

**AN ANALYSIS OF FACTORS AFFECTING PUBLIC-PRIVATE-DIALOGUE
(PPD) IN KENYA**

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DECLARATION

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ABSTRACT

Through the public-private-dialogue (PPD) process, the Kenyan government has over some years now placed more emphasis on public-private-partnerships (PPPs) in an endeavour to realize its development agenda. However, several operational, strategy and policy challenges affect the PPD process in Kenya. Literature reviewed pointed out that the private sector's relationship with government is in some cases viewed skeptically as one that is driven by political pressure from the ruling elite and prominent personalities in government. This study sought to analyze the factors that affect the success of the PPD process in Kenya, by reviewing the PPD Charter of Good Practice (2015) as the main empirical literature source. The researcher identified six (6) key factors that contribute to the success of PPD. This include the existence of an open governance process; an appropriate structure that facilitates wide representation and participation of a wide array of stakeholders; the achievement of quality outputs; an outreach and communications strategy; a monitoring and evaluation framework and a sustainability mechanism. Data collection was achieved by conducting interviews with 15 key informants (8 from public sector and 7 from private sector) that were purposively selected, based on their experience and knowledge of the PPD process within the Kenyan context, and on their willingness to participate in the study. The study reaffirmed that the PPD process is essential for spurring national development, employment creation and mitigating poverty levels. However, the PPD process in Kenya has not been optimally structured to reap the full benefits from the process. The recommendations made were that the government should become more open and approachable to the private sector to avoid the purpose of the PPD process being hijacked by a powerful elitist group. The process should be more inclusive in terms of representation and participation; there should be independent evaluation of PPD/PPP projects to assess their quality and outcomes; enhance information sharing amongst stakeholders and that the government should marshal more resources in support of the process for it to be sustainable in future. Considering that this was a qualitative study, the researcher recommends that a quantitative study be done to establish the extent to which these key factors affect the success of the PPD process in Kenya. Further studies should also be done to analyze key factors influencing the choice of PPP projects in light of the PPD process, with reference to international best practices.

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ABBREVIATIONS AND ACRONYMS

BMOs	:	Business Membership Organizations
CCB	:	Cambodian Coordinating Bureau
CIP	:	Charter Incentive Programme
CIPE	:	Centre for International Private Enterprise
CoG	:	Council of Governors
COTU	:	Central Organization of Trade Unions
CSOs	:	Civil Society Organizations
CUP	:	Custom Union Protocol
DFID	:	Department for International Development
DOD	:	Department of Defense
DPRT	:	Development Partners Roundtable
EAC	:	East African Community
EPC	:	Export Promotion Council
EPZ	:	Export Processing Zone
FCAs	:	Fragile and Conflict-Affected States
FTK	:	Fair Trade Kenya
G2C	:	Government-to-Citizen
GDP	:	Gross Domestic Product
GoK	:	Government of Kenya

IFC	:	International Finance Corporation
IMF	:	International Monetary Fund
KAM	:	Kenya Association of Manufacturers
KBA	:	Kenya Bankers Association
KEBS	:	Kenya Bureau of Standards
KEPSA	:	Kenya Private Sector Alliance
KHRC	:	Kenya Human Rights Commission
KIA	:	Kenya Investment Authority
KNCCI	:	Kenya National Chamber of Commerce and Industry
KPIs	:	Key Performance Indicators
KRA	:	Kenya Revenue Authority
KWS	:	Kenya Wildlife Service
M&E	:	Monitoring and Evaluation
MITC	:	Ministry of Industry, Trade and Cooperatives
MSFs	:	Ministerial Stakeholder Forums
MSMEs	:	Micro, small and medium enterprises
MTP	:	Medium Term Plan
NARC	:	National Rainbow Coalition
NGO	:	Non-governmental organizations
NSAs	:	Non-state actors

NSC	:	National Standards Council
NTB	:	National Tourism Board
ODA	:	Official Development Assistance
PDU	:	Presidential Delivery Unit
PMRT	:	Prime Minister's Roundtable
PPD	:	Public Private Dialogue
PPP	:	Public-Private-Partnerships
PRT	:	Presidential Roundtable
PSCK	:	Public Service Commission of Kenya
PSSP	:	Public Sector Stakeholder Partnerships Policy
PWDs	:	People living With Disabilities
RBM	:	Results-Based Management
RRI	:	Rapid Results Initiative
SAGAS	:	Semi-Autonomous Government Agencies
SCTIFI	:	Sectoral Councils on Trade, Industry, Finance and Investments
SGR	:	Standard Gauge Railway
SME	:	Small and Medium Enterprises
SRT	:	Speakers Roundtable
TFDA	:	Tanzania Food and Drugs Authority
TMEA	:	Trade Mark East Africa

UNCTAD	:	United Nations Centre for Trade and Development
UNDP	:	United Nations Development Programme
USAID	:	United States Aid for International Development
VAT	:	Value Added Tax
WBG	:	World Bank Group
WTO	:	World Trade Organization

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DEDICATION

I dedicate this work to my mother and father, for their continuous support, prayer and for instilling in me the virtues of hard work, discipline, integrity and patience.

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CHAPTER ONE: INTRODUCTION

1.1 Introduction

Notwithstanding the form of public-private-dialogue (PPD) adopted within a county, it remains an essential vehicle for private sector growth initiatives. Significant policy reform benefits can be drawn from PPD. These include the generation of new legislations, amendments to existing laws, regulations and controls, setting of processes and systems at different levels of government and authorities, and establishment of new institutions. While a well organized and structured PPD mechanism can be instrumental in improving the quality of business reform processes, stronger benefits of PPD are anchored in having a more sustainable and institutionalized framework for engagement.

This study is organized in five chapters. The first chapter deals with background of the study, problem statement, objectives of the study, the research questions, scope of study, and significance of the study. The second chapter presents previous related research conducted on PPD, the research gap and the analytical framework. The third chapter details the research design, target population, sampling, and data collection procedure and data analysis. The fourth chapter discusses the analysis and results of the study. The last chapter presents the conclusions, discussions of findings, recommendations and areas of further research.

1.2. Background of the study

Engagement between the private and public sectors has been with us for long. It has been a socio-economic and political tool for public and business communities in many countries. But contemporary developments in businesses have seen renewed governments attention towards PPD as a means for promoting private sector development. This means it is gradually becoming significant to develop a better understanding of the importance of PPD.

