

# COUNTY GOVERNMENT OF NYAMIRA



## NYAMIRA MUNICIPALITY



## PRIVATE SECTOR ENGAGEMENT FRAMEWORK (PSEF)

# Report Approvals

This Private Sector Engagement Framework for Nyamira Municipality is hereby approved for implementation by the County Government of Nyamira and the Nyamira Municipality Board.

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## Abbreviations and Acronyms

Acronym	Full Meaning
ADP	Annual Development Plan
BETA	Bottom-Up Economic Transformation Agenda
CECM	County Executive Committee Member
CIDP	County Integrated Development Plan
CSO	Civil Society Organisation
IDeP	Integrated Development Plan
KeSIC	Kenya Standard Industrial Classification
KUSP II	Kenya Urban Support Programme II
MSME	Micro, Small and Medium Enterprise
NGO	Non-Governmental Organisation
PPDF	Public–Private Dialogue Forum
PSEF	Private Sector Engagement Framework
RA 4	Result Area 4
SBP	Small Business Permit
SDHUD	State Department of Housing and Urban Development
UACA	Urban Areas and Cities Act

## Foreword

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It is with great pleasure that I present the Private Sector Engagement Framework for Nyamira Municipality. As our municipality grows — driven by trade, agricultural commerce, and expanding small enterprise activity — the need for structured collaboration between the municipal administration and the private sector has never been more apparent.

Nyamira Municipality's economy is anchored on tea and agriculture-linked commerce, retail trade, and a vibrant informal sector. Harnessing the energy and expertise of these sectors for urban planning and development requires deliberate, predictable, and transparent engagement mechanisms. This framework provides that institutional foundation.

I call upon all private sector actors — traders, transporters, hoteliers, small business owners, and professional associations — to embrace this framework as a genuine instrument for partnership. Our commitment as the municipal administration is to listen, respond, and deliver tangible improvements to the business environment.

**CPA Rebecca Moraa,  
Chairperson,  
Nyamira Municipality Board.**

## Preface

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This Private Sector Engagement Framework has been developed by the Nyamira Municipality in alignment with the national Private Sector Engagement Framework for Urban Boards produced by the State Department of Housing and Urban Development under the Kenya Urban Support Programme II (KUSP II). It reflects requirements under Result Area 4 of KUSP II, which mandates participating urban boards to establish structured, evidence-based mechanisms for engaging with the private sector.

The framework is informed by a public participation engagement session held with representatives of the private sector in Nyamira Municipality, including hoteliers, retail traders, and SME operators who shared the challenges they face in conducting business and proposed ways those challenges can be addressed. Their inputs have shaped the priorities and commitments contained in this document. While modelled on the comprehensive national framework, this document is deliberately proportionate in scope to the scale and complexity of Nyamira Municipality, which is smaller in population, economic footprint, and institutional capacity than larger cities such as Kisumu. The framework is designed to be practical and implementable with available resources.

**CPA Morara Mokuu,  
Municipal Manager,  
Nyamira Municipality.**

# 1. Executive Summary

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The Private Sector Engagement Framework (PSEF) for Nyamira Municipality is a strategic document that establishes structured mechanisms for collaboration between the municipal administration and private-sector actors. It responds to a key gap identified through stakeholder consultations: despite the central role of the private sector in driving the local economy, engagement between businesses and the municipality has historically been fragmented, transactional, and reactive rather than systematic and partnership oriented.

The framework is anchored in Kenya's constitutional and legal requirements for public participation, the Urban Areas and Cities Act, and the national PSEF developed under KUSP II. It establishes a Public–Private Dialogue Forum (PPDF) as the primary platform for continuous, structured engagement. The PPDF will be complemented by a regularly updated business database, periodic private sector diagnostics, and clear communication and documentation protocols.

Key issues raised by the private sector during the public participation session — including licensing complexity, market infrastructure gaps, waste management challenges, limited access to finance, and the need for better communication from the municipality — are acknowledged in this framework and inform its priority interventions.

## Key Framework Components

- A Private Sector Database — a register of businesses operating in the municipality, updated annually.
- Public–Private Dialogue Forums (PPDFs) — at least two structured forums per year aligned with the planning and budget cycle.
- A Private Sector Diagnostic — periodic assessment of the business environment across four policy levers.
- Capacity Building and Communication — targeted outreach and support for business associations and MSMEs.
- Monitoring, Evaluation and Reporting — a simple results framework to track engagement performance.

