BASELINE STUDY ON PRIVATE SECTOR ENGAGEMENT
IN THE CONTEXT OF DEVOLUTION IN KENYA
BASELINE STUDY ON PRIVATE SECTOR ENGAGEMENT IN THE CONTEXT OF DEVOLUTION IN KENYA
# CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of tables and figures</td>
<td>1</td>
</tr>
<tr>
<td>Acronyms and Abbreviations</td>
<td>2</td>
</tr>
<tr>
<td>About Konrad-Adenauer-Foundation</td>
<td>4</td>
</tr>
<tr>
<td>Executive Summary</td>
<td>6</td>
</tr>
<tr>
<td>Voices from the Private Sector Associations on Devolution in Kenya</td>
<td>8</td>
</tr>
<tr>
<td>1. Setting the Scene: Baseline Study on Private Sector Associations in Kenya</td>
<td>10</td>
</tr>
<tr>
<td>1.1 Purpose and Structure of the Study</td>
<td>10</td>
</tr>
<tr>
<td>1.2 Devolution in Kenya</td>
<td>11</td>
</tr>
<tr>
<td>2. Introduction to Private Sector Associations in Kenya</td>
<td>14</td>
</tr>
<tr>
<td>2.1 Functions of Associations</td>
<td>14</td>
</tr>
<tr>
<td>2.2 The Kenyan Economy and its Private Sector</td>
<td>15</td>
</tr>
<tr>
<td>2.3 Legal Framework of Private Sector Associations</td>
<td>16</td>
</tr>
<tr>
<td>3. Methodological Approach</td>
<td>18</td>
</tr>
<tr>
<td>3.1 Research Design</td>
<td>18</td>
</tr>
<tr>
<td>3.2 Object of Study and Triangulation</td>
<td>18</td>
</tr>
<tr>
<td>3.3 The research process</td>
<td>19</td>
</tr>
<tr>
<td>4. Presentation of Results</td>
<td>24</td>
</tr>
<tr>
<td>4.1 The three umbrella associations</td>
<td>24</td>
</tr>
<tr>
<td>4.2 Mapping of Associations</td>
<td>28</td>
</tr>
<tr>
<td>4.3 Presentations of Key Findings</td>
<td>45</td>
</tr>
<tr>
<td>5. Discussions of Findings</td>
<td>66</td>
</tr>
<tr>
<td>5.1 The Role of Private Sector Associations in Kenya</td>
<td>67</td>
</tr>
<tr>
<td>5.2 Agent and Structure Centred Approach</td>
<td>67</td>
</tr>
<tr>
<td>6. Conclusion</td>
<td>72</td>
</tr>
</tbody>
</table>

Reference List 74
Annex 75
LIST OF TABLES AND FIGURES

FIGURES
Figure 1: Timeline of Kenya’s Devolution 12
Figure 2: Development and Composition of the Kenyan GDP 15
Figure 3: The 10 counties chosen for the study 19
Figure 4: Associations by relevance for the study and sector 21
Figure 5: Umbrella Associations 27
Figure 6: Horticulture Sector Associations in the counties 47
Figure 7: Tourism Sector Associations in the counties 48
Figure 8: Construction Sector Associations in the counties 49
Figure 9: Example Association Structure 52
Figure 10: County Government Structure 71
## ACRONYMS AND ABBREVIATIONS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAK</td>
<td>Agrochemical Association of Kenya</td>
</tr>
<tr>
<td>AFIPEK</td>
<td>Kenya Fish Producers and Exporters Association</td>
</tr>
<tr>
<td>AGM</td>
<td>Annual General Meeting</td>
</tr>
<tr>
<td>AHK</td>
<td>Delegation of German Industry and Commerce in Kenya</td>
</tr>
<tr>
<td>AMFI</td>
<td>Association of Micro-Finance Institutions</td>
</tr>
<tr>
<td>BMO</td>
<td>Business member organisation</td>
</tr>
<tr>
<td>CBO</td>
<td>Community-Based Organisation</td>
</tr>
<tr>
<td>CDU</td>
<td>Christian Democratic Union of Germany</td>
</tr>
<tr>
<td>CEC</td>
<td>County Executive Committee</td>
</tr>
<tr>
<td>CoK</td>
<td>Constitution of Kenya</td>
</tr>
<tr>
<td>DANIDA</td>
<td>Danish International Development Agency</td>
</tr>
<tr>
<td>EAC</td>
<td>East African Community</td>
</tr>
<tr>
<td>EATTA</td>
<td>East African Tea Traders Association</td>
</tr>
<tr>
<td>FKE</td>
<td>Federation of Kenya Employers</td>
</tr>
<tr>
<td>FPEAK</td>
<td>Fresh Produce Exporters Association Kenya</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>KAHC</td>
<td>Kenya Association of Hotelkeepers and Caterers</td>
</tr>
<tr>
<td>KAIG</td>
<td>Kenya Association of Investment Groups</td>
</tr>
<tr>
<td>KAM</td>
<td>Kenya Association of Manufacturers</td>
</tr>
<tr>
<td>KAS</td>
<td>Konrad-Adenauer-Stiftung</td>
</tr>
<tr>
<td>KATO</td>
<td>Kenya Association of Tour Operators</td>
</tr>
<tr>
<td>KCTA</td>
<td>Kenya Coffee Traders Association</td>
</tr>
<tr>
<td>KENAFF</td>
<td>Kenya National Farmers Federation</td>
</tr>
<tr>
<td>KEPSA</td>
<td>Kenya Private Sector Alliance</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>KFC</td>
<td>Kenya Flower Council</td>
</tr>
<tr>
<td>KFFA</td>
<td>Kiambu Fish Farmers Association</td>
</tr>
<tr>
<td>KFMB</td>
<td>Kenya Federation of Master Builders</td>
</tr>
<tr>
<td>KIFWA</td>
<td>Kenya International Freight and Warehousing Association</td>
</tr>
<tr>
<td>KLMC</td>
<td>Kenya Livestock Marketing Council</td>
</tr>
<tr>
<td>KLPA</td>
<td>Kenya Livestock Producers Association</td>
</tr>
<tr>
<td>KNCCI</td>
<td>Kenya National Chamber of Commerce and Industry</td>
</tr>
<tr>
<td>KPDA</td>
<td>Kenya Property Development Association</td>
</tr>
<tr>
<td>KTF</td>
<td>Kenya Tourism Federation</td>
</tr>
<tr>
<td>KTGA</td>
<td>Kenya Tea Growers Association</td>
</tr>
<tr>
<td>KVA</td>
<td>Kenya Veterinary Association</td>
</tr>
<tr>
<td>KWIA</td>
<td>Kenya Water Industry Association</td>
</tr>
<tr>
<td>LWF</td>
<td>Laikipia Wildlife Forum</td>
</tr>
<tr>
<td>MOA</td>
<td>Matatu Owners Association</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
</tr>
<tr>
<td>PBO</td>
<td>Public Benefit Organisation</td>
</tr>
<tr>
<td>PERAK</td>
<td>Pubs, Entertainment, Restaurants Association Kenya</td>
</tr>
<tr>
<td>PPD</td>
<td>Public-Private Dialogue</td>
</tr>
<tr>
<td>RTN</td>
<td>Rural Tourism Network</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium sized Enterprise</td>
</tr>
<tr>
<td>SSA</td>
<td>Sub-Saharan Africa</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>USD</td>
<td>US-Dollar</td>
</tr>
<tr>
<td>VAT</td>
<td>Value-Added Tax</td>
</tr>
</tbody>
</table>
Konrad-Adenauer-Stiftung (KAS) is a political foundation, closely associated with the "Christian Democratic Union of Germany" (CDU) political party. As co-founder of the CDU and first Chancellor of the Federal Republic of Germany, Konrad Adenauer (1876-1967) united Christian-social, conservative and liberal traditions. His name stands synonymous with the democratic reconstruction of Germany, the firm alignment of foreign policy with the trans-Atlantic community of values, the vision of a unified Europe and an orientation towards a social market economy. Freedom, justice and solidarity are the basic principles underlying the work of his Foundation.

With a focus on political education in Germany and with projects in over 120 countries, KAS makes a contribution to the promotion of democracy, rule of law and social market economy all over the world and encourages a continuous dialogue at national and international levels.

KAS in Kenya works with local partners who share its values and helps them working towards these goals. The implementation of the new constitution in Kenya is crucial for the political development, the stabilization of democracy and also for sustainable economic growth. This process requires the citizens of Kenya, the civil society, as well as political parties and all other stakeholders to be involved in the implementation process of the 2010 constitution.

With this perspective, KAS is working with political and economic players, such as the National Chamber of Commerce and political parties representing the democratic centre, addressing economic development and the implementation process of devolution.

Besides consolidation of democracy and empowerment of civil society, KAS focuses on the promotion of a social market economy. Ludwig Erhard, as former chancellor, former Minister of Economic Affairs in Germany and party member of the "Christian Democratic Union of Germany" (CDU), advocated for a liberal social economic order. His policies led to steady economic growth in West Germany, placing the region as a leader within industrial and exporting countries.

We therefore believe that private sector engagement in the context of devolution in Kenya is crucial for the economic, social and political development in counties. As a result, we engage national employers’ associations, drawing their attention to the principal guidelines of a social market economy and its benefits for employers, employees, and the country’s economic performance. To reach this goal, KAS is fostering public participation in selected counties in Kenya and concentrates on capacity building of state and non-state stakeholders for effective devolved governance.

For this purpose, KAS and the Delegation of German Industry and Commerce in Kenya (AHK Kenya) elaborated this study to provide a better understanding of the process of economic devolution in Kenya and thus facilitate targeted action for our Kenyan partners towards a successful devolution process, not only politically but also economically.

Dr. Jan Cernicky, Country Director, Konrad Adenauer Foundation Kenya
EXECUTIVE SUMMARY

The new devolved government in Kenya has been in place since 2013. In the context of this political framework, this study aims to assess the status quo of business associations in Kenya and to show areas of intervention for further improvements.

Through 32 qualitative semi-structured interviews as well as secondary research, information on structure, functions, activities but also challenges faced and opportunities seen has been gathered. This in-depth information is presented as a mapping in Chapter 4.2 of this booklet.

The study shows that private sector associations in Kenya vary greatly, as per Chapter 4.3.1. Though patterns can be identified concerning their structure, almost all business associations have their headquarters in or close to Nairobi. Approximately half of the organisations interviewed have an established decentralised presence separate from their headquarters. Often, the former Kenyan province structure is followed rather than the new county division. Additionally, the geographical location of existing distribution networks within certain industries influence the decentralisation of associations without being devolution driven.

Chapter 4.3.2 presents the functions private sector associations fulfil in the political system, both at national and county levels. The functions most mentioned are representation of its members, lobbying, advocacy, capacity building and exchange among the members. The activities organisations conduct are elaborated in Chapter 4.3.3. Both internal activities, geared towards the members of the associations, as well as external activities, directed towards other industry players, private sector in general, national or county governments are conducted. Important activities for associations are the creation of value for members through trainings, industry promotion and industry research. Additional activities include the aggregation of members’ interests by enabling a bottom-up approach through established communication structures. Associations also play an important role in articulating and integrating members’ interests towards government bodies through advisory, advocacy, lobbying and establishing regular public-private dialogue fora and events.

When asked about challenges, the responses of the interviewed experts can be grouped in three clusters, as described in Chapter 4.3.3: internal challenges describe obstacles within an association while external challenges describe obstacles faced by all industry players, or structural challenges that have appeared with the implementation of devolution. Internally, associations’ main challenges are lack of financial resources, trade-off of between centralising or decentralising their structure, and reactive approach of the daily work of associations. Externally, the experts describe the revenue-dependency of the county governments as their main challenge. This often leads to obstacles in doing business through double or triple taxation and introduction of new permits or licenses at county level. Additionally, the roles and functions of national and county governments remain unclear leading to lack of responsibility of each party. Corruption has also
been mentioned as an inhibitor of private sector actions. These and other challenges are described as a confidence rift between county governments and business associations.

Chapter 4.3.4 elaborates on the opportunities private sector associations perceive in devolution of the political system: counties can strengthen their profile as investment destinations and develop a better business profile to attract investors. On one hand, devolution has allowed voices from the private sector residing in the periphery of the strongly developed centres of Nairobi, Mombasa and Kisumu to be included in policy formulation. On the other hand, devolution can lead to effective capacity building of many stakeholders leading to significant learning curves.

The presentation of findings in Chapter 5 aims to identify current weaknesses. Consequently, streams of potential interventions where the status quo can be improved are outlined. This study does not intend to develop in-depth methodologies to overcome the challenges identified, but offers tools for stakeholders to use the provided data and develop new (innovative?) approaches.

Following an agent and structure centred approach, the study identifies areas of intervention targeting private sector associations, county governments as well as its structural framework. For private sector associations, the most valuable activities to improve on are the sustainability of funds and the effectiveness of political representation of their members’ interests. Capacity building at county government level related to the functioning and values of private sector associations in the political process can solve some of the challenges identified in the previous chapter. Focusing on the structural framework, it is important to focus on the distribution of competencies and functions between the national and county governments as well as the lack of continuous communication and collaboration between private sector associations and the county governments.

The Conclusion in Chapter 6 offers an outlook in the limelight of the 2017 national and county elections. The upcoming election pressures government leaders to perform and to formulate new approaches or improve existing ones to lead the counties through the next legislation period(s). The election also represents the opportunity to reassess current measures and activities from both the private and public sectors’ perspective and evaluate the degree and success of interaction. As such, this period should be perceived as a window of opportunity for the further development of the devolved structure in Kenya.
Voices and quotes from our interview partners

“The upcoming four years should be about issues, not about which tribe you are from. I hope the political space will change. We hope that governments will not just win their election, but deliver on their promises.”

“It is difficult for us to deal with every county government. Every county government has a different minister for trade, for industry, dealing with all those people. Every county government introduces their financial bill every year, which we should have the capacity to go through because sometimes they might add some kind of charge. And that is a real challenge.”

“When governments are closer to us, we are able to see a bit more transparency of the finances of the government. We are able to be more in touch with the issues, be it business regulations, be it revenue, laws, licensing requirements and be it environmental issues... So in all these aspects that touch on business, we are able to kind of advocate better at a local level and more fine-tuned to the needs of a county.”

“A lot of investments come to the counties in terms of real estate, in terms of road development, infrastructure, energy development, sanitation and sewerage. [...] We are happy that there is work for our members. We have had [to] work away from just the big centres but down to the counties.”

“Counties should really manage their finances in a way that builds confidence to all stakeholders. And there is really no shortcut around it.”
"[in some] counties, the governments have been proactive. It has been a learning curve. There are new leaders and professionals at the local level, business people that are now engaging and focusing on the uniqueness of their area who are able to address counties."

"Things will come up, this is an initial time. Maybe we are judging too fast before we give the devolution time. It is going to be there. One thing that streamlined, next elections 2017 we maybe see some paradigm shifting of counties becoming more responsible for the devolved functions they are supposed to perform, and the national government letting go of the child, because the child is now able to walk."

"Counties need to work on regulations and bylaws, and the national government keeps the overarching policy making. Let us not have a localised thinking: we are not an island. We just operate in a bigger system where we are a subcomponent of it. We are all contributing to this bigger system, which only works if we subscribe to the same overall objectives."

"Different regions have different priorities and different problems and even solutions. So I find it useful. You don’t have all the powers vested in one national body."

"Devolution is about improving the product, offering more products, offering more county-specific products."
INTRODUCTION

Setting the Scene: Baseline Study on Private Sector Associations in Kenya

1.1 Purpose and Structure of the Study

The 2010 Constitution of Kenya shifted political and economic powers to a more decentralised system with 47 counties, realigning the pre-2010 status quo of a centralised political system. The so-called ‘devolved facility’ became operational in 2013 providing state and non-state stakeholders, including the private sector, with new possibilities of engagement. The devolved structure provides opportunities for the private sector to actively participate in the legislation process at various policy stages within the devolved facility.

In regards to political development, the decentralised political system in Kenya is relatively young and its functions and roles are neither completely, nor clearly defined yet. The majority of industry associations exists on a centralised or semi-centralised basis in Kenya.

In this study, the terms ‘private sector association’ and ‘business association’ are used interchangeably. Additionally, the umbrella association and the industry association are defined by the sector in which they are active, being either industry specific or multi-sectoral. Their type of members also classifies these associations: individuals, small businesses, corporates or groups (cooperatives, community-based organisations, etc.). Business member organisations (BMOs) are defined by their corporate member focus. Umbrella associations are often made up by corporates and other BMOs. All these types of associations, which operate in and for the private sector in Kenya, representing industry or multi-sectoral interests, are the objects of this study.

The private sector is well represented in Kenya’s major cities (Nairobi, Mombasa, Kisumu and Nakuru) given the number of industry associations engaging in political stakeholder dialogue. However, concentrating on the major cities only does not reflect the devolved county structure. Little to no aggregated data existed on industry associations in this devolved structure. Private sector associations in Kenya can play an important role in engaging the private sector in political discussions by bringing forward their needs and perspectives. Private sector engagement with the public sector supports the private sector’s economic interests, as well as the political stakeholders in their planning related to economic issues.

This report therefore assesses the activities of centralised, semi-centralised and decentralised industry associations within the decentralised political structure of Kenya. This research includes analysis of secondary data from reports and publications as well as extensive primary data generated through expert interviews.

The aim of this report is to provide deep insights into the status quo of private sector devolution and to answer the following question: How and in which areas do Kenyan private sector stakeholders see economic opportunities in the newly devolved political system? Additionally, this report aims to clarify whether these assumptions reflect the actual setup of the devolved associations. The first chapter of the study sets the scene by briefly explaining the devolution process in Kenya. Chapter 2 introduces private sector associations in Kenya and its functions, briefly depicts the Kenyan economic framework and states the legal frame-
work of private sector associations in Kenya. While chapter 3 covers the research design, methodology used and its limitations, the results are presented in the next chapter. Chapter 4 has two core elements: a) mapping and in-depth insights into selected private sector associations and b) presentation of key findings synthesised by structure, functions, internal and external activities as well as challenges and opportunities as seen by the experts. In chapter 5, Discussion of Findings, various streams of intervention are presented to allow both the protagonists and other stakeholders to blueprint actions to improve the status quo. The last chapter of the study concludes the research by providing an outlook.