Within many developing countries, the relationship between the private and public factions has historically not been cordial. Particularly, in countries characterized by socio-political and economic upheavals, the opportunity for interaction between these two sectors has been slim, sometimes unimaginable, and characterized by an aura of

mistrust, skepticism and misunderstandings (Utterwulghe, 2016). This has often been a recipe for stifling the growth of the private sector, the ‘pollution’ of the investment climate that leads to high levels of apathy, poverty and unemployment.

PPD can be structured, formal or time bound and informal. PPD could be used to deal with specific agenda or far wide development process. Its ideas can be generated by governments, private citizens, business people, or international development agencies. Sometimes it can be an initiative of private or public sector representatives; it can also be driven by policy institutions, think tanks or business apex bodies. PPD can manifest at different levels of governance –at local, national, or international levels. Finally, it can be organized at different business reform levels – sector, industrial, institutional, value chain, industry and transactional relationships.

This study analyzes the key factors affecting PPD in Kenya. It is based on the PPD Charter of Good Practice (2015), which was drawn up on 12th March 2015, at the 8th PPD Workshop held in Copenhagen, Denmark. It effectively replaced the earlier version of 2006 that had been adopted in Paris, France. Through a review of empirical studies that have been interlaced with cross-country experiences, the study demonstrates that if a PPD process is based on the right institutional structures, on open and transparent interactive relationships, the right participants, a monitoring and evaluation framework, a communications and outreach strategy and a sustainability mechanism, then the process is expected to yield high quality policy outputs. If the latter are then zealously implemented, the PPD process eventually improves the relationship between the public and private sectors, the prevailing investment climate, invigorates private sector growth, resulting into reduced levels of social apathy, poverty and unemployment. It is indeed a competitive advantage for any country that embraces it.

1.2.1. Definition and rationale for PPD

A crucial strategy of improving the relationship between the public and the private sectors reposes on embracing PPD. Bettcher et.al. (2006) defines it as “...a structured, participatory, and inclusive approach to policy-making between the public and private sectors. It is applied at reforming the underperforming governance and business environment.” Pinaud, N. (2007) defines it as including “...all actions of engagements

between government and the private sector that deals with the formulation of public policies in order to support improved business , macro-economic stability and the development of strategic plans and regulations”.

According to Bettcher et.al. (2015), an increasing number of policy and governance challenges such as inclusive growth, poverty reduction, government accountability, business integrity and innovation demand private sector participation in order to generate viable solutions. Engaging in PPD represents a move towards a collective process which recognizes that the government, policymakers and their professional advisors do not have the monopoly on perspectives, understanding, knowledge and wisdom of what stifles the private sector (UNCTAD, 2001). Alternatively referred to as Competiveness Partnerships or Public-Private-Partnerships (PPP), the PPD process reflects the quality of the working relationship between the public and private sectors. It is a competitive advantage for any country that embraces it. It has even been suggested that, in an increasingly interdependent world, competition amongst enterprises is often competition amongst different systems of government-private sector relationships (UNCTAD, 2001).

There has therefore been burgeoning interest in exploring the potential for engaging in meaningful dialogue between the two sectors in order to promote private sector investments (Herzberg & Wright, 2006; Land, 2002). There seems to be a gradual realization by policymakers that they need to access the profound knowledge that is often held by the private sector in order to learn about the conditions for market failure and thereon formulate the right policies to address them (José Juan Ruiz, 2016; Herzberg et.al. 2006). Dialogue expands the space for policy discovery, and policymakers can much more accurately determine the sweet spots for reforms (Bettcher et.al. 2015).

1.2.2. Key elements in designing successful PPDs

While the above analysis preponderates on the need for dialogue between the public and private sectors, designing an effective PPD is clearly not a simplistic process. It is highly contextual in nature. The PPD Charter of Good Practice (2015) actually distills international best practices, drawn from cross-country experiences, for the design of successful PPD processes. There is need for an institution that houses the PPD engagement. This institution, which preferably should be a government body, must

provide a platform for objective discussion among the stakeholders. PPD Champions/Leaders from different sectors must catalyze and facilitate the dialogue, building reform ideas, driving the process with all the necessary time and energy, and ensuring objectivity of the engagements and safeguarding its credibility. With no leadership to drive PPD, it becomes difficult to drive ideas and have a sustainable business reform process in place.

There should also be wide inclusivity in representation and participation (Bannock Consulting, 2005; Herzberg et.al. 2006; the PPD Charter of Good Practice, 2015). It is important to allocate space of participation for social change organizations, including labor organizations, academics and non-governmental organizations. But they should be brought in carefully, for the right issues and at the right time. Experts in different thematic areas can perform key technical roles to drive the dialogue process.

PPD can and should occur at all levels, central, regional and local (Bannock Consulting, 2005; Herzberg et.al. 2006; the PPD Charter of Good Practice, 2015). PPD generates significant change when it takes place at the lowest level of business and government interaction. The contribution of Medium, Small and Micro-enterprises (MSMEs) is easier at the local level, where the MSME voice is stronger. Local officials must also be included in all dialogue concerning the implementation of policy reforms.

Donors are often a key source of support to PPD processes (Bannock Consulting, 2005; Herzberg et.al. 2006; the PPD Charter of Good Practice, 2015). Donors can be instrumental to facilitate PPD process to build more trust between the public and private sectors; they channel technical and financial assistance and build local capacity for policy engagements, policy impact analysis and development of alternative modeling of possible policies. Donors can help improve the political processes that support dialogue, such as development of transparent communications systems, learning from international good practice for policy development and promotion of accountability. However, Donors should facilitate and allow local ownership of the PPD process by national bodies, government and local representation.

1.2.3. Risks of the PPD process

On the flipside, Herzberg & Wright (2006) suggest that the process may become susceptible to several risks. If PPD is transparently handled, it can generate collision of divergent interests and even produce chances for corruption amongst the stakeholders involved; There might also be the possible danger of exclusion of MSMEs in the PPD process, which may often lead to domination by larger businesses, or businesses solely based at urban areas; If poorly planned and unfocussed, there is also the risk of the process turning into a mere “talk shop” with no tangible results produced in both the short and longer haul. This might engender disillusionment, demotivation, disengagement and loss of credibility to the intentioned reform process; if centered too intricately on certain individuals, PPD’s also risk becoming “one-man shows”, with the potential of collapsing once the key persons involved lose interest in the process or move on. PPD also stands the risk of being politicized by politicians and their representatives involved in the process. This may happen if the process is not inclusive and has not taken into consideration the interests of the public. This is cognizant of the fact that in some countries (including Kenya), leading business people may also be part of the political elite; and finally, that the process may be affected by a duplication of efforts, with the potential to over-burden and/or confuse the participants. This happens if it is not well coordinated with existing institutions or other existing dialogue mechanisms. Luckily, all these challenges to the PPD process are surmountable.