## 2. Introduction and Background

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### 2.1 Introduction

Nyamira Municipality is one of Kenya's chartered urban areas within Nyamira County, a region known for tea farming, horticulture, and a growing agro-commercial economy. The municipality serves as the administrative and commercial hub of the county, hosting markets, financial institutions, transport nodes, and a range of formal and informal enterprises.

Nyamira Municipality is part of Kenya's broader transition toward a more urbanised and decentralised governance system, where municipalities are expected to function as engines of local economic development. In this context, the role of urban management is increasingly shifting from direct service provision to facilitation, coordination, and regulation of multiple actors, including the private sector. The municipality therefore depends on structured collaboration with businesses to deliver infrastructure, services, and economic opportunities efficiently.

This Private Sector Engagement Framework (PSEF) has been developed to institutionalise structured collaboration between the municipal administration and private-sector actors. It recognises that sustainable urban development and improved service delivery require the active participation of businesses and their representative associations in planning, budgeting, and governance processes. For the purpose of this framework, the private sector encompasses formal enterprises, micro, small and medium enterprises (MSMEs), informal businesses, financial institutions, professional service providers, and business membership organisations operating within or serving Nyamira Municipality.

### 2.2 Urbanisation and Economic Context

Nyamira Municipality is experiencing gradual but steady urban growth, driven by population increase, expansion of trade and transport, and growing demand for services.

Despite its relatively small size, the municipality exhibits characteristics of peri-urban transition, including conversion of agricultural land to commercial and residential uses, increasing land subdivision, and rising demand for infrastructure and services. This growth is largely unplanned, placing pressure on existing systems such as roads, drainage, waste management, and water supply. These trends have direct implications for spatial planning, including the need for improved land use control, infrastructure coordination, and integration of economic activities into formal planning

frameworks. Without structured engagement, private sector investments risk occurring in a fragmented and inefficient manner.

The municipality's economy is characterised by:

- A significant agricultural and agro-processing base, particularly tea and horticulture.
- A dominant informal and small enterprise sector including market traders, hawkers, and boda boda operators.
- A growing hospitality and services sector including guesthouses, restaurants, and retail businesses.
- Limited but expanding formal enterprise activity in trade, construction, and professional services.

The current growth trajectory, if not effectively managed, may lead to increased congestion, environmental degradation, and reduced economic productivity, particularly affecting MSMEs that rely on accessible and functional urban infrastructure.

The predominantly MSME character of the local economy means that most businesses operate with limited capacity for formal engagement. The PSEF is therefore designed to be inclusive and accessible, accommodating both formal associations and informal sector voices.

### **2.3 Rationale for the Framework**

The development of this framework was driven by several interconnected challenges identified during stakeholder consultations:

- **Fragmented engagement:** Consultation with businesses has historically occurred on a project-by-project basis with no continuity or institutional follow-through.
- **Regulatory and licensing concerns:** Businesses reported unpredictability in licensing processes and insufficient channels for raising grievances or contributing to policy decisions.
- **Infrastructure gaps:** Participants highlighted deficiencies in market infrastructure, waste management, road access, and sanitation that directly affect business operations.
- **Limited access to finance:** SMEs and informal traders face difficulties accessing credit and business development support.
- **Weak communication:** The municipality lacks systematic channels for sharing information with the private sector on policies, plans, and projects that affect business.

- KUSP II compliance: Structured private sector engagement is a requirement under KUSP II Result Area 4 Minimum Conditions and Performance Standards.

These challenges point to a broader institutional gap in how the municipality engages with economic actors. The absence of a structured engagement mechanism has resulted in reactive decision-making, limited feedback loops, and weak accountability between the municipality and the business community.

A formalised engagement framework provides predictability, continuity, and a platform for co-production of solutions, moving the municipality from ad hoc consultation toward a governance model based on partnership and shared responsibility.

#### **2.4 Link to KUSP II**

Under KUSP II, Nyamira Municipality is required to operationalise the county government's Private Sector Engagement Framework by maintaining an up-to-date business database, holding at least two public-private dialogue meetings annually, and incorporating private sector inputs into the Integrated Development Plan (IDeP).