1.2 Devolution in Kenya

Decentralisation appeared in Sub-Sahara Africa (SSA) around two decades ago, when reforms in post-conflict areas in South Africa, Ethiopia and Nigeria were being implemented. Since then, the majority of SSA countries have implemented some reforms that align with decentralisation policies. Two aspects should be taken into consideration when discussing decentralisation in SSA: first, the "blueprint" of the institutional arrangement or enshrinement in the constitution often does not match the political reality of the decentralised states; second, many agendas of international organisations such as the United Nations (UN), the World Bank or the International Monetary Fund (IMF) have (financially) supported the decentralisation movement.

On the 4th of August 2010, a referendum took place in which the Kenyan population was asked to vote on a new Constitution (Constitution of Kenya, CoK). With a majority of 68.55%, the citizens decided in favour of the new Constitution. In its 11th chapter, the new Constitution initiated the process of decentralising central government functions to the newly established 47 counties. This led to the creation of two state levels: national level and county level. Consequently, the old structure of seven administrative authorities and the Nairobi district was abolished. Subsequently, in March 2013, the election did not only lead to the nomination of the Kenyan president, but also that of the 47 county governors and the county assemblies.

The most relevant legislations related to devolution in Kenya are:
- County Governments Act 2012;
- Transition to Devolved Government Act 2012;
- Urban and Cities Act 2011;
- Intergovernmental Relations Act 2012;
- County Governments Public Finance Management Transition Act, 2013.

Against the common belief that the Constitution of Kenya 2010 (CoK) includes provisions towards public-private partnership and activities, these are to be found in the County Governments Act 2012. This latter document states (Part VIII, Section 87) that citizen participation in counties should be based on the principle of "(f) promotion of public-private partnerships, such as joint committees, technical teams, and citizen commissions, to encourage direct dialogue and concerted action on sustainable development".

---

1 Erk 2014: 535.
2 Erk 2014: 536f.
3 IEBC 2015.
4 Republic of Kenya 2012:47.
FIGURE 1 | TIMELINE OF KENYA’S DEVOLUTION

"DEVOLUTION IS A FORM OF DECENTRALISATION WHERE POLITICAL, ADMINISTRATIVE AND FISCAL AUTHORITY IS TRANSFERRED BY LEGAL AND CONSTITUTIONAL MEANS FROM THE NATIONAL LEVEL TO INDEPENDENT SUBNATIONAL CONSTITUTIONAL OR STATUTORY AGENCIES." *

Referendum for the new constitution: 4th August 2010
Approved by 67.2% of the voters

Promulgation of the Constitution of Kenya (CoK) on 27th August 2010
Replacement of constitution of 1963
Guiding principles (selection):
• Sovereignty of the people of Kenya
• Citizen Participation
• Rule of law
• Sustainable development

Establishment of only two levels of government: national and county level (CoK, Chapter 11), and division of functions (CoK, Fourth Schedule)
Guiding principles of devolved structure (Art. 175):

a) County governments shall be based on democratic principles and the separation of powers;

b) County governments shall have reliable sources of revenue to enable them to govern and deliver services effectively; and, (effective governance and service delivery)

c) No more than two-thirds of the members of representative bodies in each county government shall be of the same gender. (balanced gender representation)

Re-establishment of the Senate (Upper House), whose members each represent one county.

* Republic of Kenya (2015): Draft Devolution Policy. This “Policy was initiated by the Ministry of Devolution and Planning both to provide a more cogent and structured framework for the implementation of devolution, and as a response to the challenges that have become evident within the two year period that devolution under the Constitution of Kenya, 2010 has been in existence. [...] The decision to publish a reference document on Kenya’s devolution is informed by the need to streamline and guide the implementation of the devolved system through increased coordination of all stakeholders. The Policy recognizes that the implementation of the proposed measures requires a coordinated approach across all levels of government: by state organs, county governments, the private sector and other non-state actors.”

Figure 1 shows the process of Devolution in Kenya from the year 2010 onwards. It includes major milestones and background facts.

The objectives of devolution in Kenya, as per the constitution are to bring more rights of participation to the Kenyan population, among others. This supports democracy and good governance principles as well as the rule of law. Furthermore, it should design the delivery of public services and goods more efficiently and bring forward economic development.

The above infographic visualises the critical steps the Kenyan political system took towards a devolved facility in the form of a timeline starting with the Referendum for a new constitution in 2010 and ending with the upcoming general elections in 2017.

STRUCTURE AND DESIGN
The process of the Kenyan devolution builds on seven main principles: sovereignty of the Kenyan people, social equity and justice, economic development, the positioning of the state as service provider as well as principles of leadership...
According to the constitution, neither the national nor the county levels are superior to one another. Each county is free to decide how many sub-levels it wants to implement. Hence, there can be Sub-Counties, Wards and Village Levels. The structure of a county government is based, similarly to the national government, on a legislative arm, the "County Assembly", and an executive arm, the "County Executive Committee (CEC)". The judiciary has not been devolved to county levels. There are various representatives in the county assembly, drawn from representatives of each ward, as well as nominations of women representatives and representatives of marginalised groups. The functions of the county assembly are legislation, impeachment of the governor when underperforming, and control over the county budget.

5 Oyango 2013: 13, 17.
Introduction to Private Sector Associations in Kenya

2.1 Functions of Associations

In this chapter, the functions of private sector associations are briefly discussed. In chapter 4 (Presentation of Results), the functions and activities the private sector associations in Kenya implement are described. In a healthy pluralistic community, associations are essential to ensure the functioning of political systems. The essence of associations is to act as representatives of diversity in a society, and consequently addressing sovereignty of the people. Associations fulfill four main tasks: aggregation, selection, articulation and integration of political interests of its members. Additional important functions are: participation in political decision making and its value for democracy; legitimation of political decisions and degree to which they are rooted in society; and self-regulation, when the state delegates tasks to associations to reduce its obligations or its leverage on areas such as economic policy making.

Furthermore, associations are the link between the state and the private sector. Members often benefit from an association and its activities such as education, vocational training, support in international and national standards, support in compliance measurements, and build information and business networks throughout its members’ base in its respective sectors and industries. The instruments used by associations – particularly economic, trade and business associations - to represent their interests are, among others, publishing of position papers, presence at public hearings, scientific reports for conveying information towards political decision making and mobilisation of media and the public.

The private sector needs to engage in political discussions to support political stakeholders in decisions and planning of economic policy-making, and to preserve and protect their own needs, perspectives, economic and political interests.

Political decentralisation supports a more effective, tailored delivery of services at local level (Oates 1999:1121). According to the theory, a subnational government can assess the citizen’s need of quality and quantity of specific goods and services more effectively and can react accordingly. Local governments are dependent on the revenue generated through taxes from citizens and the private sector at local level (besides receiving some calculated share from the national budget). Hence, the government should ideally make conscious decisions by implementing specific incentives that strengthen the local economic power and capacity of local businesses. Given this framework, the decentralised government structure would not only be more efficient in the provision of services, but would also engage in providing a more effective and enabling business and investment environment through direct (economic policy) incentives (tax benefits, support for starting businesses, easier registration etc.) or growth-enhancing instruments such as improved infrastructure (roads, formal markets, cooling infrastructure, etc.). As a consequence, the private sector would benefit from a local, decentralised government structure.

---

6 see Straßer 2006: 11f.
7 Quittkat/Kotzian 2003.
Private sector and industry associations operating in a decentralised manner as a consequence of devolution would certainly be desirable given the current political and economic subsidiarity. It can be concluded that political-economic cooperation might enhance or facilitate the process of devolution. It can also be reasonably assumed that Kenyan private sector associations are establishing public-private dialogue that is not only demanded by the government to ensure gradual and successful decentralisation, but also to fulfil the objective established by the constitution: leverage economic development throughout Kenya, creating employment and reducing poverty, strengthen effective regulatory order and ultimately, if the support is adequate, support the establishment of a social market economy.

### 2.2 The Kenyan Economy and its Private Sector

The Kenyan economy is growing: in 2015, the Kenyan gross domestic product (GDP) amounted to USD 64.7 billion, compared to USD 60.1 billion for 2014. The composition of the GDP is derived from the following sectors: 28.9% agriculture, husbandry and fishery, 23% industry and construction and 41.1% Services (see Figure 2).

Kenya’s economy experienced constant growth in recent years and is the most influential country, in economic terms, within the East African Community (EAC). A multitude of local and foreign
companies launched their business activities in Kenya’s industrial centres, Nairobi and Mombasa, but also in regional centres such as Nakuru or Kisumu. Besides the agricultural and industrial sectors, the service industry in Kenya prospers with its numerous banks, insurances and business consultancies among others.

The economic projections show a robust growth of 6.0% for 2016 and 6.1% for 2017 being evenly spread across the different sectors. Investments in Kenya are expected to linger at about 22.5% of the GDP in 2015 with expectations of remaining stable. The amount of foreign direct investment stood at USD 4.4 billion in 2014, which has nearly doubled since 2012.

Despite many positive trends, the Kenyan economy contains a set of risks: incomes are very unevenly distributed (GINI coefficient of 47.7) and stable access to electricity, water and sanitary services are limited to the higher and middle-income classes in metropolitan areas. Because of inequality, tribal oriented politics as well as high unemployment rates, the Kenyan society is facing risks of unrest that negatively affects private sector development. A high percentage of the working population in Kenya forms the so-called ‘informal economy’. This segment of the population often fights to make ends meet, does not participate in socio-economic dialogues and avoids paying taxes to the state. This situation makes it difficult for private sector associations to reach out to them and integrate their views into the political system.

2.3 Legal Framework of Private Sector Associations

In order to actively promote its objectives, every private sector association needs a legal entity. The predominant form of registration is an organisation limited by guarantee but some private sector associations are also incorporated as societies. Since 2013, it is also possible to register as a Public Benefit Organisation (PBO). If an individual wants to dedicate part of its fortune to a public purpose, a private sector association may also be registered as a trust.

2.3.1 LIMITED BY GUARANTEE

Private sector associations are commonly incorporated as organisations limited by guarantee, governed by the Companies Act 2015. This reflects the commonly used legal structure for private sector associations in common law countries.

The liability of the members of an organisation limited by guarantee is limited to their annual contributions to the association as stipulated by its memorandum. As the name suggests, an organisation limited by guarantee limits the liability of its members and is therefore the most popular choice for private sector associations. According to Section 7 Subsection (1) of the new Companies Act 2015, an organisation limited by guarantee is no longer allowed to have share capital. Such a structure is therefore particularly useful when it is desirable to avoid the need to transfer a share every time a member leaves or joins the association.

A not-for-profit company limited by guarantee can be exempted from having the word ‘Limited’ (or ‘Ltd’) at the end of its name if it is set up for the promotion of commerce, art, science, education, religion, charity or any profession. This is the case for most private sector associations. Income tax is not applicable, only value added tax if the organisation limited by guarantee offers services. It should be noted that the “limited by guarantee” status can be difficult to obtain as the company registrar needs to seek clearance from the National Intelligence Service (NIS).
2.3.2 SOCIETY
Another possible choice for incorporating a private sector association is a society. The law relating to societies in Kenya is contained in the Societies Act Cap 108 of the Laws of Kenya. Under Section 2 of the Societies Act, a society is "any club, company, partnership or other association of ten or more persons, whatever its nature or object, established in Kenya or having its headquarters or chief place of business in Kenya". Branches of societies also qualify as societies. The definition specifically excludes: companies, trade unions and their branches, cooperatives, corporations, firms, associations, or partnerships carrying on business for profit, schools, building societies, banks or international organisations of which Kenya is a member.

A society is best suited for a charity that is initiated by a group of ten or more people. It would be unsuitable for a single founder that relies on subscriptions, voluntary contributions and fundraising efforts rather than on substantial endowments.

Once the society is registered, all current and subsequent members are collectively considered to be a body corporate under the name of the society although once incorporated, the society takes on a separate legal identity distinct from its members.

The approval for registering organisations remains at the discretion of the Registrar of Societies, although a society aggrieved by the decision of the Registrar may first appeal to the Minister and then to the High Court.

Once registered, the Registrar can at any time demand that the books and accounts of the society shall be made available to him for inspection according to Section 27 para (1) Subsection (b) of the Societies Act 2013. Under Section 10 of the Societies Act, a society can ask the Registrar for an exemption of the registration that will release the society from its duty of filing annual reports. The decision to exempt a society is made at the discretion of the Minister.

2.3.3 PUBLIC BENEFIT ORGANISATION (PBO)
Non-governmental organisations (NGO) can choose to be incorporated as Public Benefit Organisations (PBO) governed under the Public Benefit Organizations Act 2013.

Associations registered under the PBO Act have access to a number of benefits. These include an income tax exemption on income received from membership subscriptions and any donations or grants, preferential treatment for value-added tax (VAT) and an exemption on customs duties in relation to imported goods or services that are used to further their public benefit purposes.

To be incorporated as a PBO, Section 5 Para (1) and Section 2 Para (1) of the PBO Act 2013 require the association to support or promote the public benefit by: enhancing or promoting legitimate economic, environmental, social, or cultural development; protecting the environment; or lobbying or advocating on issues of general public interest or the well-being of a group of individuals or organisations.

2.3.4 TRUST
Incorporation of trustees in Kenya is regulated by The Trustees (Perpetual Succession) Act Cap 164 of the Laws of Kenya. Section 3 Para (1) of the Trustees Act states that Trustees who have been appointed by any association of persons established for any charitable purpose, or who have constituted themselves for any such purpose, may apply to the Attorney General in the manner provided in this Act for a certificate of incorporation of the trustees.
Methodological Approach

3.1 Research Design

The research design and methodology of this study were based on the scope of this research. A detailed mapping based on a variety of primary and secondary data sources (see chapter 3.2: Object of Study and Triangulation) allowed creating an overview of business associations relevant for Kenyan policy.

As access to information related to the actual devolved structure of the associations and their functioning was limited, the research targeted experts involved in the business associations, such as members of their secretariat or active members of their organisation.

In order to collect relevant information from the associations, qualitative methods were used in the form of semi-structured interviews. Qualitative research is used to gain a deep understanding of a research topic. The questions asked provided answers related to the involvement of associations with the devolved structure, their activities and the assessment of devolution by stakeholders of private sector associations.

The 10 most economically active counties in Kenya have been chosen as target counties for this study. This selection was necessary due to time and budget constraints and provided perspectives beyond the national level's perspective. Interviews conducted in the counties and at national level always related to Kenya as a whole and thus, the results have been generalised. The ten counties selected are: Kajiado, Mombasa, Kiambu, Laikipia, Kilifi, Nairobi, Kisumu, Machakos, Narok and Nyeri. This selection represents 10 of the most economically vibrant counties in the country and partly overlaps with the 11 counties selected for the Subnational Doing Business Index released in 2016.

3.2 Object of Study and Triangulation

Triangulation minimises mistakes and/or risks compared to individual research methods and therefore offers higher quality of results. Jacob describes the triangulation of methods and the triangulation of sources "as a process of cumulative validation or triangulation as means to produce a more complete picture of the investigated phenomenon".

This study therefore uses several sources of data:

1) Primary Data:
   a. Qualitative interviews: the semi-structured interview questions focused on activities, functions and the concrete role of private sector associations at national and county level. The interviews were conducted and answers analysed.
   b. Memos: The interviewers wrote memos with non-verbal information that couldn't be captured in the interview when applicable. These memos included further observations and content to be included in the analysis.

8 For that report, the following counties have been assessed: Busia, Isiolo, Kakamega, Kiambu, Kisumu, Machakos, Mombasa, Narok, Nyeri and Uasin Gishu (World Bank 2016: Doing Business in Kenya).
9 Jacob 2001: online.
2) Secondary Data
   a. Reports and publications: reports, studies and publications on devolution and the Kenyan private sector associations, both online and offline, were used for the mapping of the associations.
   b. Information provided by the associations: printed and online information provided by the research subjects themselves were included in the analysis.
   c. Newspaper and press clippings were included in the analysis.

3.3 The research process

3.3.1 QUANTITATIVE MAPPING
No complete database on private sector associations at national or county level exists to date. With the help of the above-mentioned secondary data, a quantitative collection of active associations was compiled. Secondary data on registrations of business associations mentions up to 180 registered associations\(^\text{10}\), although a closer audit shows that many of these organisations do not seem to be active and cannot be contacted.

\(^{10}\) Business Advocacy Fund 2013.

The map highlights the location of the counties selected (Kajiado, Mombasa, Kiambu, Laikipia, Kilifi, Nairobi, Kisumu, Machakos, Narok and Nyeri)
Selecting and contacting a random sample confirmed this fact. Furthermore, several of the respondents referred to the issue of dormant organisations. A list compiled by the Business Advocacy Fund financed through DANIDA/Danish Embassy lists around 155 associations, this is excluding organisations such as NGOs, labour unions and research institutes (see Annex).

To distil the subject of the report, the following criteria were developed to reflect the economic political relevance and importance of the private sector membership associations:

**Selection criteria:**
- Duly registered with the registrar of companies, societies or cooperatives;
- Have political and negotiation power within the industry it is operating in;
- Have the ability to influence political opinions both at the county and the national level;
- Potentially have economic impacts on its members as an enabler for commerce and trade;
- Possess a constitution and conduct regular meetings (e.g. Management and Annual General Meetings);
- Are visible at national level or at least at county level;
- Conduct economic activities for promoting the interests of its member;
- Operate a registered office, are represented by representatives or officials and possess a physical address;
- Clearly have a membership base, associates or chapters, and
- Have a certain agenda, which they articulate, e.g. trade, interest, or profession.