1.2.4. Public-Private-Dialogue (PPD) in Kenya

Over the years, the Government of Kenya (GoK) has demonstrated its commitment towards improving the prevailing business environment with the aim of attracting private sector investments. The goal of Kenya’s Vision 2030 is to create a platform for industrialization and propel the country to a middle income status by the year 2030. This according to the vision will be realized if the country produced a sustained GDP growth rate of up to 10% per annum that is driven by a well-functioning and engaged private sector (Lubembe et.al. 2010).

Interestingly, Kenya practiced some model of PPD over time. By way of example, there has been informal dialogue between the government and the Kenya National Chamber of

Commerce (KNCC), Central Organization of Trade Unions (COTU), MSMEs, Cooperatives, Kenya Bankers Association (KBA) and the Kenya Association of Manufacturers (KAM). Some sorts of advocacy groups have emerged from time to time to discuss with Government on specific issues, mostly on ad-hoc basis. Business groups from different sectors have also coordinated during government budget submissions for to convey common message around particular issues such as tax reductions, export facilitation or even removal of duties.

The crafting of the national Economic Recovery Strategy for Wealth and Employment Creation(2003-2007) by the then National Rainbow Coalition Government in 2003, cemented the recognition of the role of Kenya's private sector in the realization of sustainable economic development . Subsequently, the Government facilitated meetings of Ministerial Stakeholder Forums (MSFs) comprising of Non-State Actors (NSAs) from the business groups, community members, media and religious representatives. The forums were to engage government ministries at different levels, where key policy issues relevant issues are raised and acted upon. Lack of institutional frameworks has been a major impediment to the process and resulted into default by many of the ministries.

With the advent of the Prime Minister's office in 2008, the Government launched the Prime Minister's Round Table (PMRT), a platform for the private sector to dialogue with the government. In order to strengthen the process, the Government developed the Public Sector Stakeholder Partnerships Policy (PSSP). This framework was meant to guide dialogue between the private and public sectors. PSSP provides the framework for institutionalizing PPD including the structures from the central to the devolved levels of Government.

The Kenya Private Sector Alliance (KEPSA) was on the other hand formed by the private sector to allow them have a structured coordination mechanism among them as well partner with government in more organized way. KEPSA was established in 2003 by conglomerate of private sector champions and thinkers. KEPSA's goal is to provide an a common voice for the private sector and allow them engage with the government in a more structured way to influence public policy that has bearing in the socio-economic development of the country. Its primary mission has been to realize improvements in the

national business environment through engagements and dialogue with relevant stakeholders across all sectors of the economy (KEPSA, 2018). With a current membership of over 100,000 direct and indirect members organized through Business Membership Organizations (BMOs) and corporate members, KEPSA has emerged as a key player in championing the interests of the Kenyan business community in trade, investment and industrial relations.

1.3. Problem Statement

Hitherto, the PPD process in Kenya has not been dynamic and vibrant enough as it should be. According to Lubembe et.al. (2010), PPD in Kenya is still afflicted by several challenges. Operational issues have taken center stage when it comes to policy discussion, as opposed strategic issues. Leadership and drive is one-sided with private sector not bringing much to the table while advocating for more public participation. The complex political economy at play often did not allow adherence to policy objectivity and the timelines set for public private dialogues. Ministries with stronger and more willing leadership have remained more proactive with building relationship with the private sector as compared to their counterparts who lacked policy champions.

The private sector's relationship with government is still viewed skeptically as one that is driven by political pressure from the ruling elite and prominent personalities in government, as opposed to being an "honest broker" that objectively champions for the design and implementation of policies that would spur private sector investments, wealth and employment creation. In its current formation, the private sector representatives appear more like they are driven by elitist corporate groups that do not necessarily represent the interests of even the Medium, Small and Micro-Enterprises (MSMEs) at the local levels in the country.

In addition, there has been limited technical capacity within private sector to think through policy issues (Kariuki C. 2015). Therefore, the policy contributions or outputs from the PPD process have not been strongly felt as they should be at a nation-wide scale. This could also be attributed to the lack of well-defined ways of engaging in policy dialogue up to the local levels, the lack of a robust monitoring and evaluation mechanism

and a weak communications and outreach strategy that would assist the public and private sector institutions they represent to fathom and identify their contributions better.

However, while there are a plethora of studies that analyze PPD experiences in Africa and the world, most of these are cross-country (Fayissa & Nsiah, 2010; Barajas et.al. 2009; Siddique, 2010), and not country-specific. Despite the potential impact of the PPD process to Kenya's economic, political and social development, there has been no study that has sought to analyze the factors that affect the success of the PPD process in Kenya, and how the process can be used to improve the relations between the private and public sector and the quality of policy-making in Kenya.

This study analyzed the key factors that affect the success of the PPD process in Kenya, by taking a more comprehensive and country-specific approach.

1.4. Objectives of the study

1.4.1. General research objective

The overall objective of this study was to find out the key factors that determine the success of PPD in Kenya.

1.4.2. Specific research objectives

The specific objectives of this study are to:

- (i) Assess the contribution of the factors defined by the PPD Charter of Good Practice to the success of the PPD process in Kenya.
- (ii) Assess the challenges the PPD process is facing in Kenya.

1.5. Research questions

The study seeks to provide answers to the following research questions;

- (i) How do the factors, as defined by the PPD Charter of Good Practice, contribute to the success of the PPD process in Kenya?
- (ii) What challenges does the PPD process face in Kenya?