## 3. Private Sector Profile of Nyamira Municipality

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### 3.1 Overview

The private sector in Nyamira Municipality is predominantly composed of MSMEs, with a high proportion of informal enterprises. The municipality functions as a service and trading centre serving the surrounding agricultural hinterland.

It plays a critical intermediary role between rural production systems and regional markets, acting as a collection, processing, and distribution node for agricultural produce. This function makes the efficiency of its urban systems, markets, transport, storage, and services, central to both local livelihoods and broader regional economic performance.

### 3.2 Sectoral Composition

#### 3.2.1 Retail Trade and Markets

Retail trade is the largest segment of the local economy. There are several markets within the Municipality including Nyabite, Kebirigo, Tinga, Miruka, and Kioge. These markets and other surrounding commercial areas host traders dealing in food products, agricultural inputs, consumer goods, and household supplies.

This sector represents the primary source of livelihoods for a large proportion of the urban population and contributes significantly to local revenue through market fees, licenses, and daily levies. It is characterised by high informality, strong links to agricultural supply chains, and significant employment of youth and women.

#### 3.2.2 Hospitality and Food Services

A growing hospitality sector in the municipality includes guesthouses, restaurants, hotels such as The Guardian and Helsinki Hotels, and food kiosks. During the public participation session, hoteliers identified inadequate waste collection, water supply inconsistency, and high licensing costs as primary constraints.

The sector is also subject to multiple regulatory requirements related to public health, food safety, and tourism standards, necessitating better coordination between the municipality and business operators.

### 3.2.3 Transport

Matatu operators, boda boda associations, and goods transporters form an important informal economic subsector. These operators provide critical connectivity for the municipality's population and agricultural value chains. Transport operations significantly influence urban form, congestion patterns, and land use. Stakeholders cited the absence of designated stages and unclear routing policies as key operational and planning challenges.

### 3.2.4 Small and Medium Enterprises (SMEs)

SMEs in retail, agro-processing, construction materials, and professional services represent an emerging segment of the local economy. They have strong potential to transition into formal enterprises, expand employment, and contribute to local economic diversification if supported through targeted policies, infrastructure, and financing mechanisms.

### 3.2.5 Informal Sector

The informal sector — including hawkers, market vendors, and unlicensed service providers — constitutes a substantial proportion of economic activity. While often perceived as a regulatory challenge, the informal sector provides essential goods, services, and employment. It has historically been excluded from formal planning processes, and the PSEF explicitly incorporates mechanisms for its inclusion.

## 3.3 Key Business Environment Constraints Identified by Stakeholders

The following issues were raised during the public participation session and are acknowledged as priority areas for dialogue and intervention:

Issue Raised	Sector(s) Affected
High and complex licensing fees	All sectors
Inadequate market infrastructure (drainage, shade, sanitation)	Traders, hawkers
Poor waste collection coverage	Hoteliers, traders, residents
Inconsistent water supply	Hoteliers, food service, SMEs
Limited access to credit and business finance	SMEs, informal sector
Poor road access to business areas	Traders, transporters

<b>No designated stages for boda boda and matatu</b>	Transport operators
<b>Weak communication from municipality on policy changes</b>	All sectors

## 4. Policy and Legal Context

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### 4.1 Constitutional and Legal Foundation

While the legal framework for public participation and private sector engagement in Kenya is well established, implementation at the municipal level has often been inconsistent due to capacity constraints, resource limitations, and lack of structured engagement mechanisms.

The Urban Areas and Cities (Amendment) Act 2019 specifically requires municipalities to institutionalise stakeholder engagement as a core governance function, making this framework a necessary instrument for compliance and effective urban management.

This framework is grounded in Kenya's constitutional and statutory framework governing public participation, urban governance, and private sector engagement:

- The Kenya Constitution 2010 — establishes public participation as a fundamental principle of governance and democratic accountability.
- County Government Act 2012 — provides the legal framework for county governance, including promotion of public-private partnerships.
- Urban Areas and Cities (Amendment) Act 2019 (UACA) — mandates urban boards to facilitate citizen participation including private sector representation in governance forums, maintain registers of accredited business associations, and integrate private sector inputs into planning.
- Public Finance Management Act 2012 — requires participatory processes in county and urban budget preparation.
- Access to Information Act 2016 — ensures public access to information held by county and urban institutions.