Based on these criteria, the associations were labelled as high, medium or low importance for the research. Private sector associations with high importance were classified as highly relevant, visible and active in regards to the political system. The rationale for why these organisations are important for the research was the foundation of why they were added to the mapping. Medium importance classified associations with a medium relevance for the study and low importance meant no/low/not visible (political) activities. Due to the scope of the study, associations labelled as ‘low importance’ were not contacted for interviews.

The following graphic shows a classification of private sector associations based on their economic sectors. The left column shows the high or medium classification of the association, thus its priority.

### 3.3.2 QUALITATIVE EXPERT INTERVIEWS

Qualitative research consists of various steps, which take place either subsequently or in parallel.

Generally, four different phases are distinguished:
- Design of the research process
- Data collection
- Data evaluation and analysis
- Presentation of results

While the design of the research process is described in chapter 3.1, the following sections further describe the methodology used.

#### 3.3.2.1 Sampling and selection of research objects

A random sampling strategy would not be appropriate to gather relevant information for this study as the purpose is not to generate a
Figure 4 shows the clustering of the identified associations relevant for this study. The three important axes are the relevance for this study (high and intermediate), the umbrella associations, and the separation by sector.

3.3.2.2 Data Collection
The qualitative method of semi-structured guided expert interviews was identified as a suitable methodology for this research. For semi-structured interviews, a guide with questions and topics to be covered is used. The interviewer has some freedom regarding the order of questions and additional topics he wants to raise.

This type of interview collects detailed information and is often used when the researcher wants to dive deeper into a topic and understand thoroughly representative sample with generalisation of results. The purpose is to learn from representatives from private sector associations who can firstly, represent the position of their organisation and secondly, are relevant sources of information. Based on the mapping and classification of the associations and the identification of its experts, the sampling strategy for contacting the associations for interviews and interviewing the voluntary expert has been applied. Elements of ‘snowballing’ (interviewing experts on the recommendation of other experts) have been applied as well.

11 Girtler 2001:56.
the answers provided\textsuperscript{12}. Furthermore, semi-structured interviews allow for subjective perspectives to be shared and hence, knowledge of the interviewee despite the possible sensitivity of political topics or possible confidentiality matters related to his membership\textsuperscript{13,14}. The semi-structured interview design provides the expert with ample time and scope to express their diverse views and allows the researcher to react to and follow-up on emerging ideas and unfolding events\textsuperscript{15}.

Some of the questions of the interview guideline were:

1. If your association has decentralised its structures, how and when was this done?
2. What were the compelling reasons for decentralisation?
3. What have been the challenges?
4. In your experience, what are the issues that your association has been most actively engaged in at the (semi-decentralised and) decentralised levels of government? Can you give examples?
5. Which activities and projects initiated by your association are related to the process of economic devolution in Kenya? Can you mention them?
6. In regards to your activities, how often or how regularly do you conduct these e.g. stakeholder engagements, general meetings, investment summits, trade delegations and missions etc.?
7. Has the overall devolution process in Kenya created an enabling business environment at national and decentralised levels (e.g. county, constituencies, wards etc.)?
8. Have there been any conflicts between private-sector associations and county governments? How are the conflicts being managed/resolved, if at all?

The interviewer selected specific questions from the guiding questionnaire based on the research of the association and information already available, to both complement and add relevant missing information. This proved also useful in researching certain activities which the researcher had been made aware of through press coverage, reports or website articles.

3.3.3 QUALITATIVE INTERVIEWS

Based on the research objectives, secondary questions, the mapping of associations and the interview guide for the expert interviews were established. Contacts to the experts were initiated by phone or e-mail stating the objectives of this study.

Over a period of two months in 2016, interview requests have been sent out to 40 organisations and 32 interviews were conducted, representing a response rate of 82.0%. 31 interviews were conducted face-to-face while one interview was conducted via phone only\textsuperscript{16}. In some cases, people already having been interviewed face-to-face were contacted via phone for follow-up questions providing further mapping and analysis of the association.

Face-to-face interviews were favoured over phone interviews as the experts had the chance to be interviewed in their familiar environment. The researcher was able to attend to non-verbal communication in the interview process and a

---

\textsuperscript{12} Rand 2014: 27.
\textsuperscript{13} Experts have been given the choice to remain anonymous. Therefore no names of experts interviewed are published in this study.
\textsuperscript{14} Kuckartz u.a. 2009: 10.
\textsuperscript{15} Nohl 2009.
\textsuperscript{16} The phone interview was agreed to because the researchers (AHK) have just recently visited the interviewee and collaborated with the organisation.
personal connection was built, which often led to a more pleasant interview situation and a better interview quality. Some interviewees did not agree with the interview being recorded; the respective interview responses were therefore written down by hand and later transcribed digitally. The previously recorded interviews were also transcribed.

3.3.3.1 Data Evaluation and Analysis
The methodology for qualitative content analysis is generally used to analyse semi-structured qualitative interviews. In a first step, the whole material is screened. Secondly, the data is checked based on the research questions and marked accordingly e.g. on the function or the structure of the association. Additional research categories spurring from the interviews can be created and marked. Furthermore, the information from secondary sources such as the memos and the information provided on the work of the association are included in the research. Often, and as is the case with this study, the process of data generation and data analysis were conducted in parallel as they enrich each other.\(^{17}\)

3.3.3.2 Limitations of the Study
All scientific research has its limitations and some, which are possibly relevant for this study, are briefly discussed here.

Methodological Limitations
a) Sample size
From over a hundred active associations that can be found through the Business Advocacy Fund and qualitative information of experts in that field, the sample size of 40 organisations identified and 32 interviews conducted can be perceived as representative for gaining in-depth insights into the private sector associations. The high number of counties proved it feasible to conduct interviews in more than ten counties. Time and budget constraints also have to be taken into account. Since most of the associations were identified based on the criteria listed above, such as the visibility of organisations, there may be a bias towards associations with a national mandate as they usually have a higher visibility and political voice. The majority of associations with a national mandate are based in Nairobi, which might have a negative effect on the variation of the interviewees. Decentralised organisations acting solely at regional level are therefore rather neglected through the research design used. Only two of the interviews conducted represented associations active at county level only.

b) Availability of data
Most organisations identified to be interviewed responded to the request for interviews, which resulted in a high response rate. There may be a bias towards organisations that like to showcase their work, that are less busy working on other topics or that have the readily available means of communication (mail and phone). This potentially leads to a bias of experts interviewed. Also, one interviewer responded that some of the interviewees had a certain motivation to participate in the study, which might have an influence on the results. The reasons mentioned to participate were the hope of starting a partnership with the study organisers or to access funds for the association’s work.

Further research and mapping exercises as well as the establishment and maintenance of a central database on private sector associations would provide the chance to minimise those scientific limitations.

\(^{17}\) see Ebster/Stalzer 2008: 140-143.
Presentation of Results

In this chapter, the results of the undertaken empirical work are presented. After an in-depth description, sub-chapter 4.1 focuses on the three most relevant umbrella bodies of the private sector associations. Sub-chapter 4.2 presents a mapping of all private sector associations that have been defined as relevant for this report. Sub-chapter 4.3 aggregates and synthesises the findings on the character of the different private sector associations. Similarities as well as differences among the associations are highlighted. The aspects covered below include structure, functions, activities, challenges and opportunities for associations.

4.1 The Three umbrella Associations

Due to their high visibility and importance for the business environment, the following chapter will focus on umbrella bodies. Umbrella bodies generally can be defined as associations that not only accept companies as members but also accept and seek other business membership associations (BMOs) as members. The five main private sector associations in Kenya are taken into account for this study as umbrella bodies because of their high visibility and based on references from other interviewed associations. Two of these, Kenya National Farmers Federation (KENAFF) and Kenya Tourism Federation (KTF) have other sector associations such as KATO, KATA and KAHC as members for the tourism sector. Both of them exclusively focus on their own sectoral agenda in agriculture and tourism and don’t see their roles in fostering the private sector as a whole. They are therefore classified as "sectoral umbrella organisations" in this study.

In this study, the focus on umbrella associations lays therefore on the other three umbrella bodies which can be described as 'cross-sectoral': Kenya Private Sector Alliance (KEPSA), Kenya Association of Manufacturers (KAM) and Kenya National Chamber of Commerce and Industry (KNCCI). These organisations play the most relevant role in the interaction between national politics and the private sector in Kenya. This is as well reflected in their structure and function. All of them represent and organise not only companies from a specific sector but also articulate joint messages from the private sector. For example, KEPSA’s slogan is ‘The Voice of the Private Sector’, describing its aspiration to speak for all companies in Kenya. Similarly to KEPSA, KNCCI also thrives to represent all companies in Kenya, which creates a certain level of competition in some areas. In comparison, KAM focuses on the manufacturing segments of the Kenya economy and aggregates members that are mainly active in producing goods. All three umbrellas accept both members as individual companies as well as other business membership organisations (BMOs) that have companies as members.

The section briefly describes the differences in structure of the umbrella associations, highlights similarities in the functions these associations represent and then focuses on the cooperation between the headquarters of the umbrella and its regional presence within the country.

Taking a closer look at the structure of the umbrella associations shows the particular difference between KEPSA and the two other umbrella associations: KEPSA works solely from its headquarters in Nairobi and is not planning to devolve
its structure in the future, directing its effort mostly towards the national government and other national political bodies. KEPSA has approximately 100,000 members, both corporates and BMOs alike. The type of members is broad and ranges from start-ups, small and medium sized enterprises (SMEs) to private sector and trade associations. KEPSA mainly works through its 17 Sector Boards, which represent 17 economic sectors and mirror the national ministries such as Agriculture, Livestock and Fisheries; Transport and Infrastructure; or Devolution and Planning. Due to its wide range of member organisations, KEPSA is able to incorporate key leaders with expertise from its respective sectors as chairs of the sector boards. Each chair has a counterpart within the corresponding ministry to collaborate with. The Governing Council, composed of the 17 sector board chairpersons, make the key decisions within KEPSA. Besides the voluntary chairpersons, the full-time secretariat in Nairobi is headed by a Chief Executive Officer.

Contrary to KEPSA, KNCCI is the most devolved umbrella association in Kenya, and aims to maintain presence in each of the 47 Kenyan counties. Currently, a number of these representations seem to be dormant. The actual size and scope of activity varies a lot. Depending on the county, KNCCI is present with either a board or a committee structure. All local chapters work semi-autonomously but also cooperate with each other – especially in neighbouring counties – to mutually support each other when it comes to cross-county topics, issues or projects. Beneath industry representatives, who work in the committees or are represented in the board, women representatives and youth representatives are included in their structure. In larger counties, KNCCI features a secretariat and a board structure. Secretariat staff mostly deals with membership issues while the board works at policy level. KNCCI gathers members’ interests and brings them forth to the relevant institution. At national and county level, subject matter committees, e.g. on tourism or export, observe and tackle more specific topics. Depending on the size of the county and of the respective KNCCI chapter, sub-county structures exist or plan to be in place. In Nyeri, for example, KNCCI has approximately 400 members and is steered by a Board of Directors with one Chairman and nine directors. Three directors represent ‘minorities’, namely women, people with special needs and the youth. The committee structure for the 8 sub-counties of Nyeri is planned, but not implemented yet. In other counties, such as Kajiado, the sub-county structure is already in place.

In comparison to KEPSA and KNCCI, the Kenya Association of Manufacturers (KAM) champions a middle ground. The association started its decentralisation process in 2005 and implemented its present decentralised structure in 2010. KAM works with a decentralised cluster approach: each chapter can cover several counties. Therefore, all counties are represented within the national structure; although KAM does not have physical representations in all counties. Seven regional chapters are represented by their respective offices throughout Kenya. The chapters can be grouped into two segments: the first segment’s chapters cover the main industrial areas and are clustered in the Greater Nairobi region.
The second segment’s chapters represent industry interests within different regions outside of Nairobi (see comparison map, figure 5). Despite its devolved structure, 80% of KAM member companies are located in proximity to the capital, Nairobi. Thematically and independently from the regional organisation, KAM is structured in 14 sector boards representing manufacturing sectors, e.g. Building, Mining and Construction; Food and Beverages; or Plastic and Rubber. Every company is a member of one sector. Further to the sector boards, seven working committees at national level target important work areas of the umbrella association, such as the Legal and Regulatory Affairs Committee or the Devolution and County Affairs Committee.

While the structure of the three umbrella associations varies, the functions they take for their members are rather similar.

Most importantly, all umbrella associations provide a “platform” (KEPSA) or “forum” (KAM) for public–private dialogue at various levels. They aggregate and organise members’ interests and feed them into the political system. Through aggregation, the position and voice of the private sector is better articulated. As the umbrella associations represent many members, their positions affect a larger share of their members or sectors (as opposed to presenting particular interests).

The organisation of regular exchange platforms between the private sector and the political structure of Kenya, such as committees or roundtables, with the Annual Presidential Roundtable organised by KEPSA as the most prominent example, are vehicles to fulfil this role.

The umbrella associations thereby not only provide the platform for the exchange but also take an active role in advocating for their members’ interests.

While KEPSA focuses more on the national agenda, KNCCI and KAM, with their devolved structure, aim to develop local agendas on advocacy, strategy and action plans in order to lobby for policy reforms as well. Members’ issues are collected at county level and channelled through the national body through the representation structure.

Another common set of functions is the formulation of a value proposition for members. The main value proposition consists of providing information on policies and regulatory changes, offering networking opportunities such as conferences or various training and capacity building opportunities.

Due to their holistic approach targeting the private sector as a whole, the business umbrella associations – in comparison to the sector specific business associations – focus on improving the general business environment in Kenya. KEPSA, for example, formulates a National Business Agenda with the following goals “a) improving governance and the business regulatory environment, b) upgrading security, c) infrastructure development, d) enhancing trade and investment and e) promoting human capital development and entrepreneurship” (KEPSA 2016).

Through their presence in the counties and at national level, the issue of business licenses is especially relevant for KNCCI and KAM. Here, matters related to the county budget are especially visible in the work of these two associations.
All three umbrella associations KEPSA, KAM and KNCCI are headquartered in Nairobi. Figure 5 furthermore shows the presence of KAM and KNCCI in the decentralised structure in Kenya.

For example, tax revenue rests at national level, but the issuing of business licenses is a newly devolved task and one of the main chances of income generation for the counties, creating difficulties in manoeuvring the multitude of new regulations. The devolution of functions and the actual implementation can hamper business of the associations’ members. Hence, the umbrella associations are working on a way to harmonise policies in that regard.

The associations see themselves in different roles when engaging the government. While KEPSA sees itself as the “key partner for the government in formulating and implementing policies and strategies in order to achieve its mission”, an interviewee from one of the KNCCI chapters describes the role of the Chamber as a “watchdog” and opposition to the government, hinting at a role of political control.
Due to their professionalism and size, it can be expected that the work of the umbrella organisations is more proactive. They take into account the bigger picture, although some KNCCI interviewees criticise the often ‘reactive’ role of their organisation.

The cooperation between headquarters and devolved structures are seen differently from the two angles. While the headquarters experts stress the proactive role the local chapters in the counties play on their own, one interviewee from a local chapter describes their role as gathering the local issues of their members and merely "presenting them to Nairobi" where the central structure then formulates a policy that is later solely adopted by the said devolved structure.

While joining one of the big three umbrella organisations can provide companies with a set of added values such as business information through newsletters and various training offers, the sheer size of members and members’ interests working in particular sectors may be lost in the chorus of voices.

4.2 Mapping of Associations

The following mapping can be seen as an ‘Association Directory’ within this study. In a concise way, it presents important aspects such as the number of members, the classification and sectors covered. The naming of the associations’ websites mostly offers the opportunity to directly contact the associations while the overview of its headquarters location as well as its branches show the regional scope. The affiliation describes if the association is member of one or more of the cross-sectoral umbrella associations KEPSA, KAM or KNCCI. A short description allows for further in depth information and a special emphasis is put on the regional structure as well as how members’ interests are aggregated.
Mapping of Associations

Associations identified and interviewed (after KEPSA, KAM and KNCCI sorted in alphabetical order):

UMBRELLA ASSOCIATIONS

Associations identified and interviewed (after KEPSA, KAM and KNCCI sorted in alphabetical order):
1. Kenya Private Sector Alliance (KEPSA)
2. Kenya Association of Manufacturers (KAM)
   KAM Membership/Secretariat
   KAM Coast Chapter
   KAM Devolution Committee and former KAM Central Chapter/Kiambu official
   KAM Western/Nyanza Chapter
3. Kenya National Chamber of Commerce and Industry (KNCCI)
   KNCCI Kajiado
   KNCCI Kilifi*
   KNCCI Kisumu
   KNCCI Laikipia
   KNCCI Machakos
   KNCCI Mombasa
   KNCCI Nairobi
   KNCCI Nakuru*
   KNCCI Narok
   KNCCI Nyeri

BUSINESS ASSOCIATIONS
4. East African Tea Traders Association (EATTA)
5. Federation of Kenya Employers (FKE)
6. Fresh Produce Exporters Association Kenya (FPEAK)
7. Kenya Association of Hotelkeepers and Caterers (KAHC)
8. Kenya Association of Investment Groups (KAIG)
9. Kenya Association of Tour Operators (KATO)
10. Kenya Federation of Master Builders (KFMB)
11. Kenya Fish Producers and Exporters Association (AFIPEK)
12. Kenya Flower Council (KFC)
13. Kenya International Freight and Warehousing Association (KIFWA)
14. Kenya Livestock Producers Association (KLPJA)
15. Kenya Livestock Marketing Council (KLMC)
17. Kenya Veterinary Association (KVA)
18. Kenya Water Industry Association (KWIA)
19. Kiambu Fish Farmers Association (KIFFA)
20. Laikipia Wildlife Forum (LWF)
21. Pubs, Entertainment, Restaurants Association Kenya (PERAK)
22. Rural Tourism Network (RTN)

OTHER BUSINESS ASSOCIATIONS:*
23. Agrochemical Association of Kenya (AAK)*
24. Association of Micro-Finance Institutions (AMFI)*
25. Kenya Coffee Traders Association (KCTA)*
26. Kenya Property Developers Association (KPDA)*
27. Kenya Tea Growers Association (KTGA)*
28. Kenya Tourism Federation (KTF)*
29. Matatu Owners Association (MOA)*

*No interview conducted

18 The content of this mapping has been compiled with the best of knowledge and belief; with information stemming from face-to-face interviews, desktop research and from brochures and print information published by the associations.
1. Kenya Private Sector Alliance (KEPSA)

Website: www.kepsa.or.ke
Affiliation: None
Classification: Umbrella Association
Sector: Cross-sectoral
Short Profile:
KEPSA is considered the overall umbrella association combining all private industry sectors. It aims to steer Kenya into a direction where it gains global competitiveness and increasing economic growth. By uniting the private industries across all sectors it creates a single voice with the capacity to engage in high-level public policy dialogue.