1.6. Scope of the study

The study was limited to an analysis of the key factors that affect the success of the PPD process in Kenya, with reference to the PPD Charter of Good Practice (2015). It targeted a census of respondents drawn from both the private and public sectors. Those representing the private sector included selected top management officials of Kenya Association of Private Sector Alliance (KEPSA), Kenya National Chamber of Commerce and Industry (KNCCI), Export Promotion Council (EPC), Kenya Association of Manufacturers (KAM), Kenya Bankers Association (KBA), Trade Mark East Africa, Fair Trade Kenya, Medium, Small and Micro-Enterprises and Kenya Human Rights Commission (KHRC). The public sector was represented by officials in the Ministry of Industry, Trade and Cooperatives, the Council of Governors, Kenya Investment Authority (KenInvest) and the Presidential Delivery Unit (PDU)/Presidential Round Table (PRT). Both categories comprised of respondents who met the criteria defined by the researcher while selecting the target population for the study, and who demonstrated knowledge, experience and willingness to participate in this study.

1.7. Significance of the study

1.7.1. Policy makers and practitioners

The insights from this study will inform policy practitioners on the role of key stakeholders in the space of PPD, thus enable them conduct further analysis. This will assist them to reorganize the PPD process in Kenya in terms of its governance process, structure and participation, quantity and quality of policy outputs, monitoring and evaluation, outreach and communications and sustainability. This way, some of the historical decision lapses that have pulled down the effective implementation of policies and legislation that spurs private sector development can be avoided.

1.7.2. The business community/private sector

By emphasizing the need to have a well-structured and robust PPD process in Kenya, the findings of this study helps to raise the awareness of private investors, which includes medium and small micro-entrepreneurs (MSMEs) at local levels, of the role played by the PPD process in finding solutions that create a more congenial environment for doing

business in the country. This remains a key motivation for them to become active participants in the local PPD processes.

1.7.3. Researchers and academicians

This study will contribute to the thought process of other researchers as part of their reference and study materials. Academicians and researchers in the area of public – private dialogue, especially from Kenya will find it valuable to refer to some of the areas of discussion in this study. Research gaps of this study could further be investigated to contribute to the wider policy discussion in Kenya and other Countries. This study therefore form part of the resource materials developed with the aim of improving PPD processes between the public and private sector.

1.7.4. The general public

Considering that the growth of the private sector, unemployment and poverty are key social and economic concerns of the general public in Kenya, the study's findings are of great benefit to citizens. This is because the study sheds more light on the value and importance of a robust, local PPD process that endeavors to offer solutions to some of their key social and economic concerns. The PPD process offers an avenue through which challenges such as inclusive growth, poverty alleviation, government accountability, business integrity and innovation are addressed to generate viable solutions that positively impact on the wellbeing of the general public.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter delves into the empirical and theoretical literature that discusses the key factors that determine the success of a PPD process. Some select relevant theories have been discussed in order to provide basis for the study. The chapter further sums up the findings from the literature review and identify the existing research gap. A framework is used to illustrate the Factors affecting a successful PPD process and each of the factors is then explained separately.

2.2 Theoretical Literature Review

There are a plethora of theories that have historically sought to analyze the process of public policy making. These include the institutional, political systems, power elite, group, game, the Garbage Can, rational choice and incrementalism theories, amongst others. However, on account of their tangential relevance to the subject of the study, the institutional and political systems theories were selected.

2.2.1 The Institutional Theory

A substantial body of work on institutional theory derives from the research literature on institutional sociology (Meyer & Rowan, 1977; DiMaggio & Powell, 1983; Scott, 1987). The key argument behind this theory is that it considers policy as an institutional output. Public policy is authoritatively determined, implemented and enforced by government institutions (Sanchawa, 2015; Anderson, 2003 & Mudida, 2017). The relationship between public policy and government institutions is often close because a policy cannot become a public policy until it is opted, implemented and enforced by some government institutions. Many types of institutions can influence public policy, but it is government institutions that give public policy legitimacy and a legal obligation to apply them amongst the citizens (Mudida, 2017; Sanchawa, 2015). It is the government's ability to command loyalty of its citizens, to enact policies governing the whole society that gives individuals the motivation to agitate for enactment of their preferences into policy. These institutions include the executive, legislature and the judiciary based at the national and local levels. Adoption of a public policy that is resultant from the PPD process is

dependent on these institutions. There is therefore the need to interrogate the factors that lead to the success of PPD in Kenya and how public policy is developed, legitimized and enforced within the context of these and other institutions.

2.2.2 The Political Systems Theory

This theory derives from the work of political scientist David Easton (1957). This theory perceives public policy as a political system's response to the demands arising from its external environment (Anderson J.E, 2003; Mudida, 2017). As defined by its key proponent, Easton D. (1957), the political system comprises of governmental institutions, political processes and activities in a society that make authoritative decisions that become binding on society. The environment consists of the social system, the economic system and the biological setting, that are external to the boundaries of the political system.

According to Mudida R. (2017), the political system responds to demands and supports the process of policymaking that produces outputs (decisions, law and policies) that over time may create real changes (known as policy outcomes), that can alter the environment and create new demands or support. Demands are hereby conceived as the claims for action that individuals and groups make to satisfy their interests and values. The amount of support for a political system indicates the extent to which it is regarded as legitimate, or as authoritative and binding on its citizens (Anderson J.E, 2003).

The usefulness of this theory to this study is in interrogation of policy formulation as to how the factors determining success of PPD affect the content of public policy and operation of a political system, and how sustainability can be achieved over time in a political system (Anderson J.E, 2003).

2.3 Empirical Literature Review

There seems to be global consensus that dialogue is one of the most crucial pillars towards achieving national development and harmonious living. According to Elworthy (1982), "...dialogue is a non-confrontational communication, where both partners are willing to learn from the other and therefore leads much farther into finding new grounds together". Dialogue seems to be the initial key step in the creation of value, in learning

and building bridges that are essential in discovering new potential. It is the unifying force, which can propel laggard nations to greater heights of development.

The private sector participation has played a key role in eliminating policy and governance challenges around the world that bedeviled the realization of viable solutions to job creation inclusive economic growth, poverty reduction, and promotion of government accountability, improved business ethics, technology and innovation, and access to opportunity. PPD is participatory in nature and more structured in its approach in order to ensure more inclusivity to policymaking process. It is aimed at reforming governance and the business climate at different levels within a country, especially where other policy institutions are underperforming. It improves the flow of information relating to economic policy and builds legitimacy into the policy process. It also seeks to overcome impediments to transparency and accommodate greater inclusion of stakeholders in decision-making (Bettcher K.E, Herzberg B., Lewicz A.N, 2015).