### 4.2 Alignment with National Policy

The framework aligns with Kenya Vision 2030 and the Bottom-Up Economic Transformation Agenda (BETA), both of which prioritise MSME growth, inclusive urban economies, and private-sector-led development. The PSEF directly contributes to these priorities by creating a structured platform for

identifying and addressing constraints faced by MSMEs, improving market conditions, and reducing regulatory barriers.

### **4.3 County-Level Alignment**

At the county level, this framework complements the Nyamira County Integrated Development Plan (CIDP) 2023-2027 and Annual Development Plans. Inputs from private sector engagement will be systematically documented, analysed, and integrated into sector priorities, project identification, and budgeting processes within the municipality's Integrated Development Plan (IDeP) 2023-2027. This ensures that engagement outcomes translate into tangible investments and policy adjustments.

# 5. Objectives and Guiding Principles

## 5.1 Objective of the Framework

The PSEF seeks to provide the Nyamira Municipal Board with a practical, structured approach to engaging the private sector in urban planning and development. The intended outcomes are:

- Increased private sector participation in municipal planning, budgeting, and governance processes.
- Improved alignment of municipal policies and investments with private sector needs.
- Enhanced collaboration and trust between the municipality and business actors.
- Leveraged private sector expertise, resources, and innovation for urban service delivery.
- A more competitive, investor-friendly, and inclusive business environment in Nyamira Municipality.

The achievement of these outcomes will be monitored through indicators such as the number of engagement forums held, level of stakeholder participation, number of issues resolved, improvements in service delivery, and stakeholder satisfaction.

## 5.2 Guiding Principles

Principle	What It Means	How It Is Applied in Nyamira
<b>Legal Alignment</b>	All engagement complies with Kenya's constitutional and statutory mandates.	Forums and processes are anchored in UACA and County Government Act obligations.
<b>Purpose-Driven</b>	Every engagement has clear goals and measurable outcomes.	Agendas are published in advance; recommendations are tracked and reported.
<b>Inclusivity &amp; Equity</b>	Processes are accessible to all, including informal traders, women, and youth.	Targeted outreach to market associations and informal sector groups.
<b>Transparency</b>	Processes and decisions are publicly disclosed.	Forum reports and action matrices are made available to participants.
<b>Accountability</b>	Commitments are monitored and reported upon.	Municipal Manager tracks and reports on action points at subsequent forums.

The municipality commits to providing timely feedback and action on issues raised by the private sector. Action matrices will include timelines and responsible officers, and progress will be reported in subsequent forums.



## 6. Key Actors and Roles

The PSEF operates through a defined set of actors with clear roles and responsibilities. Each county framework may adapt this based on local institutional context.

Actor	Key Roles and Responsibilities
<b>Nyamira County Government</b>	Adopts and approves the PSEF. Ensures alignment with CIDP and county-wide policies. County Assembly approves municipal budgets and provides oversight.
<b>Nyamira Municipality Board</b>	Provides strategic oversight of PSEF implementation. Receives and reviews reports from dialogue forums. Approves policy recommendations arising from engagement.
<b>Office of the Municipal Manager</b>	Acts as Secretariat convenes forums, manages documentation, tracks action points, coordinates communication with stakeholders, and reports to the Board.
<b>Formal Private Sector (Hotels, Retail, SMEs)</b>	Actively participate in dialogue forums. Share data for the business database. Identify business environment priorities and co-design solutions.
<b>Informal Sector (Traders, Hawkers)</b>	Participate through market associations or direct representation. Bring grassroots insights into planning processes.
<b>Transport Operators (Matatu, Boda Boda)</b>	Represent transport sector interests. Engage on mobility planning, stage allocation, and routing policies.
<b>Business Associations</b>	Serve as intermediaries for collective private sector interests. Apply for accreditation. Organise member participation in forums.
<b>CSOs / NGOs / Residents' Groups</b>	Advocate for inclusive development, environmental protection, and community interests.
<b>National Government Agencies</b>	MSEA, KNBS, and sector-specific agencies provide technical support, data systems, and policy guidance.

## 7. Components of the Framework

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The PSEF is built on five interconnected components. Together, they form a system for structured, evidence-based engagement.