Number of Members:
203 (2014)
100,000 through its affiliated associations
Location of Headquarters: Nairobi
Branches: None
Regional Structure: None
Aggregation of Members Interests:
Members
17 sector boards (each representing a different sector)
Governing Council (17 chairmen from the sector boards)

2. Kenya Association of Manufacturers (KAM)*

Website: www.kam.co.ke
Affiliation: KEPSA
Classification: Industry Association & Umbrella Association
Sector: Manufacturing and related
Short Profile:
The Kenya Association of Manufacturers is the premier association uniting industrialists while offering a common voice for businesses. With its seven chapters across the country, the KAM voices concerns and opportunities on behalf of the domestic manufacturers to the government and seeks the dialogue for improvement or advancing policies.

Number of Members:
950 (80% based in Nairobi)
Location of Headquarters: Nairobi
Branches:
- Coast: Mombasa
- Nyanza/Western: Kisumu, Machakos
- Central Kenya: Thika, Nakuru
- Uasin Gishu: Eldoret
- Industrial Area: Nairobi
Regional Structure:
KAM has seven chapters that reflect the old Kenyan province structure. Each chapter represents four to five counties and work through a board structure with a chairperson. Each chapter acts through a board structure that has an appointed chairman who is member of the KAM Main Board.

Aggregation of Members Interests:
Members
7 Chapters 7 Working Committees 14 industrial sectors
The Secretariat
Executive Committee (formed by a Board of Directors)
Annual General Meeting

* Several Interviews conducted with KAM: KAM Central Chapter, KAM Western/Nyanza Chapter, KAM Coast Chapter and KAM Secretariat
3. Kenya Chambers of Commerce (KNCCI)*

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.portal.kenyachamber.or.ke">www.portal.kenyachamber.or.ke</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>N/A</td>
</tr>
<tr>
<td>Classification</td>
<td>Umbrella Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Cross-sectoral</td>
</tr>
<tr>
<td>Short Profile</td>
<td>The KNCCI is a membership based trade support institution aiming to protect commercial and industrial interests of the national business community. Members range from Micro over Small-Medium to Large Enterprises. KNCCI actively advocates for the perfect business environment and long term economic growth.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>N/A</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>KNCCI has branches in all 47 counties (Some in the process of establishment).</td>
</tr>
<tr>
<td>Regional Structure</td>
<td>Aiming to have branches in all 47 counties, KNCCI would be a role model decentralised association. Every Chamber in each county can directly promote the interests of the relevant industry to the county government as well as the National Chambers.</td>
</tr>
</tbody>
</table>
| Aggregation of Members Interests | Members  
County Chamber with its own board formed by all relevant sector representatives  
KNCCI (National) |

*Interviews have been conducted with the chambers in Nairobi, Mombasa, Laikipia, Machakos, Narok, Kisumu, Kajiado, and Nyeri
BUSINESS ASSOCIATIONS

4. East African Tea Traders Association (EATTA)

Website: www.eatta.com
Affiliation: KNCCI, FKE, AFFA
Classification: Industry Association
Sector: Tea
Short Profile: EATTA is an association bringing together all stakeholders of the tea trade industry. It aims to promote the interests of Tea Trade in Africa and create a sustainable business environment ensuring global standards and delivering tea products to the customers in the most profitable way. As the name already entails, EATTA stretches across the Kenyan border to Tanzania, Rwanda and Uganda. The majority of members however are based in Kenya with the association’s head office in Mombasa.

Number of Members: 300
Location of Headquarter: Mombasa
Branches: Board members represent the different sectors of the value chain, as well as the regional branches in Tanzania, Rwanda and Uganda through own board members.
Regional Structure: Mombasa office with management team; National tea traders associations from Tanzania, Uganda, Rwanda are represented in the board.
Aggregation of Members Interests: Members, Board of Directors, The Secretariat

5. Kenya Federation of Employers (FKE)

Website: www.fke-kenya.org
Affiliation: KEPSA
Classification: Employers Association
Sector: Cross-sectoral
Short Profile: The FKE is an organisation for representing the collective interest of employers across private and public sectors in Kenya. Its main aim is to promote fair labour practices as well as sound industrial relations.

Number of Members: 4,500
Location of Headquarter: Nairobi
Branches: Coast Branch Office (Mombasa), Western Kenya Branch Office (Kisumu), Rift Valley Branch Office (Nakuru)
Regional Structure: The different branches cover regions throughout the country, whereby each branch acts independently but with the help of a representative from the head office in Nairobi.
Aggregation of Members Interests: Members, Management Board, Executive Committee
### 6. Fresh Produce Exporters Association (FPEAK)

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.fpeak.org">www.fpeak.org</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>KEPSA &amp; KAM</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Horticulture</td>
</tr>
<tr>
<td>Short Profile</td>
<td>FPEAK is Kenya’s premier trade association representing all stakeholders in the horticulture industry. They provide technical and marketing information and train growers and exporters in the industry. Furthermore, FPEAK runs active lobbying and advocacy programs to enhance the competitiveness of the industry.</td>
</tr>
</tbody>
</table>
| Number of Members | Ordinary Member: 14 Flower Members, 46 Fruit & Vegetable Members  
                   | Affiliated Members: 11 |
| Location of Headquarter | Nairobi |
| Branches       | Aside from a National office in Nairobi, FPEAK has training facilities in Thika (Muranga County) |
| Regional Structure | None |

#### Aggregation of Members Interests

```
Members
↑
Executive Board (composed by members)
↑
The Secretariat
```

### 7. Kenya Association of Hotelkeepers and Caterers (KAHC)

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.kahc.co.ke">www.kahc.co.ke</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>KTF as the sectoral umbrella association</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Tourism</td>
</tr>
<tr>
<td>Short Profile</td>
<td>KAHC is one of the oldest associations in the Kenyan with impacts on a political as well as economical stage. It involves many players including hotel, lodges, casinos, camps, airline caterers and the entertainment sector and is therefore an important player in the tourism industry. Members gain access to valuable network information as well as use KAHC as their voice in the policy reform process.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>189</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>Mombasa</td>
</tr>
</tbody>
</table>
| Regional Structure | The structure of the association is demarcated into 7 principal regions, which do not involve physical offices apart from Nairobi and Mombasa:  
                   | Nairobi Region  
                   | Western Region  
                   | Coast Region (South Coast, North Coast, Mombasa Island)  
                   | Amboseli/Tsavo Region  
                   | Rift Valley  
                   | Mount Kenya Region  
                   | Malindi Watamu Region |

#### Aggregation of Members Interests

```
Members
↑
Member meetings
↑
Management Committee
↑
Board of Directors (includes a chairman of each region)
↑
The Secretariat
```
### 8. Kenya Association of Investment Groups (KAIG)

- **Website**: www.kaig.org
- **Affiliation**: N/A
- **Classification**: Sectoral Umbrella Association
- **Sector**: Investment and Banking
- **Short Profile**: KAIG is registered under the Societies Act and acts as not-for-profit organisation. It represents all investment groups in Kenya and also in the Kenyan diasporas. The association aims at providing a forum to network and represent the investment sector. Promotes its corporate members to provide training facilitators and forms partnerships with universities to train on investment culture. Speaks for the whole industry and provides information through its "Chama" (Investment Group) Handbook.
- **Number of Members**: 1765 active members, 3000 registered
- **Location of Headquarter**: Nairobi
- **Branches**: None
- **Regional Structure**: None
- **Aggregation of Members Interests**: Members

### Committee Structure
- Chairman/ Vice chairman

### 9. Kenya Association of Tour Operators (KATO)

- **Website**: www.katokenya.org
- **Affiliation**: KTF as sectoral umbrella association
- **Classification**: Industry Association
- **Sector**: Tourism
- **Short Profile**: KATO is one of the key tourism associations in Kenya. With over 400 tour operators as its members it aims to provide service to its clients and strengthen the reputation of Kenya as premier holiday destinations in Africa. Furthermore, the association aims set the standards for granting licenses to tour operators.
- **Number of Members**: 400
- **Location of Headquarter**: Nairobi
- **Branches**: Mombasa
- **Regional Structure**: Nakuru (in the process)
- **Due to tourism being a rather decentralised product, the regional structure of KATO is decentralised too. In addition to the existing and planned offices, the committees are in coast counties (Kwale, Kilifi, Lamu, and Tana River). Additionally, most tour operators in Kenya are located in Nairobi allowing for close proximity to the international airport where most tourists arrive in Kenya.

### Aggregation of Members Interests
- Members
- Regional Committees
- Executive Committee (Directors representing members, Chairman, CEO)
### 10. Kenya Federation of Master Builders (KFMB)

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.kenyafmb.org">www.kenyafmb.org</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>N/A</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Construction</td>
</tr>
<tr>
<td>Short Profile</td>
<td>KFMB has been established in 1995 and aims to protect the interests of Kenyan construction companies with a particular emphasis on small and medium sized enterprises. It encourages information exchange amongst its members as well as popularising emerging technology relevant to the construction sector.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>2000</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>Kisumu, Mombasa</td>
</tr>
<tr>
<td>Regional Structure</td>
<td>Board Structure with elected Chairman at HQ and branch level</td>
</tr>
<tr>
<td>Aggregation of Members Interests</td>
<td></td>
</tr>
</tbody>
</table>

- Members
- Branches (with Chairmen)
- HQ (with Chairman)

### 11. Kenya Fish Processors and Exporters Association (AFIPEK)

<table>
<thead>
<tr>
<th>Website</th>
<th>hwww.afipek.org</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>KEPSA</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Agriculture, Fisheries</td>
</tr>
<tr>
<td>Short Profile</td>
<td>AFIPEK originated in 2000 founded by 18 fish processors. It is the only active fish processors association in Kenya and aims to foster public recognition as well as promoting high quality fish products.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>13</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>None</td>
</tr>
</tbody>
</table>
| Regional Structure| In addition to the head office in Nairobi, AFIPEK has two further committees in the following cities:  
- Mombasa (Indian Ocean Division)  
- Kisumu (Lake Victoria Division) |
| Aggregation of Members Interests |

- Members
- Committees
- The Secretariat
- Board of Directors
### 12. Kenya Flower Council (KFC)

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.kenyaflowercouncil.org">www.kenyaflowercouncil.org</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>KEPSA, KAM, FKE</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Horticulture</td>
</tr>
<tr>
<td>Short Profile</td>
<td>KFC is an industry association of independent stakeholders within the cut-flowers and ornamentals industry. Their aim is to ensure safe production and the protection of the environment. Furthermore, the association promotes the interest by lobbying and advocacy programs as well as representation in the media and other stakeholders involved.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>Producer Members: 98, Associate Members: 72</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>None</td>
</tr>
<tr>
<td>Regional Structure</td>
<td>Although there are no branches apart from the head office in Nairobi, KFC has several grower networks where most members are situated. - Athi River Plains - Mount Kenya - Greater Naivasha - Nakuru &amp; Environ - Nairobi &amp; Environ</td>
</tr>
</tbody>
</table>
| Aggregation of Members Interests | Members  
Grower networks (each network has a Chairman)  
Board of Directors (each network Chairman is on the Board)  
Secretariat with CEO |

### 13. Kenya International Freight and Warehousing Association (KIFWA)

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.kifwa.co.ke">www.kifwa.co.ke</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>FEAFFA</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Transport &amp; Logistics</td>
</tr>
<tr>
<td>Short Profile</td>
<td>KIFWA is an association for companies in the clearing, forwarding and warehousing industry in Kenya. Their main aim is to protect legitimated trade between stakeholders in the bespoke industry as well as promote standards. Furthermore, KIFWA advises the county government in Mombasa and Nairobi when drafting certain by-laws that affect movement of goods and levies.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>1,500</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>Mombasa</td>
</tr>
<tr>
<td>Regional Structure</td>
<td>Both offices are independent from each other with established structures. The Mombasa office does however report to the head office in Nairobi.</td>
</tr>
</tbody>
</table>
| Aggregation of Members Interests | Members  
Regional Office Mombasa  
Nairobi Office |
14. Kenya Livestock Producers Association (KLPA)

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.klpakenya.org">www.klpakenya.org</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>KENAFF &amp; EAFF</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Agriculture, Livestock</td>
</tr>
<tr>
<td>Short Profile</td>
<td>KLPA was formed to promote farming communities in Kenya by representing, lobbying and advocating for farmers’ interests. Especially of interest is to develop farmers and groups into capable stakeholders of livestock agribusiness.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>4,000,000 farmers. Preferred are co-operatives, corporates, societies and Community Based Organisations, and not individuals.</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Kiambu</td>
</tr>
<tr>
<td>Branches</td>
<td>Nakuru and further trade offices in counties of interest</td>
</tr>
<tr>
<td>Regional Structure</td>
<td>KLPA has further trade offices in counties of interest</td>
</tr>
<tr>
<td>Aggregation of Members Interests</td>
<td></td>
</tr>
<tr>
<td></td>
<td>County trade office (each with a Chairman)</td>
</tr>
<tr>
<td></td>
<td>Secretariat with CEO</td>
</tr>
</tbody>
</table>

15. Kenya Livestock Marketing Council (KLMC)

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.livestockcouncil.or.ke">www.livestockcouncil.or.ke</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>KEPSA, KNCCI</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association &amp; Sectoral Umbrella Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Livestock</td>
</tr>
<tr>
<td>Short Profile</td>
<td>KLMC is an umbrella association of livestock producers and traders within Kenya. Its main aim is to promote livestock marketing as well as improve pastoralists’ livelihood.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>N/A</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>None</td>
</tr>
<tr>
<td>Regional Structure</td>
<td>Each county has a County Livestock Marketing Council (CLMC) that promotes the interest of their members in that particular region.</td>
</tr>
<tr>
<td>Aggregation of Members Interests</td>
<td></td>
</tr>
<tr>
<td></td>
<td>County Livestock Marketing Council (each council has a County Official)</td>
</tr>
<tr>
<td></td>
<td>KLMC National Directors Forum (formed by eleven people + County Officials)</td>
</tr>
<tr>
<td></td>
<td>The Secretariat</td>
</tr>
<tr>
<td></td>
<td>Board of Directors</td>
</tr>
</tbody>
</table>

Website: www.kenaff.org
Affiliation: KEPSA
Classification: Sectoral Umbrella Association
Sector: Agriculture
Short Profile: KENAFF is the leading umbrella association in the agriculture industry responsible for the organisation of all Kenyan farmers. With its substantial number of members, KENAFF has major political capital and aims to defend and promote the farmers’ interests by lobbying and advocating for capacity building as well as progressive uptake of agricultural innovations.

Number of Members: 2,000,000 Small Scale Farmers
Location of Headquarter: Kikuyu near Nairobi, Kiambu County
Branches: Aside from the headquarter in Kikuyu, the KENAFF has 44 associations for each county except for the following: Turkana, Lamu, Samburu
Regional Structure: The structure varies from county to county as it depends on the number of members in the relevant regions. While some county associations have their own offices from where the associations’ leadership works from, others do not have physical offices. Every county however, has a leadership regardless of the branches.

Aggregation of Members Interests:
- Members
- County Associations (each has a leadership)
- Board of Governors
- National Chairman and Chief Executive Officer

17. Kenya Veterinary Association (KVA)

Website: www.kenyavetassociation.com
Affiliation: APSEA as the umbrella association
Classification: Industry Association
Sector: Veterinary
Short Profile: KVA is a membership organisation with a mandate to ensure proper management of veterinary issues impacting the welfare of veterinarians with an overall aim of enhancing animal welfare. Furthermore, the association is involved in all lobby and advocacy programs concerning not only the rights of veterinarian professionals but also the entire Animal Resource Industry.

Number of Members: 1600 – 2,000
Location of Headquarter: Nairobi
Branches: Rift Valley, Western, Central, Eastern
Regional Structure: With its branches across the country, each of them aims to specialise in field of women in the veterinary profession, self-employment and small companies.