PPD brings together different stakeholders such as the private sector, government, civil society, academia, and others who share common interests or concerns surrounding specific policy questions (CIPE, 2015). It is used to determine policy priorities, set legislative and regulatory reform agenda, and gather relevant information to steer economic and business reforms. PPD helps governments to understand the likely economic pillars for growth by creating an enabling environment for the business sector, which makes public policies implemented in a more sustainable way. It helps create a mutual working relationship amongst all the stakeholders involved in the policy process.

However, the success of PPD in a country is dependent on a number of factors. In the following sub-sections, the study analyzes the key factors considered as the most crucial in designing a successful PPD process. Multiple case studies drawn from cross-country experiences have also been analyzed to lend credence to the subject of the study.

2.3.1 Factors affecting the success of the Public-Private-Dialogue (PPD) process

2.3.1.1 An open governance process

According to the PPD Charter of Good Practice (2015), a successful PPD process needs to function under an open, transparent and fair governance environment. Herzberg &

Wright (2006) opine that the first most critical factor seems to be the willingness of any government to engage in open dialogue and commit to the reform process. This should also apply to the private sector. This is because, in an open governance process, PPD risks such as institutional capture, rent-seeking and cronyism which can derail reform goals, are avoided (Charter of Good Practice, 2015). In essence, the relations between the public and private sector in any successful PPD process should first be perceived as being genuine, credible, open, fair and transparent.

Shaping developmental goals requires a multifaceted effort from different stakeholders. It is crucial to have on board determined political and business elites. The commitment of the stakeholders to engage in an open, transparent and fair dialogue is significant in order to root it well on the overall governance framework of the of PPD mechanisms. PPD rooted in an open and transparent governance process can provide a working platform for stakeholders to engage well with each other and better utilize political and market pressures to deliver sustainable development results.

In 2002, supported by both the World Bank and the IMF, the Presidential Investors' Advisory Councils were launched in Ghana, Tanzania and Senegal, at the request of the respective Presidents. This was later extended to Mali and Uganda in 2004. The purpose was to enable these governments to dialogue with the private sector in order to identify hindrances to business growth, provide directions for policy reforms and support the government to develop actionable recommendations that will improve the investment environment. With support from the highest political offices, the dialogues have had immense positive impact on private sector development in these countries (World Bank, 2005). In Zimbabwe in the late 1990s, consultations among the private sector to create lobbying have failed amid a very too tightly politically controlled environment.

Where an open governance process is established, it is important to build momentum for the process by aligning it with, and building on existing institutions (Herzberg & Wright, 2006; PPD Charter of Good Practice, 2015). The purpose is to maximize the potential for the process, and to mitigate chances of friction. For instance, in Bosnia and Herzegovina, Herzberg & Wright (2006) observe that the Chambers of Commerce were initially hostile to the famed Bulldozer Initiative in Bosnia and, which successfully overcame the lack of

political will and capacity at the government level through a bottom-up approach. One of the most popular reforms was to terminate compulsory Chamber membership fees. Ultimately, the Chambers came to perceive of the Initiative not as a threat, but as an opportunity to reinvigorate them. In Mali, when the Investors' Advisory Council was formed in 2004, the Chambers were brought onboard to represent the interests of local companies, which obliterated chances of friction, acrimony and resistance.

In concurrence, governments should also seek to establish their credibility at an early stage (Herzberg & Wright, 2006; Pinaud N. 2007; Santiso J. 2007). In many developing countries, the government often lacks credibility with local or foreign private investors. Business activity becomes negatively affected simply because government policy cannot be predicted with certainty. As Pinaud N. (2007) reaffirms, establishing credibility and trust with a naturally skeptical private sector is a challenge that governments must seek to surmount if they want the private sector to have faith in the PPD process. If this happens, the government gains legitimacy and establishes a reputation for favoring private sector development at an early stage in the process. In Mexico, consultative bodies that were linked to the Economic Solidarity Pact in the late 1980s, helped in transitioning from a situation of mutual suspicion to one of greater understanding, trust and networking between the government and top business leaders in the 1990s (World Bank, 2001). Similarly, Miesel (2004) passionately describes how the French government managed, after World War II up until the 1973 global oil crisis, to coordinate and harmonize the growth expectations of social partners, create trust between trade unions, private firms and the public sector, and encourage investment through extensive dialogue between economic stakeholders.

Finally, when an open governance process and credibility have been established, a sense of urgency may assist in kick-starting the process (Herzberg & Wright, 2006). That is, a sense that there is an urgent need to create solutions to perceived problems, which need to be tackled productively. Indeed, the imposition of arbitrary deadlines may fast-track this process to success. For instance, the Bulldozer Initiative in Bosnia immediately captured the imagination of frustrated business entrepreneurs and created a sense of urgency and

momentum for the PPD process, by publicly committing to passing “50 economic reforms in 150 days”. (Herzberg & Wright, 2006).

From the foregoing analysis, it is deducible that the existence of an open governance process is a critical ingredient to the success of any PPD process. The hallmarks of the existence of an open governance process are credibility, fairness and transparency in the PPD process.

2.3.1.2 Structure and Participation

As Pinaud N. (2007) intimates, the quality of dialogue initially depends on the structures of the institutions involved. These structures may be informal or formal. But formal mechanisms are preferable as they are more sustainable and credible (Herzberg & Wright, 2006). Where a formal structure is adopted, the PPD Charter of Good Practice (2015) also reaffirms the need to have a formal legal mandate. This can be helpful in certain political and economic contexts as it establishes credibility, makes continuity more probable, and makes dialogue to be better integrated into an existing institutional framework. It is imperative that this mandate is further crystallized through a clear and inspiring vision and mission statement, and a clear strategic direction that is aimed at achieving certain goals and objectives.

First, at the apex of this structure, there is need to have a Coordinating Secretariat/Steering Committee (Herzberg & Wright, 2006; PPD Charter of Good Practice, 2015). It should be composed of highly dedicated individuals who have the capacity to set agendas for meetings, call meetings, manage outreach and communications and also be the point of initial contact for new members.

Secondly, Herzberg & Wright (2006) also preponderate on the need to develop Working Groups, which may be arranged according to industry clusters (e.g. agriculture, tourism or manufacturing), by policy issues (e.g. Health, Education, Infrastructure, etc.), or by regions in which case members from the same geographical regions are grouped together. Working groups that are organized either by sector or policy issues seem to be more preferable as they can gather all the relevant expertise required in one place. In developing countries, ethnic and regional polarization may interfere with the

effectiveness of the PPD process. In order to achieve neutrality in the process, it is thus advisable to develop working groups whose business oscillates around sector-specific policy issues. In Japan, deliberation councils are structured both according to topic and industry. Turkey and Vietnam, both considered to be successful role models, organize their working groups by sectors. According to DFID (2005), "...sectoral dialogue is the most effective in producing results".