### 7.1 Component 1: Private Sector Database

The municipal business database provides the foundation for targeted, inclusive engagement. It enables the municipality to know who is operating within its boundaries, in which sectors, and at what scale. Without reliable data on the business population, meaningful dialogue and planning is not possible.

#### What the database will contain:

- Business name, owner name, and contact details.
- Business type and sector (using KeSIC classification where applicable).
- Location and physical address within the municipality.
- Employment size (micro, small, medium).
- Ownership profile (women-led, youth-led, PWD-owned).
- Business association membership or affiliation.
- SBP/licence status.

#### How it will be maintained:

- The database will be built on existing Small Business Permit (SBP) records and supplemented through annual outreach.
- The Office of the Municipal Manager will be responsible for maintaining and updating the database annually.
- The database will be used to identify and invite participants for PPDF forums and for conducting private sector diagnostics.

### 7.2 Component 2: Private Sector Diagnostic

The private sector diagnostic is a periodic assessment of the business environment — what is working, what is constraining growth, and what interventions are needed. It uses four policy levers drawn from the World Bank Toolkit for Competitive Counties, which are available to urban boards for influencing the business environment.

Policy Lever	What It Covers	Priority Issues for Nyamira (from consultations)
<b>Lever 1: Institutions, Legal &amp; Regulatory</b>	Licensing, regulations, by-laws, enforcement.	Complex/high licensing fees; inconsistent enforcement; need for clearer communication on policy changes.
<b>Lever 2: Infrastructure &amp; Land</b>	Roads, markets, water, waste, electricity, land.	Market infrastructure gaps; Poor roads and poor drainage; inadequate waste collection; water supply unreliability.
<b>Lever 3: Skills &amp; Innovation</b>	Vocational training, skills gaps, technology.	Limited local training options; low uptake of digital tools by traders.
<b>Lever 4: Enterprise Support &amp; Finance</b>	Access to credit, business development services.	Difficulty accessing loans; limited awareness of MSME support programmes from the county government and other financial institutions.

The municipality will undertake a comprehensive diagnostic at least once every two years, drawing on forum discussions, SBP data, and structured surveys. Diagnostic findings will be publicly disclosed and incorporated into the IDeP.

### 7.3 Component 3: Public–Private Dialogue Forums (PPDFs)

The Public–Private Dialogue Forum is the central mechanism through which businesses engage with the municipal administration on planning, policy, and service delivery. Forums provide a structured, recurring space for co-creation of solutions and accountability.

#### Forum structure:

- The Municipal Manager's office acts as Secretariat, convening and managing forums.
- Forums will be held at least twice per year, timed to feed into the annual planning and budgeting cycle. The months of January and December were suggested as the appropriate time to hold these engagements.

- A general plenary forum brings together all sectors. Sector-specific consultations (e.g., hoteliers, traders, transport) may be, depending on available budget, convened separately for deeper discussions.
- Business associations must apply for accreditation with the municipality to participate formally.

#### Forum cycle:

Forum	Timing and Purpose
<b>Forum 1 – Annual Planning Input</b>	Held between August and October to feed into the ADP and budget for the coming financial year. Focus: business environment priorities, infrastructure needs, policy concerns.
<b>Forum 2 – Mid-Year Review</b>	Held between February and April to review progress on commitments from Forum 1 and address emerging issues. Focus: implementation updates, new concerns, upcoming projects.
<b>Ad hoc sector consultations</b>	Convened as needed for specific issues (e.g., proposed by-law changes, infrastructure projects, transport routing) affecting a particular sector.

#### Documentation requirements for each forum:

- Published agenda (distributed at least 7 days in advance).
- Signed attendance register (name, organisation, contact, sector).
- Detailed meeting minutes capturing key discussion points, agreements, and dissenting views.
- Action matrix: agreed actions, responsible parties, and timelines.
- Photographic evidence of the forum.
- Summary report shared with participants within 14 days of the forum.

### 7.4 Component 4: Capacity Building and Communication

Effective engagement requires investment in the capacity of both the municipality and the private sector. Communication must be consistent, accessible, and two-way.

#### Capacity building priorities:

- Municipal staff: facilitation skills, database management, documentation protocols, stakeholder management.
- Business associations: governance, meeting management, advocacy, record keeping.

