseline	Target	Result	Source
ST_Amount of private co-investment by companies and financial institutions; amount of donor investment (in million euros) [Impact, RF_2018]	5	9068010	5270005	400000858; 28964
SP_Number of investments of Dutch Companies in Storage, mechanization, crop protection, processing technologies	8	0	15	28964

### Assessment of the results achieved across the entire result area 1

Assess achieved results compared to planning:	C
Reasons for result achieved.	400000858: The platform had set an ambitious target within a short timeline considering it was being set up and it was introducing a concept that was fairly new to majority of the stakeholders, including government. 28964: The overall results achieved were as planned. In general the programs realised increased investments by private sector. This can be attributed to the fact that still exists a large potential in the potato value chain to be transformed. Certified seed still remains in demand and the supply is not enough to satisfy the processing industry as well as meet the demands of consumers. Adoption of suitable technology enables the concerned entrepreneurs have access to a ready market.
Implications for planning.	400000858: Being a rather new concept in the market, PPP would require more time but also resources to ensure its intentions are realized. This is because various players would need to be fully informed and also be prepared and willing to enter into partnerships. Researched-backed information will also be required hence need for time and financial resources. The indications are that the potential for the partnerships is there owing to the way it has been received. The Government of Kenya-both at national and county level - are involved and look committed to play its part. Certain regulatory changes (esp. linked to the PPP Act) will have to be made in order to facilitate more forms of partnerships in the health sector in Kenya. 28964: The project is in its last year and the last year will be used to finalize activities that promote investments in the sector. One of the activities is the planned potato business days that is aimed to promote the businesses and technologies that lead to a vibrant potato sector.

## Result area 2 - 1. Business development, by investment or trade of local or Dutch Private Sector Development

### RESULTS

INDICATORS	Baseline	Target	Result	Source
SP_[Old Resultsframework] Amount of private co-investment by companies and financial institutions; amount of donor investment (in million euros) (outcome)	4	8	7	28964

### Assessment of the results achieved across the entire result area 2

Assess achieved results compared to planning:	
Reasons for result achieved.	
Implications for planning.	

## Result area 5 - 4. Financial sector development Private Sector Development

### RESULTS

About 5 years ago, Kenya was elevated to lower middle income status. This meant that with the 'significant economic growth realized, Kenya did not have to depend on much of development aid. To that extent, inflows from development partners (ODA) would be shrinking. The Kenyan health sector has been a huge recipient of development support. The sector has been under funded for many years hence the health situation requires lots of interventions to improve on health outcomes. The role of various stakeholders would therefore be desirable. It is for this reason that the SDG partnership platform, which the Netherlands is a founding partner, was formed. Their main role is to catalyze innovative forms of financing and partnerships towards investing in the sector. The private sector is a key target. During the reporting period, the Platform addressed itself to Health sector-specific financing models. Significant progress was realized although not completed.

INDICATORS	Baseline	Target	Result	Source
ST_Number of improved or introduced new financial products	0	2	2	400000858

### Assessment of the results achieved across the entire result area 5

Assess achieved results compared to planning:	C
Reasons for result achieved.	The Platform was able to mobilize various actors in healthcare financing and delivery towards identifying innovative forms of financing which could
Implications for planning.	There would be need to continue support for the platform in order to sustain the gains made, which were impressive considering the platform was started

## Result area 6 - 5. Strengthened Economic governance and institutions Private Sector Development

### RESULTS

The Kenyan business climate continues to improve generally, going by the World Bank's Ease of Doing Business Indicators and ranking. At the same time, there are investment climate aspects that remain a challenge, hence negatively affecting Kenya's attractiveness to Foreign Direct Investment (FDIs). The Dutch private sector remains interested as indicated by the growing number of trade enquiries and companies doing business in Kenya. The Commercial justice system is one of the problematic areas which require intervention in order to bolster confidence of the businesses in the Kenyan operating environment. Through International Development and Law Organization (IDLO), the Embassy through decentral budget supported the Kenyan judiciary in addressing bottlenecks identified in a needs survey earlier commissioned by the embassy. The project was implemented during the reporting period and will continue into the coming period. During the implementation period, a number of actors in the business climate were strengthened by way of capacity building, enhancing awareness, providing platform/resources for engagements, technical support on the structures/format/membership etc. The institutions are: Law Society of Kenya, Centre for Arbitration and Business Court Users Committee. Further, the following policies/guidelines/strategy documents were developed for the judiciary: Standard Operating Procedures for training and Knowledge management; Guidelines for uniform citation system in e-filing; Communication strategy for Commercial/Tax Division; Document management system, e-filing module, e-payment module. A review began on the legal and regulatory structure with a view to making recommendations for the necessary reforms to be instituted. The process continued into the next reporting period.

INDICATORS	Baseline	Target	Result	Source
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ST_Description of changes achieved in laws, regulations, policy plans, outcomes of social dialogue or	NA	NA	Various	400000551
ST_Number of strengthened (farmer/workers/entrepreneurs/traders) organisations for a sustainable local	1	7	3	400000331; 400000551
ST_Number of supported Dutch interventions in local business environment for private sector development	0	64	2	400000551; 400000331

<b>Assessment of the results achieved across the entire result area 6</b>				
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Assess achieved results compared to planning:	D			
Reasons for result achieved.	400000551:The project was intended to start in August, 2017. Around the same time, Kenya went into a prolonged and highly contested political			
Implications for planning.	400000551:The realization of desired results have been delayed. Adjustments had to be done on forecasts on expenditure . Further, a no-cost extension			

\* Find more information on the projects on Openaid.nl with the activity numbers listed under 'Source'