Thirdly, the selection of participants to the PPD process is also very crucial. In terms of leadership, The PPD Charter for Good Practice (2015) reaffirms the need to have clear and effective "Champions/Leaders" drawn from both the public and private sectors, and "Facilitators/Managers" who command the respect of all stakeholders. Both should have superior negotiation skills, a wide appreciation of business-wide concerns, a genuine commitment to ameliorate the existing business environment, innovative and be able to converse and mingle easily with everyone from the high echelons of government to micro-entrepreneurs. It is imperative as Herzberg & Wright (2006) assert, to endeavor involving both the young and the old so as to "...create a dynamic mix of ambition and experience". This is an important pillar for the sustainability of the PPD process.

In terms of representation, there is need for wide inclusivity into the PPD process. Senior government representation in the process should be at a high level for the process to have credibility and legitimacy. Herzberg & Wright (2006) indicate the need to include other stakeholders such as Labour Unions, Academics, NGOs, Consumer and Environmental groups, minorities and micro-entrepreneurs, both at the regional and local levels, so that the composition for participation is highly representative. Stakeholders at the regional and local levels should also be involved. For instance, Senegal's Growth and Competitiveness Review Group that was set up with the support of the World Bank in the early 1990s and now part of the Investment Promotion and Major Projects Agency, (APIX), drew participants from business both large and small, formal and informal, plus labour unions, universities and the media, and was widely regarded as a success (Pawlowska A.E., 2001). However, representation may initially be narrow but become broadened over time.

In a nutshell, broad representation and participation boosts the success, credibility and legitimacy of the PPD process. It provides a template for engagement in vibrant discussions about local challenges and possible solutions. The same can then be escalated upwards amongst top-level policy decision-makers to facilitate their implementation.

2.3.1.3 Outputs

Contemporary performance management theory presupposes the need for evidence-based leadership through the achievement of objectively verifiable results. For this reason, innovative management approaches such as Results-Based Management (RBM), Rapid Results Initiatives (RRI) and Performance Contracting are fast being adopted by progressive organizations. According to Cardy & Leonard (2011), it is about setting strategic goals and objectives and measuring ongoing performance against set benchmarks of performance, diagnosing the sources of performance difficulties and helping to find solutions to emergent problems.

In this context, the PPD Charter of Good Practice (2015) intimates that the success of any PPD process also seems to hinge on the quantity and quality of the policy outputs achieved over time. The PPD process should aim for tangible, practical and measurable benefits. But for these policy outputs to be achievable there is need to initially engage in a strategy formulation process that would clearly articulate the strategic goals and objectives to be achieved over time.

According to the PPD Charter of Good Practice (2015), there are three (3) types of policy outputs that may come out of a successful PPD process. These are;

- (a) Structure/Process outputs – Which include the realization of a formalized structure, periodic meetings/conferences, ongoing monitoring of outputs and outcomes, etc.
- (b) outputs – Which entails an analysis of business road blocks, agreement on private sector development objectives and assessments of government service delivery and issues at stake.
- (c) Recommendations/Soft outputs – Which include policy, administrative and legal reforms, identification of development opportunities in priority sectors and action plans, building trust, cooperation and understanding.

For instance, a PPD process may be particularly valuable in crisis, conflict and fragile environments (PPD Charter of Good Practice, 2015; Herzberg & Wright, 2006). PPD mechanisms can be used to resolve disputes and reconcile the views of different stakeholders on particular issues. Thus in Fragile and Conflict Affected States (FCAS), the crisis and conflict response policy outputs may lead to supporting institutional developments, entrenching a culture of transparency, trust building and the eventual achievement of peace. It can serve to tailor necessary reforms that will generate new investments and jobs that reinforce the peace-building and reconciliation process.

Additionally, in order that the PPD process progressively becomes credible amongst stakeholders, Herzberg & Wright (2006) impute that there is need to place early emphasis on policy reforms that would be relatively easy to achieve. In Bosnia, the Bulldozer Initiative took care to propose no major structural changes in its initial phase of reforms, but small and manageable ones that could command widespread support and be implemented without provoking too powerful opposition.

From the foregoing, it is discernible that the quality of policy outputs realized from the PPD process is an indicator of its success or failure. Successes need to be achieved for the sustenance of the process and to ensure its long-term credibility. The strategy needs to be clear, innovative and results-based management techniques adopted.

2.3.1.4 Monitoring and Evaluation (M&E)

The implementation of policy reforms may hit a snag at any stage of their approval process. For this reason, it is always imperative to have a robust and effective Monitoring and Evaluation (M&E) framework for the PPD process (Herzberg & Wright, 2006; PPD Charter of Good Practice, 2015). Such is essential in order to demonstrate the purpose, performance and eventual impact of the PPD process. It also ensures that stakeholders do not eventually feel frustrated that tangible results are not being achieved, as this may actuate them to progressively lose interest in the dialogue process over the plod of time. For instance, as part of Mexico's pact process, a high-level monitoring committee met weekly to assess compliance with agreements on the part of government, business and labour, facilitating efforts to sanction firms or unions which violated price or wage

controls or other commitments (Dorfman M. & Pawlowska, 2007). This follow-up action ensured that participants stayed on course and that tangible results were achieved.

The Monitoring and Evaluation (M&E) framework adopted in any PPD process should provide stakeholders with the ability to effectively monitor internal processes and encourage transparency and accountability. It involves tracking the implementation status of approved policy reforms. To effectively achieve this, the PPD Charter of Good Practice (2015) recommends the establishment of Follow-up Teams/Committees that track how well approved policy reforms are achieving their intended purposes.

Thus, having in place an effective Monitoring and Evaluation (M&E) framework is also a very crucial determinant to the success of any PPD process. It can facilitate better planning, stimulate potential advocacy, and provide both internal and external motivation to promote more effective implementation.

2.3.1.5 Outreach and Communications Strategy

Another internationally recognized best practice is having in place an outreach and communications strategy (PPD Charter of Good Practice, 2015; Herzberg & Wright, 2006, DFID, 2005). From the onset of the process, there is need to have a shared vision and mutual understanding amongst all stakeholders about what the process is set to ultimately achieve. The participants and the general public should be progressively informed of the achievements attained through their engagement in the PPD process.