- MSME operators: awareness of licensing processes, available finance products, MSME support programmes.

### Communication channels:

- Public notices at the municipal offices and major markets.
- WhatsApp groups and SMS alerts for business associations and accredited representatives.
- Radio announcements on local stations for broader community reach.
- Notice boards at the main market, bus stage, and municipal offices.
- Feedback boxes at municipal offices for written inputs between forums.

## 7.5 Component 5: Institutional Arrangements and Resources

The framework is implemented within existing municipal structures rather than creating parallel systems. The Office of the Municipal Manager leads implementation, supported by relevant technical officers.

Function	Responsible Party
Convening and managing forums	Municipal Manager / designated officer
Maintaining the business database	Municipal officer (trade/planning department)
Documentation and records management	Municipal Manager's office (Secretariat)
Reporting to the Municipality Board	Municipal Manager
Coordination with county government	Municipal Manager / CECM Lands & Urban Development
Resource mobilisation and budget	Municipal Manager in consultation with CCO Finance
Monitoring and evaluation	Municipal Manager; reported to the Board quarterly

Engagement activities should be budgeted within the municipality's Annual Investment Plan. Priority expenditure lines include forum logistics, database maintenance, communication, and staff capacity building. The municipality may also leverage KUSP II Urban Institutional Grants (UIG) and seek private sector co-contributions for specific forum activities.

## 8. Public Participation Session: Private Sector Engagement

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### 8.1 Introduction

In preparation for the development of this Private Sector Engagement Framework, the Nyamira Municipality convened public participation sessions at Fire station boardroom and at Kebirigo market, bringing together representatives of the private sector to share their experiences and priorities. The session provided the municipality with direct, first-hand insights into the challenges facing businesses and the expectations of the private sector from the municipal administration.



*Picture 1: Engagement Framework at Fire Station Boardroom*

### 8.2 Stakeholder Participation

The session brought together a cross-section of private sector actors operating within Nyamira Municipality, including:

- Hoteliers and hospitality business owners.
- Retail traders, both formal and informal.
- Small and medium enterprise operators (SMEs) across various sectors.
- Transport operators (matatu and boda boda representatives).
- Market trader association representatives.
- Municipal officers and technical staff.

## **8.3 Key Issues Raised During Consultations**

### **8.3.1 Licensing and Regulatory Concerns**

Participants across sectors identified licensing as a significant burden. The main concerns were high and multi-layered fees; unclear requirements and procedures; inconsistent enforcement; and insufficient notice when licence conditions or fee structures change. Stakeholders requested a single-point information resource on licensing requirements and a dedicated channel for raising compliance concerns.

### **8.3.2 Market Infrastructure and Sanitation**

Traders and market operators highlighted deficiencies in physical market infrastructure — particularly drainage, shade structures, waste collection points, and sanitation facilities. The absence of adequate waste management directly affects the business environment, hygiene standards, and customer experience. Hoteliers specifically noted the impact of poor solid waste collection on their operations and the perception of the town.

### **8.3.3 Water Supply Reliability**

The hospitality sector and food service businesses identified inconsistent water supply as a critical operational constraint. Interruptions in supply force businesses to incur costs for water storage or alternative supply, reducing profitability and affecting service quality.

### **8.3.4 Access to Finance**

SMEs and informal traders reported significant difficulty accessing credit. Awareness of existing MSME finance products was low. Participants requested that the municipality provide information sessions on available financial products and facilitate linkages to financial institutions and the Micro and Small Enterprises Authority (MSEA).

### **8.3.5 Road Access and Transport Infrastructure**

Several participants raised concerns about the condition of roads accessing market areas and business premises. Poor road conditions increase transportation costs, reduce customer flow, and adversely affect perishable goods trade.

### 8.3.6 Communication and Feedback

A recurring theme across all stakeholder groups was the absence of effective communication from the municipality on policies, planned projects, and decisions that affect businesses. Participants expressed a desire for regular updates, adequate notice before implementation of changes, and accessible channels for raising concerns.