Aggregation of Members Interests:
- Members
- Branches
- Central branch officials
### 18. Kenya Water Industry Association (KWIA)

<table>
<thead>
<tr>
<th><strong>Website</strong></th>
<th><a href="http://www.kwia.org">www.kwia.org</a></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Affiliation</strong></td>
<td>KEPSA</td>
</tr>
<tr>
<td><strong>Classification</strong></td>
<td>Industry Association</td>
</tr>
<tr>
<td><strong>Sector</strong></td>
<td>Water</td>
</tr>
<tr>
<td><strong>Short Profile</strong></td>
<td>The KWIA is a private sector Business Member Organisation aiming to improve water supply throughout the country and therefore impacting lives and livelihood in a positive way. Aside from that, KWIA also promotes the interests of its members on a political stage and exchanges information with other associations for the exploration of emerging technologies within the water sector.</td>
</tr>
<tr>
<td><strong>Number of Members</strong></td>
<td>Over 60</td>
</tr>
<tr>
<td><strong>Location of Headquarter</strong></td>
<td>Nairobi</td>
</tr>
<tr>
<td><strong>Branches</strong></td>
<td>Kisumu, Mombasa</td>
</tr>
<tr>
<td><strong>Regional Structure</strong></td>
<td>Sub-Committees in areas of high membership numbers, e.g. Nakuru</td>
</tr>
<tr>
<td><strong>Aggregation of Members Interests</strong></td>
<td>Members</td>
</tr>
<tr>
<td></td>
<td>Sub-Committees (Technical, Marketing and Welfare, Legal/Advocacy)</td>
</tr>
<tr>
<td></td>
<td>Board of Directors</td>
</tr>
</tbody>
</table>

### 19. Kiambu Fish Farmers Association (KFFA)

<table>
<thead>
<tr>
<th><strong>Website</strong></th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Affiliation</strong></td>
<td>KEPSA</td>
</tr>
<tr>
<td><strong>Classification</strong></td>
<td>Local Industry Association</td>
</tr>
<tr>
<td><strong>Sector</strong></td>
<td>Fisheries</td>
</tr>
<tr>
<td><strong>Short Profile</strong></td>
<td>KFFA is a local association based in Kiambu County, with members reaching out towards Nakuru. The association aims at uniting the fish farmers in the county to promote and improve the picture of farm fishing. Additionally, technology dissemination and integration of interests in County Agendas, Development Plans and business coalitions are its main objectives.</td>
</tr>
<tr>
<td><strong>Number of Members</strong></td>
<td>18</td>
</tr>
<tr>
<td><strong>Location of Headquarter</strong></td>
<td>Kiambu County</td>
</tr>
<tr>
<td><strong>Branches</strong></td>
<td>None</td>
</tr>
<tr>
<td><strong>Regional Structure</strong></td>
<td>Association located outside of Nairobi, in Kiambu County</td>
</tr>
<tr>
<td><strong>Aggregation of Members Interests</strong></td>
<td>Members</td>
</tr>
<tr>
<td></td>
<td>Chairman</td>
</tr>
</tbody>
</table>
### 20. Laikipia Wildlife Forum (LWF)

<table>
<thead>
<tr>
<th><strong>Website</strong></th>
<th><a href="http://www.laikipia.org">www.laikipia.org</a></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Affiliation</strong></td>
<td>KNCCI Laikipia</td>
</tr>
<tr>
<td><strong>Classification</strong></td>
<td>Local Industry Association</td>
</tr>
<tr>
<td><strong>Sector</strong></td>
<td>Conservation</td>
</tr>
<tr>
<td><strong>Short Profile</strong></td>
<td>This county association is a membership driven organisation that provides a forum for small holders, community groups, conservancies and large landowners, all of which have the common goal of focusing on integrated natural resource management. Apart from providing the platform for discussions, LWF also serves youth groups and schools as a form of educating the future generation about sustainable land use and management.</td>
</tr>
<tr>
<td><strong>Number of Members</strong></td>
<td>6000</td>
</tr>
<tr>
<td><strong>Location of Headquarter</strong></td>
<td>Nanyuki, Laikipia County</td>
</tr>
<tr>
<td><strong>Branches</strong></td>
<td>None</td>
</tr>
<tr>
<td><strong>Regional Structure</strong></td>
<td>LWF has 5 units spread across the county, allowing for a closer cooperation with small communities. These do not include physical branches, but do allow for committees to gather information and provide a smaller platform in the relevant communities. The units are in the following Laikipia sub-county regions: - Laikipia Central - Laikipia Eastern - Laikipia Western - Laikipia Northern - Ewaso Nyiro</td>
</tr>
</tbody>
</table>

### 21. Pubs, Entertainment, Restaurants Association Kenya (PERAK)

<table>
<thead>
<tr>
<th><strong>Website</strong></th>
<th><a href="http://www.perakkenya.co.ke">www.perakkenya.co.ke</a></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Affiliation</strong></td>
<td>KTF, KATO, KAHC, MCTA</td>
</tr>
<tr>
<td><strong>Classification</strong></td>
<td>Industry Association</td>
</tr>
<tr>
<td><strong>Sector</strong></td>
<td>Entertainment</td>
</tr>
<tr>
<td><strong>Short Profile</strong></td>
<td>PERAK is the self-organisation of private sector actives in the entertainment industry. The association was founded to self-regulate the industry. It is now considered the principal voice for businesses in the entertainment sector on matters of regulations, licensing and policy.</td>
</tr>
<tr>
<td><strong>Number of Members</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Location of Headquarter</strong></td>
<td>Nairobi</td>
</tr>
<tr>
<td><strong>Branches</strong></td>
<td>None</td>
</tr>
<tr>
<td><strong>Regional Structure</strong></td>
<td>Chairman and structure for coast area (mostly Malindi area).</td>
</tr>
</tbody>
</table>

### Aggregation of Members Interests

- Members
- Regional Units
- Board of Directors
- The Secretariat
### 22. Rural Tourism Network (RTN)

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.rtnkenya.com">www.rtnkenya.com</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>KTF as the sectoral umbrella association</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Tourism</td>
</tr>
<tr>
<td>Short Profile</td>
<td>RTN is an association that targets communities promoting tourism development and providing services locally and internationally. As well as KTF, the association aims to lobby and advocate for favourable tourism policies with a focus to community based tourism.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>100</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>None</td>
</tr>
<tr>
<td>Regional Structure</td>
<td>Committees in regions of interest, e.g. Kisumu</td>
</tr>
</tbody>
</table>

#### Aggregation of Members Interests

- Members
- Regional Committees
- The Secretariat

### 23. Agrochemical Association of Kenya (AAK)*

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.agrochem.co.ke">www.agrochem.co.ke</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>CropLife, PCPB</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Agriculture</td>
</tr>
<tr>
<td>Short Profile</td>
<td>AAK is a sectoral umbrella association in Kenya for all stakeholders in the pest control products industry. AAK itself however is also the national representative of CropLife International, a worldwide association representing the International Agrochemical Industry</td>
</tr>
<tr>
<td>Number of Members</td>
<td>34 full members</td>
</tr>
<tr>
<td></td>
<td>11 associate members</td>
</tr>
<tr>
<td></td>
<td>1 grower member</td>
</tr>
<tr>
<td></td>
<td>1 overseas member</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>None</td>
</tr>
<tr>
<td>Regional Structure</td>
<td>N/A</td>
</tr>
</tbody>
</table>

#### Aggregation of Members Interests

- N/A

*No interview conducted (due to time difficulties, low responsiveness or similar)*
### 24. Association of Microfinance Institutions in Kenya (AMFI)*

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.amfikenya.com">www.amfikenya.com</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>N/A</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Micro Finance</td>
</tr>
<tr>
<td>Short Profile</td>
<td>AMFI is an MBO with an aim to promote capacity building of the microfinance sector in Kenya. Furthermore AMFI executes policy advocacy and lobbying strategies as well as providing a platform for its members to network.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>N/A</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>None</td>
</tr>
<tr>
<td>Regional Structure</td>
<td>N/A</td>
</tr>
<tr>
<td>Aggregation of Members Interests</td>
<td>Members</td>
</tr>
<tr>
<td></td>
<td>Regional Platforms</td>
</tr>
</tbody>
</table>

*No interview conducted (due to time difficulties, low responsiveness or similar)*

### 25. Kenya Coffee Traders Association (KCTA)*

<table>
<thead>
<tr>
<th>Website</th>
<th><a href="http://www.kenyacoffee.co.ke">www.kenyacoffee.co.ke</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation</td>
<td>N/A</td>
</tr>
<tr>
<td>Classification</td>
<td>Industry Association</td>
</tr>
<tr>
<td>Sector</td>
<td>Coffee</td>
</tr>
<tr>
<td>Short Profile</td>
<td>The KCTA acts as a united voice for the following stakeholders in the coffee industry: chain millers, marketing agents, dealers, warehousemen, roasters, and coffee equipment suppliers. It aims to promote the interests of those stakeholders as well as helping the coffee sector to remain competitive in the international market.</td>
</tr>
<tr>
<td>Number of Members</td>
<td>22 Dealers</td>
</tr>
<tr>
<td></td>
<td>3 Equipment suppliers</td>
</tr>
<tr>
<td></td>
<td>3 Marketing agents</td>
</tr>
<tr>
<td></td>
<td>2 Millers</td>
</tr>
<tr>
<td></td>
<td>1 Roaster</td>
</tr>
<tr>
<td></td>
<td>2 Warehousemen</td>
</tr>
<tr>
<td></td>
<td>1 Shipping line</td>
</tr>
<tr>
<td>Location of Headquarter</td>
<td>Nairobi</td>
</tr>
<tr>
<td>Branches</td>
<td>None</td>
</tr>
<tr>
<td>Regional Structure</td>
<td>N/A</td>
</tr>
<tr>
<td>Aggregation of Members Interests</td>
<td>Members</td>
</tr>
<tr>
<td></td>
<td>Elected at AGM</td>
</tr>
<tr>
<td></td>
<td>Management Team (8 members)</td>
</tr>
</tbody>
</table>

*No interview conducted (due to time difficulties, low responsiveness or similar)
26. Kenya Property Developers Association (KPDA)*

Website  www.kpda.or.ke  
Affiliation  N/A  
Classification  Industry Association  
Sector  Construction  
Short Profile  KPDA exists since 2006 and represents the property development sector, industrial, commercial and residential. For this, the association targets policy makers, financiers and citizens to promote the growth of the industry in an organised and ethical manner.

Number of Members  47 members, corporate and associate  
Location of Headquarter  Nairobi  
Branches  None  
Regional Structure  None  

Aggregation of Members Interests  
- Annual General Meeting
- 3 committees (executive/finance; membership; policy/advocacy)
- Board of Directors  (Chairman, Vice Chairman, Treasurer, 6 Directors)
- Secretariat (with CEO)

* No interview conducted (due to time difficulties, low responsiveness or similar)

27. Kenya Tea Growers Association (KTGA)*

Website  www.ktga.or.ke  
Affiliation  N/A  
Classification  Industry Association  
Sector  Tea  
Short Profile  KTGA was originally established by large-scale tea producers in 1931. It promotes the interests of plantation sub-sector members as well as good industrial relations and sound work conditions. The minimum required size for a tea producer to become a member is 10 hectares of tea.

Number of Members  15  
Location of Headquarter  Kericho  
Branches  None  
Regional Structure  N/A  

Aggregation of Members Interests  
- Members
- The Secretariat

* No interview conducted (due to time difficulties, low responsiveness or similar)
28. Kenya Tourism Federation (KTF)*

Website: www.ktf.co.ke
Affiliation: N/A
Classification: Sectoral Umbrella Association
Sector: Tourism
Short Profile: The KTF is a sectoral umbrella association that includes private sector players in the tourism industry as well as further associations with specialised interest. By representing these private players, the KTF aims to create an optimal environment for the sustainability, growth and expansion of the tourism industry in Kenya.

Number of Members: N/A
Location of Headquarter: Nairobi
Branches: N/A
Regional Structure: N/A
Aggregation of Members Interests:

Members
Various tourism associations
KTF

* No interview conducted (due to time difficulties, low responsiveness or similar)

29. Matatu Owners Association (MOA)*

Website: www.matatuowners.com
Affiliation: N/A
Classification: Industry Association
Sector: Transport
Short Profile: MOA is a Business Membership Organisation that has been in operation since 2003. The association aims to lobby and advocate on issues affecting Matatu owners as well as providing opportunities for its members to improve their socio-economic status.

Number of Members: 20,000
Location of Headquarter: Nairobi
Branches: None
Regional Structure: N/A
Aggregation of Members Interests:

Members
National Governing Council
National Executive Committee
Senior Management

* No interview conducted (due to time difficulties, low responsiveness or similar)
4.3 Presentations of Key Findings

While the mapping of associations in the previous chapter provides detailed background information on associations, the following chapter aims to aggregate the results and highlight key findings. The content separately highlights a synthesis of the structure, the functions and activities, the challenges and the opportunities of the private sector organisations in Kenya and visualises them through maps and graphics.

As shown in the mapping in section 4.2, business associations in Kenya are subject to a great diversity. The smallest organisation in terms of members interviewed was Kiambu Fish Farmers Association with 18 members while the largest, KENAFF, represents indirectly more than two million members who are mostly individual small scale farmers. While Kiambu Fish Farmers Association accepts individual members, KEPSA, as the ‘voice of the private sector in Kenya’ accepts only corporate and business membership organisations (BMOs) as members. This example shows that generalised assumptions about private sector associations in Kenya can be challenging, but are still possible.

4.3.1 STRUCTURE

In regards to the structure of associations, both the membership structure and the organisational structure play a key role. Among all the scrutinised private sector associations, certain structural patterns can be identified. Membership numbers, location and structure of the associations vary greatly. Generally, all organisations are open to corporate members. Organisations representing small scale businesses, notably the Kenya National Farmers’ Federation (KENAFF) and the Kenya Livestock Producers Association (KLPA), rely on co-operatives, societies or Community-Based Organisations (CBOs) as members instead of individual farmers. The associations included in this research vary greatly in regards to their membership.

Almost all of the associations maintain their headquarters or main offices in Nairobi. A few exceptions, KENAFF and KLPA, have their offices close to Nairobi, in Kiambu County. For a relevant portion of the associations the headquarters in Nairobi is the only office and the only full-time staffed site. Given the view of Kenya and its industries as a whole, it reflects the very stark concentration of businesses within the capital region.

Based on all the associations interviewed, approximately half of them have an established decentralised presence in addition to their headquarters. Presence means that the organisational structure of the private sector association acknowledges the geographical spread of its members. Especially the larger associations manage these regional branches and/or representations. Branches mean a physical presence in the regions through a staffed office. A representation, on the other hand, only consists of a number of companies that operate within the same region and are organised accordingly. A branch does not
necessarily require decisions to be taken regionally whereas a representation does not necessarily operate an own office. Especially when it comes to the role of the headquarters, by majority Nairobi-based organisation, the models and mechanisms of regional representations and branches differ significantly.

In most cases, the regional presence is organised as representations. This includes an organisational structure with its own members, an own board and with a focus on developing its own agenda related to local topics. They are thus able to set their own priorities of their work. Nonetheless, that does not necessarily mean that they are "independent" from their head or main office, there are still different levels of mutual dependency and collaboration. There are notable differences with those few organisations that follow a stricter "top-down" model with all important decisions taken centrally.

4.3.1.1 Regional Structure
The regional structure of associations varies depending on the sector they represent. The sector gives a clear indication on the focus of the association. In this section, important sectors of the Kenyan economy are named as well as the implications they have on the structure of the association, visualised through maps.

Depending on the industry, associations focus their activities on a number of counties, even if they are not present in each of them with a physical structure. As seen in figure 6, the focus of the horticulture associations are the fertile and horticulturally active counties close to Mount Kenya while the tourism organisations focuses on the coast area (figure 7) and counties that have a high number of tourist attractions. National decisions such as infrastructure investment have an influence on the structure of the associations as well: due to the so called "Northern Corridor Project" and planned mega-projects in northern Kenya, Kenya Association of Manufacturers (KAM) has named the area as one of their focus areas where members register and settle. Consequently, associations active in the construction sector are considering moving east and north (see figure 8).

Members also actively request their sector association to devolve more: "Devolution has given us the impetus to open more branches because a lot of devolved funds of the counties are actually going to infrastructure projects. So certainly, there are issues there in the county and our members
would like us to be more active in public-private dialogue at that level” (Sector Association Interview).

On the other hand, infrastructure development does not always have an influence as intended: the Eldoret International Airport apparently was constructed to make Kenya’s Western Region more accessible and enhance direct export opportunities. However, the volumes being shipped out of Eldoret are not high enough, consequently making a stop at the Cargo Village at Jomo Kenyatta International Airport necessary. Furthermore, most export businesses are still mainly based in Nairobi, hence the new export structure has not yet evolved as expected (Interview FPEAK).
4.3.1.2 Structural Challenges

Besides the location of offices being dependent on members’ activities, the sites of the regional presences can rather be attributed to the former province structure than to the current county division. As described, most of the private sector associations are sector specific and are covering only specific businesses that are usually not ubiquitous in Kenya. Industrial activities as well as specific agricultural products are usually clustered in a small number of regions and so are their associations. It is important to state that these regional representations are reflecting the existing distribution of the respective industry and are therefore not directly devolution driven. Though a number of associations seek to expand their regional coverage, they are not planning to set up offices that are affiliated to a specific region.

Headquartered in Nairobi, Mombasa, and Nakuru, tourism sector associations also show presence in Kilifi, Kwale, Tana River, Lamu, and Kisumu and in the regions Rift Valley, Western region, Mount Kenya region, Amboseli/Tsavo region, Malindi/Watamu region.
Headquartered in Nairobi, activities of construction sector associations are also conducted in mainly Mombasa, and Kisumu, but growing in Nakuru, Isiolo, Kisii, and Garissa.

county. This excludes the two previously-mentioned associations, KENAFF and KNCCI. Examples for intra-institutional rivalry within private sector associations seem to be found in many associations. In this study, it was possible to assess this rivalry within KAM closer. KAM is named here because of its leading position in decentralising the structure of the association and relatively well-established chapters. This has made feasible and necessary to conduct interviews that include perspectives from both the secretariat and the regional level. The four interviews with KAM have given the possibility to reflect on intra-institutional matters. It has been found that decentralisation within organisations always poses the threat of decentralised representations.
duplicating or undermining national functions. The opposite point of view would see the national representation unjustifiably taking over tasks that are meant to be fulfilled by the regional representations. In Kenya, the decentralised structure is, compared to the main offices in Nairobi, often weak because of financial constraints or insufficient functions resulting in lack of visibility. Tendencies towards these centre-periphery conflicts could only be found with KAM. Hence, it can only be theorised that other decentralised associations besides KAM are faced with similar challenges.