Herzberg & Wright (2006) inundate on two main strategies that can be broadly applied in any outreach and communications strategy for a PPD process i.e. branding and social marketing. The outfit charged with the prerogative of engaging both public and private sector players should of necessity convey its vision and mission statements, core values through logos. Brand names should be structured to capture the attention of the target audience. Logos are powerful communication tools that may be used to convey what the initiative is all about. In Bosnia, the Bulldozer image in the logos quickly came to be perceived as a mechanism that was tailor-made to 'bulldoze away' the roadblocks to a congenial business environment. It helped to convey the notion of speedy progress, and therefore this promoted buy-in for the process.

Social marketing refers to “...attempts to bring social change by using the techniques of commercial marketing” (Herzberg & Wright, 2006). There are four “stages of change” in social marketing, which include Pre-contemplation i.e. lack of any belief that action could be worthwhile; Contemplation, Preparation and Action (Andresen Alan A., 2004). In Bosnia, the Bulldozer initiative used outreach techniques, including a traveling road show to move business people from the skeptical stage of pre-contemplation towards active involvement in pressing for reform. It did so by paying attention to the “B-C-O-S” factors of Social Marketing i.e. Benefits, Costs, Others and Self-efficacy.

Social marketing can therefore be applied as an outreach and communications strategy in seeking change of behaviour by influencing people who can bring effective pressure to bear on decision-makers. Campaigns may either be targeted at the people whose behaviour is intended to change or to the decision-makers.

The process should essentially share information with its stakeholders in real-time, using diversified communication tools and shared interactive space (PPD Charter of Good Practice, 2015). Governments are increasingly using websites to promote dialogue opportunities, request the submission of views, feedback summaries of consultations and publish policy papers. In addition to electronic media, the press and other print media can be effectively used to invite the submission of opinions and to promote the mechanisms of consultation and dialogue (UNCTAD, 2001).

2.3.1.6 Sustainability

In many developing countries, Pinaud N. (2007) intimates that the PPD process is not very organized and that sometimes it barely exists. This explains why development partners are very keen and willing to channel an increasing amount of Official Development Assistance (ODA) to support it within the wider context of efforts that are aimed at promoting the development of the private sector. The PPD Charter of Good Practice (2015) intimates that development partners/donors can encourage conditions for dialogue and initiate, promote, support, fund and facilitate dialogue. They can contribute to capacity building, technical advice, and dissemination of international best practices, bring credibility and legitimacy to the process and facilitating access to leading players in

both the public and private sector (Herzberg & Wright, 2006). As such, their role is ordinal to the success of PPD processes especially in developing countries.

However, for a successful PPD process, Herzberg & Wright (2006) seem to allude to the fact that such development partners/donors should be popular as their unpopularity may breed resentment on the government's part, cynicism from the business community and the public, thus hindering the effectiveness of the PPD process. For instance, during the Jerry Rawlings administration in Ghana, the World Bank's pressure and conditionality was crucial in getting the government involved in consultation. But it is notable that the government did not develop genuine ownership of the recommendations that this consultation produced. Many business owners formed the impression that the government represented, at best, a reluctant participant, going along only to please its most influential donor. As a result, there was little confidence among private sector participants that the government was actually prepared to implement the Roundtable's recommendations (Ayee Joseph et.al.1999). This serves to demonstrate that the perception of the development partners/donors involved amongst local players is essential.

However, while the PPD process at times may need initial financial benevolence and technical support from development partners/donors, there is also the further need to ensure its continued sustainability in the long-term. Sustainability (or "exit") entails the transfer of responsibilities for funding and capacity development to the participants in order to develop a sense of local ownership to the process (Herzberg & Wright, 2006; The Charter of Good Practice, 2015). For instance, in Cambodia, the Cambodian Coordinating Bureau (CCB) was set up with assistance from both IFC and USAID, but with the clear intention that the government and the private sector should become able to sustain it in the medium term without donor support (Brew James, 2004).

According to the PPD Charter of Good Practice (2015), the foundation upon which the sustainability of a PPD process is built rests on three (3) factors;

- (i) Operational sustainability – Which means that important operational facets that support the process must be sustained to guarantee continuity.
- (ii) Financial sustainability – The PPD process should be able to generate sufficient cash from the services it offers to cover its local operational expenditures.

- (iii) Sustained mandate and effectiveness – The PPD process should continue to provide a channel for meaningful dialogue between the private and public sectors, and be an engine for reform activities that solve issues identified by the partnership.

On the flipside, Gamser et.al. (2005), notes that donors can also become “...one of the biggest obstacles to dialogue when they impose their agenda and make both governments and private sector associations respond more to donor priorities than to their home constituencies”. It is for this reason that Herzberg & Wright (2006) also advised that the development partners/donors involved must also make a decision on the extent to which they want to retain control over certain policy proposals. In Uganda for instance, several styles were evidently adopted. With the National Forum, donors provided funding and advisory services but left the recommendations up to members. With the Private Sector Development Program, the final decisions were made by the sponsor. It is imperative that development partners/donors be alive to the risk that their involvement in setting the agenda for the PPD process may eventually cause a narrowing of focus, which may lead to certain stakeholders being favored at the expense of others.

In this regard, the PPD Charter of Good Practice (2015) recommends that donors should only remain as “honest facilitators”, supporting capacity building (including advocacy and organizational skills for both the public and private sectors). The donor exit process should also be a gradual, step-by-step process, as regards to process and financial contributions.

Thus, while the initial involvement of development partners/donors is critical, especially within the context of developing countries, it is imperative that a sustainability mechanism is built to ensure the continuity and success of the local PPD process even after their exit.

2.4 Summary and research gap

To provide a firm theoretical foundation of the study, the public policy making process was initially reviewed through the lens of two public policy making theories. These are the institutional theory and the political systems theory. Both were selected on account of their tangential relevance to the subject of the study.

The literature reviewed pointed out that a successful PPD process can be structured around six (6) core factors. These include having in existence an open governance process, an appropriate structure supported by wide participation and representation, the quality and quantity of policy outputs from the process, a monitoring and evaluation (M&E) framework, an outreach and communications strategy and a sustainability mechanism that guarantees continuity of the process.