### 8.4 Outcomes and Commitments from the Session

The public participation session resulted in the following key commitments by the municipality:

Commitment	Expected Action
Improve communication with the private sector	Establish WhatsApp forum groups and post regular notices at key locations; publish forum summaries within 14 days.
Review licensing processes	Facilitate a review of licensing fees and procedures in the next PPDF forum; publish a simplified licensing guide.
Improve waste collection in business areas	Prioritise markets and hospitality zones in waste collection scheduling; explore PPP options for waste collection.
Link SMEs to finance and business support	Invite MSEA and financial institutions to a dedicated SME session within 6 months.
Engage on road access improvements	Include trader-identified road access priorities in the next ADP through the PPDF process.
Hold regular dialogue forums	Commit to at least two PPDFs per year, with agendas circulated in advance and action follow-up reports shared after each.

### 8.5 Lessons Learned

1. Direct engagement with business stakeholders generates practical, actionable insights that technical planning processes alone cannot capture.
2. The informal sector is both willing and able to participate when forums are accessible and welcoming.
3. Visible follow-through on commitments is essential to sustain private sector trust and participation.
4. Communication must be proactive and use multiple channels to reach diverse business communities.

## 9. Governance and Institutional Arrangements

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### 9.1 Governance Philosophy

The PSEF is embedded within the existing statutory governance structure of the municipality rather than creating separate, parallel institutions. This ensures sustainability, legitimacy, and alignment with formal planning and accountability systems.

### 9.2 Institutional Hierarchy

#### County Executive Level

The County Executive provides policy direction and oversight, ensuring alignment between municipal engagement activities and county-wide development priorities. The County Executive Committee Member responsible for Lands, Housing, Physical Planning, and Urban Development provides policy guidance and approves the framework.

#### Municipality Board (Strategic Oversight)

The Municipality Board serves as the apex oversight body. It receives engagement reports from the Municipal Manager, approves recommendations arising from dialogue forums, and ensures accountability for implementation commitments.

#### Office of the Municipal Manager (Secretariat)

The Municipal Manager's office serves as the operational secretariat. It organises and convenes dialogue sessions, manages documentation, tracks action points, maintains the business database, and communicates with stakeholders. This centralised coordination function is essential for continuity and institutional memory.

#### Public–Private Dialogue Forum (PPDF)

The PPDF is the central platform through which engagement occurs. It brings together private sector representatives, community stakeholders, and the municipal administration in structured sessions that feed directly into planning and budgeting decisions.

### **9.3 Decision-Making Flow**

Issues raised in forums or sector consultations → Secretariat compiles recommendations → Municipal Manager submits report to the Municipality Board → Board adopts actionable resolutions → Implementation by relevant departments → Progress reported at subsequent forum.

This cyclical process ensures that dialogue outcomes influence formal governance decisions and that stakeholders receive feedback on how their contributions have been used.

## 10. Monitoring, Evaluation and Reporting

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### 10.1 Purpose

The monitoring and evaluation system ensures that engagement activities are tracked, commitments are followed through, and lessons are captured to improve future practice. It provides evidence for KUSP II performance assessments and accountability to stakeholders.

### 10.2 Monitoring Indicators

Domain	Indicator	Data Source
Participation	Number of PPDF/sector meetings held annually	Meeting records
Inclusiveness	Stakeholder categories represented per forum	Attendance registers
Policy Influence	Recommendations integrated into ADP / IDeP	Planning documents
Implementation	Action points completed vs. planned	Progress reports
Database	% of businesses with updated records annually	Business registry

### 10.3 Reporting Structure

- Quarterly monitoring notes prepared by the Secretariat summarising engagement activities and follow-up status.
- Annual Engagement Report providing a comprehensive overview of participation, outcomes, and lessons — to be shared with the Municipality Board and stakeholders.
- Reports submitted to the County Government and SDHUD as required under KUSP II performance assessment cycles.

### 10.4 Learning and Adaptation

Following each major forum, the Secretariat will document lessons and areas for improvement. The annual engagement report will include a reflection on what worked, what did not, and what will be

done differently in the coming year. This adaptive approach ensures continuous improvement of engagement quality.

## 11. Communication and Documentation Protocol

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### 11.1 Pre-Forum Communication

At least 7 days before each forum, the Secretariat will disseminate a notice containing the date, venue, agenda, and objectives of the session. Communication channels will include WhatsApp groups, printed notices at the main market and bus stage, and direct communication with accredited business associations.