The qualitative research found that within certain sectors, several associations have developed a degree of rivalry. In the horticulture industry, for example, many exporters are active in both flowers and fruit and vegetable exports, which make them potential members of two associations, the Kenya Flower Council as well as the broader Fresh Produce Exporters Association (FPEAK). The membership of the two organisations is overlapping. Recently in 2015, a coordination body between the two, the Kenya Horticulture Council, was created to streamline quality management and unite the voice of the horticultural industry. Several more associations focus on agriculture, particularly when it comes to the aggregation of small holder farmers: while KENAFF, with its huge membership, its representative structure and affiliation to supranational associations such as the East African Farmers Association, can be described as the clear leader of the sector, other associations target dairy farmers (Kenya Dairy Farmers Association) or Kenya Livestock Producers Association (KLPA). As many smallholders are active in various fields, a certain degree of rivalry may occur. Nevertheless, most associations focus on a specific membership sector and are only competing with each other where the edges of the sector are not clearly defined. Additionally, this forces associations to develop their agenda more specifically to attract and retain members: many KAM members see the value of being a member of KAM and KEPSA at the same time because KAM addresses more sector specific matters and brings these forward, whereas KEPSA also dedicates resources collecting and bringing forward matters for the private sector as a whole.

The different regional branches and representations are addressing their positions and issues generally in two ways: first, they try to put their influence into action at national level through the Council of Governors, which is the political representation of the devolved structure at national level, so counties can be addressed centrally. Activities at national level can be either done through the regional associations’ main or head office in the Nairobi region or they address them directly, bypassing the Nairobi offices. The latter case is less common. Second, as a reflection of the on-going devolution, the regional branches and representations also address the county governments directly. The vast majority of the private sector organisations act accordingly. The collaboration with the county governments – most of the private sector associations’ branches and representations cover a number of counties – means also one of the biggest challenges for the private sector associations.
Unlike organisations that represent a national or at least more than regionally important private sector, there are examples of organisations that are generally limited to one county. These organisations see their scope of activity primarily within their home county. Laikipia Wildlife Forum (LWF) and the Kiambu Fish Farmers Association (KFFA) are notable examples that have been included in this report. These organisations are limited to one county and try to streamline the relevant private sector interests to mainly influence county policies. Both examples illustrate different approaches: when it comes to membership, LWF is open to all private businesses within the county. LWF concentrates on directing its members towards a joint target that strives to realise business opportunities out of environment conservancy. On the other hand, KFFA, with its clear focus on fishing, is very sector specific. Both of these organisations are not forming a devolved structure of national private sector associations but exist independently with a regional focus only.

4.3.2 FUNCTIONS
Organisations have as their main aim, unsurprisingly, the task of bundling the interests of their members. The most mentioned tasks range from representation of the members, lobbying, advocacy and capacity building to exchange among the members. Less often, private sector associations also see research as one of their tasks. As described in chapter 2.3, the main functions of associations are the aggregation, selection, articulation and integration of political and economic interests of its members. When asked which functions they fulfil, all interviewed associations name elements of these key functions and the vehicles they use to do so.

While members’ interests are aggregated through surveys, roundtables, help desks and events such as conferences both in the devolved structure and at national level, the selection is mostly done in the professional secretariat structure where the inputs are translated into political inputs. The associations then articulate the so formed positions directly to ministers at national and county level, to the National Assembly or other relevant political or parastatal bodies.

Aggregation of members’ interests
The aggregation of members’ interests can be visualised through the following graphic: associations with a devolved structure normally champion committees or board structures in the counties which answer to national boards and secretariats at headquarters:

Via their structure, associations try to influence politics. Participation of the private sector associations is not always valued, as one representative states: “…working with the County Executive Committee (CEC), it is so laborious to engage with them. There is not much of the feeling they want more of the views of the private sector. You have to really push hard. […] We have been wanting to meet the CEC for the last three years, written letters, wanting to engage on taxation etc. Up to today there has not been the courtesy to respond” (Private Sector Association Interviewee).
Figure 9 shows an example structure of an association with one headquarter and no branches as of yet. The member’s interests are collected through regional committees. Then, the regional chairperson articulates these interests at the board’s meeting. The national secretariat with CEO coordinates the association’s activities and regular meetings.
In other counties, the process of providing input to the political system seems to work better as another representative states: "I think devolution is good. It is a very good idea because it brings power closer to the ground. The decision-making process is [...] next door. You are able to go to the governor who's right within a few kilometres. You are able to express your demands with him." Especially the larger associations manage to place their topics in national media as well. One association stated that increased media pressure on county governments as a good strategy as they "want to be perceived as well-working [...]. They have actually called us back to clarify and improve the situation" after an issue had been successfully placed in the media.

4.3.3 ACTIVITIES
Depending on the sector, associations fulfil further functions such as training on development of and/or enforcement of industry standards and supporting its members with auditing and networking. The next chapter focuses on the concrete activities associations conduct in Kenya in further details.

Private sector associations in Kenya show characteristics of conducting internal activities, meaning directing their activities towards their members, and external activities, directed towards other industry players, private sector in general, national or county governments.

In many of their activities, the associations match their functions in terms of aggregation, selection, articulation and integration of their members’ interests. In others, they may go beyond their members’ interests to address the industry as a whole. This can be attributed to the fact that most associations see themselves as not operating in a vacuum, but being responsible for promoting and developing their respective industry within the private sector on the overall political system. This can be achieved, among others, through creating a more enabling business and investment environment, enhancing technology and knowledge dissemination throughout the industry and conducting extensive trainings on national and international standards directed to not only their members, but also non-members and government officials.

In general associations are engaged in three main activities:
1) Creating value for members through trainings, industry promotion and industry research;
2) Aggregating members’ interest, enabling a bottom-up approach through established communication structures and
3) Articulating and integrating members’ interests with government bodies through advisory, advocacy, lobbying, establishing regular public-private dialogue fora etc.

While the first two aspects represent the internal activities of the association, the third shows external activities. As such, there are three main aspects to consider: What type of external activities is conducted? Who are they directed to? and Are they being done independently or jointly with other organisations? These questions will be answered in the following paragraphs.
All associations have acknowledged devolution and its impact on the interaction between government and the private sector. In determining the level of engagement with the newly established county government, its executives, ministries and county assembly representatives, a number of different aspects play a role: on one hand, although the majority of associations show a degree of decentralisation, these associations might not yet interact much with the county government but forward issues to their headquarter in (mainly) Nairobi. On the other hand, other associations have not only an extensive decentralised membership structure, but also form part of an industry whose legislative and executive functions have been devolved. This is the case for agriculture, water services and infrastructure and construction development, as examples. This shows that the activities and their direction can firstly be attributed to their (degree of decentralised) membership structure in a direct manner and secondly, to the degree of devolution in their respective sector.

4.3.4.1 Interest Aggregation
The aggregation of members’ interest takes place on a continuous basis through established communication structures of regional boards or committees to the national secretariat or main office. For example, the chairpersons of the regional KAM Chapters are also members of the KAM Board, which has a national outlook. Furthermore, the Annual General Meeting (AGM) also offers a platform to articulate interests towards the board or secretariat. However, the gathering of members’ interests is not only bottom-up, but also top-down. Members are not always proactive in articulating their interest through all channels offered. This might be due to a lack of understanding of the system, but also due to time constraints, since corporate members, and especially smaller companies, might not have the capacities outside of their daily business to engage in associations. This is felt especially in the agricultural sector, where small scale businesses need to be visited and directly engaged with on a regular basis. Hence, the associations or federations active in this field are putting a greater emphasis on staff on the ground and continuous interaction through visits. In larger associations, such as KEPSA, the interest aggregation works through the initiative of the members to engage in Sector Boards. When joining KEPSA, every member has the right to join one or more of these boards. The members meet on a quarterly basis minimum, and a representative of KEPSA secretariat will be present to take notes and do the necessary follow-up.

Associations focused on trade and industry engage through (depending on their affiliation) KEPSA Sector Boards or KAM Industry Sectors to bring their issues forward. The majority of these associations draft policy or position papers. The topics are then, naturally, dependent on the sector of the association.

4.3.4.2 Value for Members: trainings, etc
All associations are aware of the need to create value for their members. The financial dependency of the associations on membership fees results in a strong drive to give members access to information on industry and market opportunities,
developments and new technologies. This is channelled through newsletters, printed material and stakeholder engagements such as the Annual General Meeting (AGM). Furthermore, value is created by offering trainings on topics in their respective industry. All associations interviewed see the need to offer trainings for their members. Owing to financial constraints, not all of the associations are equally able to conduct trainings on a regular basis, or develop a meaningful curriculum that addresses current industry challenges. However, the explicit emphasis of the respondents on training might indicate the importance on the decision of members to join and stay with an association. The topics and contents of these trainings are very much dependent on the sector of operation. In the horticulture and floriculture sectors, mainly represented through Fresh Produce Exporters Association of Kenya (FPEAK) and the Kenya Flower Council (KFC) in this study, the focus of the trainings is on standards and compliance. Horticultural and floricultural companies mainly produce for export markets and thus have to adhere to European and International Standards depending on their destination. On the other hand, training offered by the Federation of Kenya Employers (FKE) focuses on training in labour laws and regulations as well as giving input on how to accommodate internships in the industry.

Successful internal activities such as provision of information or trainings might keep companies as members of associations even if the external activities such as lobbying are not as successful or easy to measure.

4.3.5 EXTERNAL ACTIVITIES

While chapter 4.3.4 described internal activities focused on the members and internal structure, the following chapter describes activities directed to external stakeholders.

4.3.5.1 Type of activities

In their articulation and integration of member’s interest, all the interviewed associations explore various options for public-private engagement. All of the associations conduct some form of advocacy, meaning showing their perspective and arguing in favour of policies or ideas, without necessarily communicating this to the public. All associations take part in public-private dialogue (PPD). It can take the form of lobbying, seeking audiences, taking part in budget and economic forums, roundtables, business coalitions, trade fairs, investment forums and, in the direct articulation of a policy or positioning statement regarding a specific law or bill, towards a government body. Large umbrella associations such as KEPSA are the main drivers behind advocacy tools such as the National Business Agenda, which collects perspectives from the private sector towards creating an enabling business environment, and target policies at national level. Other umbrella associations such as KAM, KNCCI and KENAFF have collaborated with other associations in the counties to publish the County Business Agendas. These are an outcome from Governors’ roundtables, a platform of county executives and business coalitions in which private sector associations represent their respective county, discuss relevant sectors for a specific county and identify investment opportunities. These County Business Agendas exist for all 47 counties. KAM led
the Business Coalition in 18 counties, KENAFF in 20 and KNCCI in the 16 remaining counties. The Agendas take the form of booklets published online and offline and show one part of the extensive publishing of these associations.

4.3.5.2 Engagement in Umbrella Associations and Business Coalitions
The role of the umbrella organisations Kenya Private Sector Alliance (KEPSA), Kenya Association of Manufacturers (KAM) and Kenya National Chamber of Commerce and Industry (KNCCI), as well as sectoral umbrella associations such as the Kenya Tourism Federation (KTF), and the Kenya National Farmers Federation (KENAFF) has been highlighted by many respondents. It means that focused associations such as trade associations, being active in one sector, are directing their efforts towards articulating their interests towards strong, impact-oriented associations that already have close ties and established fora and networks with the respective government bodies.

Forwarding industry positions not only to the government, but also within Sector Boards of KAM or KEPSA is especially important for industry associations. Many associations feel the need to gather facts and figures to be able to compile meaningful and outcome-oriented policy recommendations. Associations active in the decentralised structure also put an emphasis on business coalitions in their regions. This is demonstrated by the County Business Agendas, which were created through coalitions of relevant associations in the region, such as the cooperation between KAM Coast Chapter, KATO and KAHC.

4.3.5.3 Identifying the target government body
As previously described, around half of associations have an established decentralised structure and are acting through either established offices in counties outside Nairobi or through regional committees or networks that forward important interests or issues to headquarters. This, of course, also happens in the other direction, where strategies made by the head office are being trickled down in the decentralised structure. Some associations, such as FPEAK or KWIA, do not have such an established decentralised structure, but have a significant number of members which are located outside of their headquarters’ location in Nairobi. In that sense, the associations show a degree of regional presence through their members. Due to this presence in the counties, various questions arise: How many of the associations address county governments? How many seek for their audience or are obligated to work with the county governments because of county-specific matters that affect their members? As the interviews showed, all associations have interacted with one or more county governments. This can be linked to the fact that most county governments adopt and adjust – as per their right – national policy to meet their county’s needs. Hence, a county might issue different regulations or requirements than another, making it necessary for associations to enhance representation on behalf of their members at the county level. This can happen through direct lobbying to the county assemblies on budget decisions, showing more presence in county budget forums or establishing and anchoring Governor’s roundtables, for example. As not all functions have been devolved, such legislation of policy at national level, the national mandate of the associations has not ceased.
These several levels of interaction show the necessity for associations to identify the right stakeholder to address with their inputs and requests. Consequently, associations allocate significant resources to find their way through the “pecking order”, as one expert described it, of the different government bodies at the national and county government levels, but also to establish working relationships with the respective officers that are being cared for on a long-term basis.

The approach that many associations operating in several counties take is therefore characterised by the variety of stakeholders that are being addressed. For example, when KENAFF, a farmers’ federation, wants to address an issue arising in one of its 44 county associations, the ideal process would be for this county association to first direct the issue to the county minister of agriculture, and preferably to the county governor. If this action does not have the desired outcome, then the members of the County Assembly, which represent constituencies of a county are addressed. The next step is to address the senator at the national level who represents that county. And as a last resort, the association can address the Council of Governors through its Agriculture Committee. This approach can be supported through simultaneous collaborations or interactions with the likes of KEPSA to foster efforts and bring this forward at the Presidential Roundtable (PRT). This example shows on one hand, the associations are now more and more learning how to find their way around the new government structure and the different levels, showing a learning curve and develop potential “best practices”. On the other hand, it demonstrates that problems cannot be solved at a county level, even if it might be a county problem, but needs to be escalated through often several complex steps to the national level.

One expert summarised the learning experience as follows: “This is a new thing in which everybody wants to find their ground. Everybody is busy to find themselves within this big mess” (Interview).

4.3.5.4 Addressing devolution of functions

In regards to efforts of supporting devolution, the associations show very different approaches and perspectives, depending on their main objective. Looking closer at the Kenya Flower Council (KFC), an association in the horticultural sector, had established a decentralised structure before devolution as its membership structure made this decentralisation feasible and even necessary. Even though one respondent stated “different regions have different priorities and different problems and even solutions. So I find it useful. You don’t have all the powers vested in one national body. Given the numbers now in Kenya I think we needed to devolve to reduce the pressure on the core”, emphasising the positive relation to devolution and pointing out its opportunities, the association opposes and actively lobbies against any kind of county level regulations that dilute national regulations when it comes to horticultural standards. This is due to the fact that the industry depends on uniform standards and compliance to ensure the quality of its members’ products and ultimately, make horticultural exports to international markets viable and as easy as possible. The only concession would be to train county officials in national standards and delegate this function, but with the clear demand to respond directly to the national certification body. Interesting enough, the association conducts exactly this training to the county government.
On the other hand, Laikipia Wildlife Forum, an association active in natural resources protection, wildlife and rain lands promotes the further decentralisation of natural resource management, which still sits at central government level. The lobbying argument here is that more responsibility and accountability at county level enhances community engagement. Through this engagement, a sustainable relationship with natural resources in the area can be fostered.

4.3.6 INTERNAL CHALLENGES
The following chapters assess the challenges associations face, both internally and externally. The focus lies on barriers that associations see as inhibiting their possibilities to fulfil their mandate or role.

Internal challenges describe obstacles within an association. Some internal challenges are addressed by the majority of interviewed associations; others are more sector specific or dependent on the structure of the association. Some of the main challenges are lack of financial resources, the trade-off of centralising or decentralising their structure, and the reactive approach to the daily work of associations.

4.3.6.1 Lack of financial resources
The single most important internal challenge of the interviewed associations is the lack of financial resources, either of their office, chapter or the association as a whole. This is attributed either to the insufficient revenue generated from members’ fees, where also non-payment of members plays a role, or the lack of allocation of funds from the associations’ headquarters to the regional office or branches. The allocation of funds within the association also defines the strategy that the association is following in regards to centralising or decentralising, how it has built its structure and what role the regional branches ought to play.

This lack of financial resources greatly inhibits both the maintenance and enhancement of already existing services and value for members; and the opportunity to grow into the decentralised structure, e.g. by establishing offices or branches in new counties. For example, some of the chambers of KNCCI struggle with the maintenance of their services and existence. This can also be attributed to the fact that some corporate members in the counties have to register with the national KNCCI body, and not the county chamber, hence reducing the possibility of collecting more membership fees. Associations cite the limited capability to update training curriculum and capacities to offer training to members, as mentioned by the Kenya Livestock Producers Association (KLPA) in the agricultural sector. Other associations, such as the Kenya Water Industry Association (KWIA), active in the water sector, would like to promote more transparency and data collection by all stakeholders involved. In order to do so, the idea is to establish a database used by private and public sector conducting research in the field. The resources for offering insightful research in more focused, technical areas, but also industry and market analysis, are especially small in such focused industry associations.

4.3.6.2 Answering to devolution with decentralising the association’s own structure?
Associations in the private sector struggle to find their balance between centralising and decentralising their organisational structure in order to offer the best benefits to their members.
In the floriculture industry, this aspect shows a potential of conflict: FPEAK has many members outside of Nairobi, but because of the established export infrastructure (through Jomo Kenyatta International Airport), the value of an office outside of Nairobi does not weigh against the resources necessary to build and maintain these structures. KWIA on the other hand has a very centralised membership structure, meaning their members are mostly located in Nairobi. However, due to the devolution in the water sector and the necessity of decentralised Water Service Providers, KWIA feels it would enhance its services when going further decentralising their structure. This shows that the decision about decentralising and setting up physical branches is dependent on internal factors, such as financial and human capital resources, but also strategy. Furthermore, external factors such as necessity to be closer to a county government play a role. Consequently, the decision is not to be taken lightly, and actually devolving the organisational structure might be a slow and gradual process.

4.3.6.3 Reactive instead of proactive approach
Another aspect brought up directly by three associations and indirectly by others is the fact that most work of umbrella industry associations and their chapters is of a reactive character, involving a lot of “firefighting” as one respondent expressed. This means that the associations use a significant amount of their resources to address pressing and sudden issues, such as an unconsent-ed legislation or new levies coming up instead of strategising or developing the association or the whole industry further, in terms of training, research, introducing new technologies and products or engaging more in advocacy and lobbying on a regular basis. One respondent claimed that: “All of a sudden, the counties wake up one morning and come up with frivolous demands on distribution fees”. Therefore, many associations see most of their activities heading towards "[trying] to minimise the damage". However, the umbrella association KEPSA, with its sufficient resources, is able to do more advocacy and strategy formulation than smaller associations.

4.3.6.4 Honorary engagement
In terms of giving a voice to the interests of society, honorary engagement in associations is an aspect that enhances interest representation. However, in this context, capacity, resources and time that honorary officials in associations can dedicate towards their appointment are limited. This might hamper the reaction time and timely manner in which associations can conduct their activities. Connecting to the previously mentioned point of lacking resources, it is clear that an association limited by honorary engagement, many potential activities are restricted in and by themselves. Honorary engagement cannot replace a professional secretariat with an agenda for the operative work.

4.3.7 EXTERNAL CHALLENGES
External challenges describe obstacles faced by all industry players, or challenges that have appeared with the implementation of devolution.

4.3.7.1 Inter-county trade and county revenue
A major challenge faced by a number of associations, being explicitly named by 14 interviewees, is the revenue-dependency of the county governments. The Constitution of Kenya clearly states that at least 15% of national revenue has to be sourced from counties. As the interviewees pointed
out, the counties are in desperate need of generating their own revenue. It results in double or triple taxation, add or increase certain levies on distribution and movement of goods or equipment, as well as duplicate licenses or permits. Ultimately, the cost of doing business increases. Either transport of products passes through many counties and there is a fee for every county border passed, or the process of inter-county trade is slowed down so drastically that the quality of fresh produce transported cannot be guaranteed anymore, as an example. This inflation of business costs, felt by the private sector throughout all industries and counties, has impacted the business and investment environment negatively. Normally, the levies, fees and charges would be dependent on the services offered by the county government. However, the establishment of completely new government structures, with 47 county assemblies as well as executive committees, has greatly inflated the wage bills of the counties. “There are more mouths to feed” now as one expert mentioned, and this is felt by the interviewees to be solved by collecting more and more revenues from the private sector. Ultimately, inter-county trade and doing business in the counties has not been perceived as easy or as a positive potential of the decentralised structure.

Furthermore, this worrying trend could also have adverse effects on the development of remote counties, which was one of the initial drivers for devolution. There are no significant incentives for the county to remove these levies as long as corporate tax is solely drawn by the national government and a favourable business climate in the county does not allocate direct revenue.

4.3.7.2 Unclear roles and functions in devolution

“We are caught a little bit in the middle ground, the fuzzy area between devolved functions and those that are not yet devolved, and are struggling to figure out a way forward”
- Association from the tourism sector

As clearly stated by the associations, the division of functions and responsibilities between the national and the county governments has been rocky. There are three main problems: a) “a function might legally have been devolved, but the process of this devolution is still on-going;” b) “a function that is perceived by the private sector as having to be devolved is not” c) “a function is supposed to be located at central level but the county government performs this function in one way or another” For example, export licenses and certificates, as in the horticulture or fisheries industry, are managed and issued nationally to guarantee uniform standards and accreditation on international markets. But county governments want to perform this function, which sometimes leads to the necessity of applying for national and county level licenses. This is effectively a duplication that increases the cost of doing business. On the other hand, associations active in natural resource management or the water sector complain about not enough responsibility at local level as it could enhance service delivery.

Furthermore, the process of devolution is perceived as being slow and only very gradual. One respondent asked: “What steps are being taken to devolve the functions that are already clearly devolved?” pointing out that even clear
devolved functions are not yet performed at county level. Another respondent feels that the national government might feel "redundant" and might less likely give up a certain function. The associations interviewed feel the existence of push and pull mechanisms between government levels that increase business risk and insecurity.

4.3.7.3 Identifying the relevant government body
When it comes to articulating and integrating their member's interest, the previous paragraph already outlined the needs that associations have in order to find their way through the "pecking order" of the different government bodies and officials. As one respondent said: "Which door to knock on?" As their members expect the associations to be able to bring their interests forward, the associations struggle with identifying or following some established procedure. Several associations which claim to be successful in addressing county or national government follow the procedure of first turning to an official sympathetic to their needs. This can be a representative of the county at a committee of the Council of Governors or a cabinet or principal secretary of their "mother ministry", the ministry of their respective sector. The problem of identifying the correct procedure or order is tied to the issue of unclear functions and responsibilities between government levels. Many associations find themselves knocking on doors and always being transferred to another government body, or they have to tackle issues with a multiple approach from the beginning. KAM therefore engages with the Council of Governors, the Devolution Ministry, but also with the County Assemblies, the Senate, and Commission of Revenue Allocation (CRA). This multi-layered approach requires substantial resources that not all of the smaller associations have. Furthermore, some associations struggle with problems of a more political nature in this context: "Sometimes we call, and then they are asking us, why we engage with the others. These are political issues that we might not have a lot to do with", highlighting that government bodies are competing amongst themselves, making it difficult for associations to find a neutral ground.

4.3.7.4 Consultation and involvement of the private sector
Regarding general policy formulation at county level, seven respondents specifically mentioned that the private sector is not being consulted and its recommendations are thus not taken into account. County governments are eager to manage their tasks on their own, do not listen and do not keep in mind that the private sector has an important stake in the counties. For example, when a county government consults a business association active in the county in regards to budget allocation, this might be an initial consultation, but not an on-going process until the budget is already allocated. This "selective participation of the private sector" inhibits information exchange, but also reflects negatively on the responsiveness of the county governments. In their advocacy and lobbying efforts, associations might consequently turn to the national government directly to be able to represent their members’ interests.

"The needs are largely represented or voted in by a constituency that is not well-informed. Most people have limited education and do not understand the elements the government, let alone private sector investment. The lack of sophistication impacts most county assemblies in their abilities to pass budgets and legislation that would enhance greater private sector investment in their counties. We have a lot of work."
Eight respondents criticised directly the quality of the interaction with county government in regards to their knowledge and awareness of private sector needs. The overall perception is that county government officials are not educated well enough or interested in private sector or industry needs. Therefore, the business and investment environment of the counties has often not been seen as enabling enough, since the lobbying against certain duplicated levies, charges and fees on the county level has not been overly successful.

4.3.7.5 Negative image of each other
The previously mentioned challenges result in what five respondents consider being the development of a negative image of the counties as perceived by private sector associations. One respondent calls this a “confidence rift” between the county governments and the private sector. This confidence rift could ultimately lead to a downward spiral in which investment opportunities in counties would not be seized by stakeholders anymore, hence further negatively impacting the county’s budget.

The private sector associations are indirectly victims of the structural framework’s flaw in county revenue sources: since counties can only collect its own revenues through levies and charges and further registration fees, many businesses feel this as double or triple taxation and rising cost of doing business. Associations, as representatives of business’ interests, perceive one of their main tasks as reducing this cost through lobbying not only to county, but also at national level. This has consequences regarding the way counties see business associations: as “enemy” (“the Government doesn’t facilitate because they see the chamber as enemy” - Local Kenya Chamber). It could be due to the fact that the county governments “want to act on their own” (KAM), but might also result from the fact that associations are questioning the county’s authority by turning to the centralised level to try to overrule them. This situation might cause the county governments to lose their trust or inhibit a positive relationship between the parties involved.

4.3.7.6 Corruption
Corruption, red tape and bad governance is a familiar topic amongst private sector associations. One of the benefits of political decentralisation is—ideally—to reduce the amount of corruption by enhancing accountability and transparency at local levels and by being supervised by the local civil society. However, the associations in Kenya do not perceive this as happening. Instead, corruption levels are on the rise, as one respondent expressed: “One other monster I have not mentioned is corruption. Corruption has actually increased tremendously as a result of devolution. There are more mouths to feed”. This has an effect on the degree of trust that is brought towards the county governments (“confidence rift”), but also has an impact on perception on budget issues: “if all revenue that has been collected was efficiently used, then they would not need to get revenue from the national government! They would actually be able to survive!” The associations cannot currently offer a solution to this growing problem.
4.3.8 OPPORTUNITIES

In general, it can be said that the opportunities associations see in devolution are not as specific as the challenges faced. The respondents would rather name quite broad opportunities that are also reflecting their personal views on the matter, rather than the perspective of the association. However, the arguments mentioned often come from a business-oriented position.

4.3.8.1 Opportunities to invest
Six interviewed associations clearly stated that devolution has brought more business opportunities and has established counties as "investment destinations". Counties have now the chance to market their area and their specific "unique selling points" to establish their niche. Furthermore, counties are now competing against each other, possibly enhancing their services and business environment in the long run. "County governments want to be perceived as well working", which can enhance the county governments efforts to create an enabling business environment. Devolution has also "pointed out less known counties", who now have more incentive to develop and grow. The opportunities to invest in the counties could lead associations to encourage members to seize these and establish businesses in the counties.

4.3.8.2 The business case for decentralised structure of associations
Some of the respondents, representatives of already decentralised associations with established branches, see the business case as first, being closer to its members and thus enhancing the possibility of gathering members’ interests.

"The county governments are keener to engage with private sector. But of course the investors have to be sure about the stability of the county and its incentives and business environment”
– Cross-sectoral Association

"Devolution is about improving the product, offering more products, offering more county-specific products."
– Tourism Association

Despite the challenges being described in the previous chapter, there are many hopes and positive thoughts about decentralisation in Kenya and the role which private sector associations play. One of the main ideas of devolution mirrored by the respondents is that the government and its services are located closer to the people. The principle of development is also much reflected, as this respondent puts it:

"It’s a very good idea because it brings power closer to the ground. The decision making process is [...] next door. You’re able to go the governor who’s right within a few kilometres. You can be able to make demands to him. You’re talking amongst yourself and only for that area. That can only be good for development and progress.”

"Devolution is about improving the product, offering more products, offering more county-specific products."
– Tourism Association

- Cross-sectoral Association
Secondly, the secretariat receives more input from what is "happening on the ground". The branches are able to look at county specific legislation, bylaws, etc., that would make them important for the national headquarter who now has input for lobbying. Additionally, the branches would then be able to better address county governments and establish a relationship. Particularly if members see more business opportunities in the counties and start investing on a more regular basis, decentralising the association could create more value for members.

4.3.8.3 Counties have learning curves
Given the fact that decentralisation has only been effectively in place since 2013, and “this is a new thing in which everybody wants to find their ground”, few respondents gave credit to the county government regarding their learning curve and that more learning is expected. These positions also show that many respondents also believe, to a certain extent, in the success of devolution, or at least see that there is no other way than finding a way forward and engage with county governments.

One other aspect that some associations named is a version of “leapfrogging”: the associations identify counties that have been and are most responsive to initiatives and activities and test further activities only in these counties. Through such an approach, the potential and design can be tested first before being rolled out in other counties of interest. This is being done in the horticultural sector, where training on standards is offered to county government officials, as an example.

“For instance Nakuru understands that flower industry for them is a gem. So they want to listen to what the industry wants or needs. They are able to interact with us substantially and we are able to come to consensus.”
– Horticulture industry association

4.3.8.4 Shorter communication lines and easier engagement structures: classic devolution arguments
Many respondents still see classic arguments for decentralisation as opportunities for devolution in Kenya, especially viewed from a business perspective. Consequently, decentralisation brings services and the government “closer to the ground” and enables “quicker decisions” and “localised solutions”. In general, the communication line is shorter and this could lead to increased
efficiency. Bringing the government closer also has the potential of more transparent finances, and better engagement opportunities when it comes to business regulations, revenue, law and licensing requirements. Hence, more “advocacy possibilities and “fine-tuning to needs” are given.

4.3.8.5 Necessity to collaborate with private sector
The county governments are restricted on their revenue means and are dependent on tax revenue generated by the business community in the county. Ideally, the counties would give incentives to businesses in order to attract them. This is not (yet) happening, however the associations do feel that the county governments are increasingly aware of their need to collaborate and incentivise the business community to stay and/or further invest.

“The government is only providing an environment through regulation and policies to ensure that everybody is doing their business with ease as much as they can. They need the private sector. [...] It is private sector and people who pay taxes.”
Business Association Interviewee
Discussions of Findings

The previous chapter presented the study’s results, including a mapping of the business membership association as well as a synthesis focusing on structure, functions, activities, challenges faced and opportunities seen.

This chapter discusses the findings. The aim is to identify current weaknesses and consequently point out streams of potential interventions where the status quo can be challenged. The points raised show various issues where private sector interests and regional policy at county level have not found a desirable level of cooperation and mutual consultation as of yet. Almost four years after the implementation of devolution in Kenya, and close to the next election in 2017, a review of the weaknesses, opportunities and success stories is essential for all stakeholders involved to formulate a mutually beneficial way forward.

This study is designed as a baseline study with the aim to analyse the engagement of private sector associations with and in the devolved government structure, namely the newly established counties. The aim is to provide an overview of the associations’ functions and activities, but also address challenges within this framework. While this chapter will identify, and define areas in which to possibly intervene, it does not intend to develop in-depth methodologies to overcome the challenges identified. Stakeholders are encouraged to use this analysis to adjust their existing methods and furthermore be inspired and supported by background data in order to develop new approaches.

The target audience of the analysed points may be (but are not limited to):

**Private Sector**
- Umbrella and industry associations and their professional structure (such as secretariats and committees)
- Private companies/ businesses as members or potential members of private sector associations
- Co-operative societies, community-based organisations etc. as members or potential members of associations

**Public Sector**
- Government bodies on a national level, such as: Ministries, National Assembly, Senate, and their respective committees, Authorities, Parastatal organisations, individual parliamentarians
- Government bodies at county level such as: County Executive Committee, County Assembly, County Ministries
- Other government bodies at national or county level such as: Council of Governors and its committees

**Other Target Audience in Kenya**
- Political foundations who are striving to support the political environment in Kenya
- International development cooperation foundations with a perspective on devolution and/or private sector support
5.1 The Role of Private Sector Associations in Kenya

The results of the study confirm the assumption that Kenya’s associations generally fulfil the functions of associations as described in chapter 2.1 and are directing their external activities both towards the national and the regional level:

- Members’ interests are aggregated through regional committee or branch structures, represented through a board at national level
- The associations select and articulate member’s interests through business coalitions and umbrella associations to both the county and national government
- Best practice examples such as the County Business Agendas of KAM, KNCCI and KENAFF show that members’ interests can be integrated
- However, there are caveats: although the focus of many associations on training adds value to the membership, this might conceal an underlying problem: maybe associations offer training because their mandate as lobbying organisations cannot be followed through as much as needed.

On the contrary, the focus on training might also emphasise the importance of value creation for members through internal activities.

This study shows that Kenya’s private sector associations perceive themselves as playing an essential role in the political system and policy formulation in Kenya. Since the county governments are newly established and often lack knowledge about private sector needs and economic performance, private sector associations want to enhance their efforts to close this gap. The analysis has also shown that private sector associations are actively engaged in or are targeting to build capacity through training of the county governments.

Kenya’s private sector associations face various challenges that inhibit their impacts, both internally and externally. An analysis of what is needed to address the challenges offers streams of intervention targeting associations, county governments, structural frameworks and stakeholder collaboration.

5.2 Agent and Structure Centred Approach

In political analysis, there are two important elements to focus on: the agents or stakeholders and the structure they are working in. While starting with a stakeholder centred approach by conducting expert interviews and giving the agents the possibility to voice their views, the structure these agents are acting in, namely the devolved political system in Kenya, cannot be omitted to identify areas of intervention. The aim of extracting these areas of intervention from the research is to strengthen the mechanism of devolution and seize its benefits for the people in Kenya.

The following part will identify points and areas of intervention for both the agents and the structure.
5.2.1 PRIVATE SECTOR ASSOCIATIONS

**Focus: Sustainability of Funds**

**Challenge:**
The findings of the study show that private sector associations in Kenya generally see lack of funding as a main constraint for deepening or broadening their activities including the set-up of a decentralised regional presence or to improve human resource capacity. Deeper analysis has to be conducted on how to improve this situation

**Possible Intervention:**
- Cooperation for the organisation of workshops/conferences and development of training schemes/curricula
- Capacity building of associations: training on how to make member fee collection more efficient, how to market the association better/what to offer to members to incentivise payment
- Review of internal organisational structure to assess degree of decentralisation, the reasoning behind, and if a decentralised structure should be supported to enhance value for members

**Focus: Effective political representation of members’ interests**

**Challenge:**
Associations often focus strongly on internal value creation for members through activities such as trainings. The findings suggest that when external activities such as lobbying do not generate the desired attention within the political system, this might lead associations to focus on outcome-oriented activities such as trainings. However, as associations do see their mandate in lobbying, this shows a gap that should be addressed.

**Possible interventions:**
- Determine lobbying scope and improve fulfilment of the mandate of interest representation and lobbying (if existing). Evaluation of current lobbying practices and introduction of new techniques, how to design lobbying as outcome-oriented as possible, etc.
- Enhance proactive instead of reactive (“fire fighting”) approaches within the counties: support continuous engagement in county agenda settings and formulation
- Establish due processes of identifying and engaging with the right government bodies for a topic, “target respondent training”
- Strategies and best practices on how to improve business coalitions, seeing the value of business coalitions to “unite the voice” in the counties
- Cross-representation within similar interest groups: support to establish more “intersection positions” within business coalitions, e.g. by positioning one board member on the respective other board of a partner association or sectoral umbrella association
- Enhance follow-up capacity: not only formulating, but also pursuing County Business Agendas through monitoring systems, follow-up mechanisms, designing specific and comprehensive timelines, applying media pressure (e.g. through a log-frame system)
- Create awareness about the role of media and the potential impacts of media pressure
- Trainings/workshops on how to engage with media and effectively apply media pressure
5.2.2 COUNTY GOVERNMENTS

Focus: Lack of interest in or knowledge about private sector and its associations as important stakeholders in the counties

Challenge:
County governments do not take associations into consideration, either because the private sector’s role is unclear to the county government officials or because of insufficient resources to engage with the private sector. Additionally, regional politics put a low emphasis on creating a business-friendly environment that attracts new businesses and, in the long run, leads to a more sustainable economic basis including higher revenues for the counties. Instead, the private sector is often only seen as short-term source of revenue for the county budgets by way of collection of levies and fees. Hence, long-term co-operation or collaboration with the private sector associations is of no or low importance as resources for this are not available.