### 11.2 Documentation Standards

Each engagement event under the PSEF must generate the following records:

- Signed attendance register (name, organisation, sector, contact).
- Published agenda.
- Detailed meeting minutes capturing key discussion points, agreements, and next steps.
- Action matrix identifying agreed actions, responsible parties, and timelines.
- Photographic evidence of the session.
- Summary report shared with participants within 14 days.

### 11.3 Photo Documentation

Photographic records serve as evidence of public participation and transparency. Each forum should include at minimum:

- A venue overview photograph showing attendance.
- Photographs of technical presentations or materials displayed.
- Photographs of participants engaged in discussion.
- A closing session photograph.

Photos should be dated, captioned, and stored in the Secretariat's records in a consistent digital filing system (Year > Event Type > Event Name > Photo Number).

### 11.4 Post-Forum Communication

Within 14 days of each forum, the Secretariat will circulate a summary report to all participants through established communication channels. The report will describe key issues discussed, agreements reached, and next steps. This closes the participation cycle and demonstrates that stakeholder contributions have been captured and will be acted upon.

## 12. Risk Management

The following table identifies key risks to effective implementation of the PSEF and the mitigation strategies in place.

Risk	Potential Impact	Mitigation Strategy
Low participation by informal traders	Skewed representation	Targeted outreach through market associations
Limited budget for forum operations	Reduced frequency of dialogue	Embed costs in annual municipal budget
Leadership/governance changes	Disruption of continuity	Institutionalised procedures & documented records
Stakeholder fatigue	Declining attendance	Demonstrate visible follow-through on commitments
Weak documentation practices	Accountability gaps	Standardised templates; staff training

Risk monitoring will be integrated into quarterly monitoring notes and the annual engagement report. Early warning indicators — such as declining forum attendance or repeated unresolved issues — will trigger a review of the engagement approach.

## 13. Financing and Sustainability

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### 13.1 Financing Principles

PSEF activities should be institutionalised as a core function of the municipality rather than a project-dependent activity. This means embedding engagement costs within the annual municipal budget rather than relying solely on external funding.

### 13.2 Cost Components

- Forum logistics: venue, facilitation materials, communication, and refreshments.
- Secretariat coordination: staff time, printing, and record management.
- Database maintenance: data collection tools, storage, and annual update exercises.
- Communication: printing of notices, WhatsApp bundle allocations, and radio announcements.
- Capacity building: occasional training for staff and business associations.

### 13.3 Funding Sources

- Municipal Annual Investment Plan budget allocations.
- KUSP II Urban Institutional Grant (UIG) for eligible activities.
- Private sector co-contributions for joint initiatives (sponsorship of specific forums or communication materials).
- County government support for cross-cutting capacity building activities.

### 13.4 Long-Term Sustainability

Sustainability will be achieved by embedding engagement responsibilities in official job descriptions; developing standard operating procedures for all forum activities; building staff capability to run forums independently; and maintaining digital archives for institutional continuity across staff changes.

# 14. Conclusion and Way Forward

## 14.1 Summary

The Private Sector Engagement Framework for Nyamira Municipality marks an important step toward structured, transparent, and accountable collaboration between the municipality and the private sector. It establishes a practical system — built on a business database, regular dialogue forums, periodic diagnostics, clear documentation, and monitoring — that is proportionate to the scale and capacity of Nyamira Municipality.

The framework builds directly on the insights shared by hoteliers, retail traders, and SME operators during the public participation session, ensuring that it addresses real and pressing concerns rather than abstract policy goals. The municipality's commitment is to use this framework as a living governance tool — one that is reviewed, adapted, and improved through ongoing dialogue.

## 14.2 Immediate Next Steps

Action	Timeline
Adopt and approve the PSEF through the Municipality Board	Within 1 month of completion
Establish the PPDF structure and invite business associations to register	Within 2 months
Conduct the first database update exercise using SBP records	Within 3 months
Convene Forum 1 (Annual Planning Input) linked to ADP preparation	Within 4 months
Disseminate the approved PSEF to all stakeholders	Within 2 months
Integrate PSEF commitments into the next IDeP update	At next planning cycle

Nyamira Municipality envisions a governance environment where businesses of all sizes — from the informal market trader to the established hotelier — are active partners in shaping the town's development. A municipality where decisions are informed by dialogue, where commitments are honoured, and where the business environment continuously improves through shared responsibility and collaboration.