Possible Interventions:
- Establishing and supporting communication channels, outlets and platforms through capacity building targeting county government officials: share knowledge on the value of regular, continuous private sector engagement and introduce schemes of engagement, e.g. monthly meetings, but also filter associations that can be engaged in legislation decisions, agenda settings e.g. consulting county governments on concepts on ‘How to Engage with Private Sector’, digital/non-digital solutions for engagement between private sector and county government – fora, mailing and message groups, apps. Furthermore, establish "intersection positions", positions within an e.g. sectoral committee that are staffed by or have closer links to representatives of a specific interest group.
- Supporting a more innovative approach to county agenda setting: supporting county governments to "market" their county’s industries and potentials for private sector effectively through successful initiatives and new approaches and create a positive image of the county. Initiatives and approaches that re-evaluate what a county has to offer and re-market new potentials and "unique selling points" of a county. This can translate to evaluating potential economic sectors and activities, but also effectively target the informal sector and vocational training institutes to accommodate the county’s residents in economic growth.
- Awareness creation of the essential role of the private sector and its associations: highlighting potentials of collaboration and benefits of positive and continuous engagement, through events such as workshops and trainings targeting county governments. Initiatives targeting private sector investment centres in the counties. Through media content such as digital content or leaflets targeting county government channels (e.g. short videos explaining the role and functions of private sector associations that can be shared through online and social media).
5.2.3 STRUCTURAL FRAMEWORK

Focus: Distribution of competences and functions

Challenge:
Various political competencies such as taxation of businesses or responsibilities such as the authority over roads and construction are not clearly distributed. Additionally, not only private sector stakeholders but also political stakeholders lack clarity on their functions and responsibilities within the political system, or face significant challenges regarding their budget.

Possible intervention:
– Political Framework: review and enforcement of distribution of competencies in areas such as taxation, licensing, registration (of business etc.)
– Revise sources of county budget, assess and evaluate the degree of dependency of counties, e.g. towards value-added tax or redistribution of tax revenue mechanisms
– Supporting public sector efforts to strengthen the capacities of counties to manage county budgets
– Establish enabling business environment by improving inter-county trade, since trade structures have a positive impact on economic development; and by reviewing double taxation/fees challenges
– Avoid “blame shifting” between the two political (national and county) levels, establish positive communication channels and rhetoric
– Improve governance and responsibility towards the county’s residents from both national and county level
– Foster best practice examples of collaboration and communication between private sector and government

Focus: Lack of continuous communication and collaboration between private sector associations and county governments

Challenge:
If private sector associations and county governments are to collaborate and work together, it is adamant to not only support each of the stakeholders individually, but to engage in a holistic approach. It is especially important to solve the “confidence rift” between private sector associations and county governments.

Possible intervention:
– Establish a national database of private sector associations active on national and county levels which contains basic background information and contact information to give stakeholders an overview of the sector and provide opportunities for collaborations
– Design and implement workshops or regular trainings with both associations and county government officials, creating awareness on best practices for collaboration
– Supporting existing fora of business coalitions, roundtables etc. to improve the orientation on outcomes and agree on specific timelines for implementation
– Improve the image of the counties: the more positive examples of cooperation can be named, the better the collaboration between private sector associations and county governments is perceived. This is closing the confidence rift and inhibiting the perception of a downward spiral.

On one hand, this chapter shows how private sector associations perceive their role in Kenya’s political system. On the other hand, challenges
and possible streams of intervention were pointed out, split in an agent centred approach towards private sector and public sector stakeholders and a structure centred approach targeting the political framework and collaboration methods. As stated at the beginning of this chapter, the intervention areas show possibilities to reach out to all stakeholders involved. These were drawn as results from this study’s findings and do not necessarily claim to reflect the complete picture. However, the results are intended to be used as food for thoughts for finding suitable engagement methods.
Conclusion

This study had the aim to assess the structure and activities of business associations in Kenya in the light of the new devolved government system, which has been actively in place since 2013. Through a catalogue of criteria, relevant associations were identified and mapped. Both primary and secondary research supported the mapping of their structure, functions and activities. Experts had the chance to voice their view about devolution in Kenya during interviews, focusing on challenges they faced as well as opportunities they saw in the present and future.

Mapping of the private sector associations provides detailed insights into the organisational and regional structures. Hence, this mapping presents the status quo, the current position of private sector associations in Kenya. Additionally, the synthesis of the findings on functions, activities, challenges and opportunities offers valuable information and deep abstractions on how and what to read into the work of associations in Kenya. In the Discussions of Findings, the reader is shown potential focus areas to find areas of improvement by targeting all stakeholders involved, not only individually, but also with the necessary emphasis on collaboration and on-going dialogue and work flow. It is particularly important for the associations to support their lobbying and PPD efforts, foster mechanisms and due procedures for addressing government and have follow-up and back-up procedures such as media pressure in place. From the county government’s perspective, awareness about the importance of the private sector, but also best practices on how to best engage and who to engage with are crucial. Still, further clarification of responsibilities and other structural challenges of the young political system need to be addressed to facilitate an enabling environment and a positive image of the counties. These recommendations shall be seen as starting points for interested parties to support the young devolved system and strengthen the role and functioning of private sector associations in Kenya.

A strong private sector plays a crucial role for the stability and prosperity of any country. Private sector offers jobs and livelihood for citizens, tax income for its government and can through its moderating influence on politics stabilise a country’s ecosystem as a whole.

The devolved Kenyan system asks the newly established county governments to create an enabling business framework for the private sector. If the private sector is not heard in policy formulation, it may result in a mismatch and in the worst case, hardship for business activities. Since the county governments depend on the private sector in their counties, establishing closer collaboration with its associations is a key opportunity and impetus for the devolved system to prosper.

This study, especially the interviews with the private sector association representatives showed that a positive attitude towards devolution is still being safeguarded, despite all the challenges that have been experienced. The majority of the respondents clearly stated their confidence in the gradual improvement of the new political system, both at the national and county levels.
The formulation and implementation of changes to a political system is perceived by most associations as a naturally long process. However, associations are still demanding for quicker returns and gradual, but visible improvements that suggest the long-term viability of the new system. Hence, the emphasis lies on making the system work for all stakeholders involved, and ultimately the Kenyan people.

The county governments find themselves in the utmost difficult position to have to consider various different interests groups, while at the same time establishing structures and processes within their own organisation. Additionally, the fine line between acting autonomously and regularly interacting with the national government as per their obligation creates another obstacle in defining their role and ground. It is adamant for the county governments to create the necessary platforms, channels and communication patterns to support interest representation in their areas. In order to do so, the objective would be to consider the private sector associations as viable partners to build these due processes.

The upcoming election in 2017 fosters pressure to perform and to formulate new approaches or improve existing ones to lead the counties through the next legislation period. The election also represents the opportunity to reassess current measures and activities from both the private and public sectors and evaluate the degree and success of interactions. As such, this period should be perceived as windows of opportunity, where further external stakeholders should be included.

Taking the recommendations, the "streams of intervention" into consideration when designing and formulating future agendas and programme points will be a valuable and fitting starting point to engage with all stakeholders within the political system in perspective of devolution. Ultimately, linking private sector associations to enhanced interest representation will not only benefit the counties’ economic power and growth, but also guide the path towards a social market democracy.


ANNEX:

BUSINESS ASSOCIATIONS IN KENYA

1. AA of Kenya (Nairobi)
2. Advertising Practitioners’ Association
3. African Biotechnology Stakeholders Forum
4. African Cotton & Textile Industries Federation
5. Agrochemicals Association of Kenya
6. Agriculture Industry Network
7. Architectural Association of Kenya
8. Association of African Business Schools
9. Association of Biogas Contractors of Kenya
10. Association of Fire Protection Industry Stakeholders
11. Association of Fashion Designers Kenya
12. Association of Consulting Engineers of Kenya
13. Association of Growth Oriented Enterprise
15. Association of Young Entrepreneurs of Kisumu
17. Association of Kenya Feed Manufacturers
18. Association of Kenya Insurers
19. Association of Kenya Medical Lab
20. Association of Kenya Suppliers
21. Association of Licensed Land Surveyors of Kenya
22. Association of Media Women in Kenya
23. Association of Medical Engineering
24. Association of Micro Finance Institutions
25. Association of Professional Societies of East Africa
26. Association of Stock Brokers
27. Association of Small and Medium Enterprises in Kenya
28. Association for Women in Maritime Sector of East and Southern Africa
30. Banana Growers Association of Kenya
31. Boda Boda Association
32. Caritas Nurses Association
33. Cereals Growers’ Association
34. Centre for the Advancement of Women and Children
35. Courier Industry Association of Kenya
36. Computer Society of Kenya
37. Consumers Federation of Kenya
38. Coast Guards of Kilifi
39. Dairy Goats Association of Kenya
40. Eastern African Tea Traders Association
41. East African Business Council
42. Embu County Liquor Dealers Association
43. Eastern Africa Tourism Platform
44. Eastern Africa Association
45. Eastern Africa Grain Council
46. Eastern Africa Farmers Federation
47. East African Wildlife Society
48. Federation of Women Lawyers - Kenya
49. Federation of Community Tourism Organisations
50. Federation of Women Entrepreneur Association
51. Federation of Kenya Employers
52. Federation of East African Freight Forwarders Association
53. Fresh Produce Exporters Association of Kenya
54. Geological Society of Kenya
55. Horticultural Growers Association
56. Homabay County Community Business Association
57. Horticultural Producers & Marketing Association of Kenya
58. Improved Stoves Association of Kenya
59. Investors Association of E.A
60. Jua Kali Association  
61. Kenya (ICT) Federation  
62. Kenya Association of Building and Civil Engineering Contractors  
63. Kenya Agribusiness & Agro-Industry Alliance  
64. Kenya Association of Hotel Keepers & Caterers  
65. Kenya Association of Radiologists  
66. Kenya Association of Stockbrokers and Investment Banks  
67. Kenya Association of Sea Anglers  
68. Kenya Association of Women Business Owners  
69. Kenya Association of Investment Groups  
70. Kenya Association of Manufacturers  
71. Kenya Association of Music Producers  
72. Kenya Association of Tour Operators  
73. Kenya Association of Travel Agents  
74. Kenya Association of Women Entrepreneurs  
75. Kenya Auto Bazaar Association  
76. Kenya Bankers’ Association  
77. Kenya Barley Growers Association  
78. Kenya BPO and Contact Centre Society  
79. Kenya Business Council  
80. Kenya Chamber of Mines  
81. Kenya Coffee Growers Association  
82. Kenya Coffee Traders Association  
83. Kenya Coffee Producers Association  
84. Kenya Cotton Growers Association  
85. Kenya Camel Association  
86. Kenya Dental Association  
87. Kenya Federation of Master Builders  
88. Kenya Fish Processors & Exporters Association  
89. Kenya Flower Council  
90. Kenya Healthcare Federation  
91. Kenya Horticultural Growers Association
92. Kenya International Freight & Warehousing Association (Nairobi)
93. Kenya Informal Sector Network
94. Kenya Journalist Association
95. Kenya Land Owners Association
96. Kenya Livestock Producers’ Association
97. Kenya Livestock Marketing Council
98. Kenya Mango Producers & Marketing Association
99. Kenya Medical Association
100. Kenya Medical Women’s Association
101. Kenya Motorist Industry Association
102. Kenya Motor Repairers Association
103. Kenya Mushroom Growers Association
104. Kenya National Alliance of Street Vendors & Informal Traders
105. Kenya National Chamber of Commerce and Industry (KNCCI)
106. Kenya National Farmers Federation
107. Kenya National Federation of Co-operatives
108. Kenya National Film Association
109. Kenya National Potato Farmers Association
110. Kenya National Pig Farmers Association
111. Kenya National Sugarcane Farmers Union
112. Kenya Paediatrics Association
113. Kenya Poultry Farmers Association
114. Kenya Private Developers’ Association
115. Kenya Private Sector Alliance
116. Kenya Professional Safari Guides Association
117. Kenya Publishers Association
118. Kenya Renewable Energy Association
119. Kenya Shippers Council
120. Kenya Security Industry Association
121. Kenya Sawmillers Association
122. Kenya soya Beans Farmers Association
123. Kenya society of Physiotherapists
124. Kenya Tea Growers Association
125. Kenya Tobacco Farmers Association
126. Kenya Tourism Federation
127. Kenya Transport Association
128. Kenya Veterinary Association
129. Kenya Water Industry Association
130. Kirinyaga Farmers Traders Union
131. Kirinyaga Events Planners Association
132. Lake Victoria Tourism Association
133. Law Society of Kenya
134. Linux Professional Association of Kenya
135. Matatu Owners’ Association
136. Media Owners Association
137. Micro & Small Enterprises Federation
138. Music Copyright Society of Kenya
139. Nairobi Central Business District Association
140. National Nurses Association of Kenya
141. National Economic & Social Council
142. Nakuru Business Association
143. National Association of Kenya Auctioneers
144. Nest Traders Society
145. Outdoor Advertising Association
146. Performers Rights Society of Kenya
147. Pubs Entertainment & Restaurants Association
148. Public Relations Society of Kenya
149. Pyrethrum Growers Association
150. Pharmaceutical Society of Kenya
151. Rural Tourism Network
152. Seed Trade Association of Kenya
153. Society of Radiography in Kenya
154. United Business Association
155. Universal Peace Federation
NOT CONSIDERED BECAUSE

- NGOs
- Institutes and Research Organisations
- Too local (subcounties/municipality) or too broad with “Pan-African” focus
- Trade unions

156. Akira Chix (more an NGO)
157. Centre for Youth Enterprises Programme
158. Chartered Institute of Arbitrators
159. Chartered Institute of Management
160. Central Organisation of Trade Unions
161. Embu Municipality Jua Kali Association
162. Institute of Certified Public Accountants Kenya
163. Institute of Certified Public Secretaries of Kenya
164. Institute of Directors
165. International Institute of Certified Forensic Investigative Professionals
166. Institute of Internal Auditors (IIA)
167. Institute of Loss Adjusters and Risk Surveyors of Kenya
168. Institute of Quantity Surveyors of Kenya
169. Institution of Engineers
170. Institution of Surveyors Kenya
171. Institution of Surveyors Kenya
172. Kaskazi Jua Kali Association
173. Kenya Institute of Bankers
174. Kenya Institute of Planners
175. Naivasha Business Community & Professional Association
176. Pan African Agribusiness Consortium
177. Petroleum Institute of East Africa
178. Proudly Kenyan
179. Ruaraka Business Community
180. Westlands Association
181. Yes Youths Can Western
47 KNCCI Chambers:
182. Kenya National Chamber of Commerce & Industry - Baringo
183. Kenya National Chamber of Commerce & Industry - Bomet
184. Kenya National Chamber of Commerce & Industry - Bungoma
185. Kenya National Chamber of Commerce & Industry - Busia
186. Kenya National Chamber of Commerce & Industry - Elgeyo Marakwet
187. Kenya National Chamber of Commerce & Industry - Embu
188. Kenya National Chamber of Commerce & Industry - Garissa
189. Kenya National Chamber of Commerce & Industry - Homabay
190. Kenya National Chamber of Commerce & Industry - Isiolo
191. Kenya National Chamber of Commerce & Industry - Kajiado
192. Kenya National Chamber of Commerce & Industry - Kakamega
193. Kenya National Chamber of Commerce & Industry - Kericho
194. Kenya National Chamber of Commerce & Industry - Kiambu
195. Kenya National Chamber of Commerce & Industry - Kilifi
196. Kenya National Chamber of Commerce & Industry - Kirinyaga
197. Kenya National Chamber of Commerce & Industry - Kisii
198. Kenya National Chamber of Commerce & Industry - Kisumu
199. Kenya National Chamber of Commerce & Industry - Kitui
200. Kenya National Chamber of Commerce & Industry - Kwale
201. Kenya National Chamber of Commerce & Industry - Laikipia
203. Kenya National Chamber of Commerce & Industry - Machakos
204. Kenya National Chamber of Commerce & Industry - Makuenei
205. Kenya National Chamber of Commerce & Industry - Mandera
206. Kenya National Chamber of Commerce & Industry - Meru
207. Kenya National Chamber of Commerce & Industry - Migori
208. Kenya National Chamber of Commerce & Industry - Mombasa
209. Kenya National Chamber of Commerce & Industry - Muranga
210. Kenya National Chamber of Commerce & Industry - Nairobi
211. Kenya National Chamber of Commerce & Industry - Nakuru
212. Kenya National Chamber of Commerce & Industry - Narok
213. Kenya National Chamber of Commerce & Industry - Nyamira
214. Kenya National Chamber of Commerce & Industry - Nyandarua
216. Kenya National Chamber of Commerce & Industry - Siaya
217. Kenya National Chamber of Commerce & Industry - Taita Taveta
218. Kenya National Chamber of Commerce & Industry - Tana River
220. Kenya National Chamber of Commerce & Industry - Turkana
221. Kenya National Chamber of Commerce & Industry - Uasin Gishu
222. Kenya National Chamber of Commerce & Industry - Wajir
223. Kenya National Chamber of Commerce & Industry - West Pokot
224. Kenya National Chamber of Commerce & Industry - Marsabit
225. Kenya National Chamber of Commerce & Industry - Tharaka Nithi
226. Kenya National Chamber of Commerce & Industry - Vihiga
227. Kenya National Chamber of Commerce & Industry - Nandi
228. Kenya National Chamber of Commerce & Industry - Samburu