From the review, the PPD process plays a pivotal role in the realm of development cooperation. But there still exists inadequate knowledge, especially within most developing countries, on how to structure a successful PPD process. As such, the positive impacts that the process may have on private sector growth and development, job creation, economic growth and poverty alleviation in such countries are not readily discernable. Indeed, there are few studies that have previously been undertaken to analyze this instrument.

Despite the undeniable potential impact of the PPD process to Kenya's economic, political and social development, a scholarly analysis of the failures and successes of the process has also not received the attention it deserves. There has been no study that has sought to analyze the factors that affect the success of PPD in Kenya and how the process can be used to improve the relations between the private and public sector in Kenya. However, it is acknowledged that several strides have been made towards the realization of PPD through the formation of KEPSA, and the establishment of the various Forums. But the PPD process still faces a plethora of challenges ranging from discussions focusing on operational issues as opposed to strategy and policy issues, one-sided demands with private sector not bringing much to the table but plodding the Government to put down a lot (PPD Workshop, 2010).

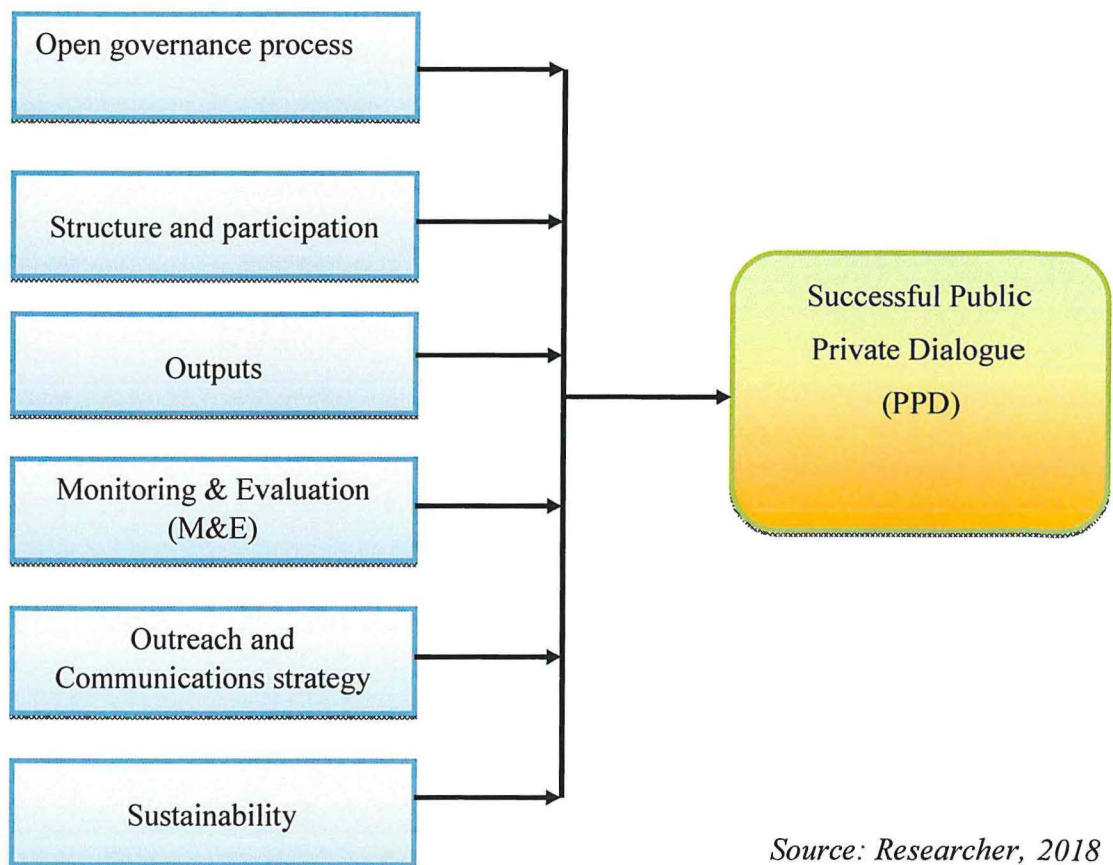
Despite the fact that PPD is desirable at all levels of decision decision-making, down to the most practical micro-level, in Kenya the talks have been mainly limited to the national level leaving out the Counties where substantial business establishments are based. The absence of County-level dialogues implies that there is a disconnect between the dialogue taking place at the national level and those at Counties.

This study therefore aims at providing a better understanding of what constitutes a successful PPD process, and to contribute to the improvement of the PPD process as an instrument of development cooperation in Kenya.

2.5 Analytical framework

Figure 1, herebelow illustrates the analytical framework upon which this study was based.

Figure 1: The analytical framework



Source: Researcher, 2018

2.6 Interpretation of the analytical framework

2.6.1 Open governance process

An open governance process refers to a process where openness, transparency and accountability are prioritized. It alludes to the willingness and the level of support that is provided to the PPD process by various stakeholders. Political goodwill to engage in the process demonstrates the level of support that the government and the administration in power is willing to provide in order to support the PPD process. The study therefore evaluates key government institutions that are mandated to support the PPD process and their relationship with the private sector; whether policies are developed in an open and transparent environment; whether such policies are driven by political biases or are they targeted to address key facets of the economy; government's commitment in allocating resources to drive an effective PPD process and government's commitment to follow up on key policy issues discussed at various levels of the process.

2.6.2 Structure and participation

The structure refers to the overall organization of the PPD process while participation refers to representation and involvement in the PPD process. The quality of the PPD process depends both on the institutions and individuals involved and their level of representation. This study evaluates the legal and institutional foundations of the PPD process in Kenya; whether there is a coordinating secretariat/committee to drive the PPD process; whether working groups have been formed and arranged according to industry clusters, by policy issues or by region, with the view of addressing contextual or specific issues of concern; how their meetings are organized; how logistical details are organized and whether the PPD process has been well aligned with existing institutional structures. In terms of representation and involvement, the study evaluates the composition and representation of the key stakeholders in the process; how large or small are they and whether the process has able champions and facilitators to drive its agenda forward. Where a detailed structure that permits wide inclusivity in representation exists, the quality, credibility and legitimacy of the PPD process is also boosted, thus guaranteeing its eventual success.

2.6.3 Outputs

Outputs refer to the final products (i.e. the policy outputs) that emanate from the PPD process. The study focuses on evaluating the quality of structural/process outputs, outputs and recommendations that have emanated from the PPD dialogues that have taken place. It also looks at the innovative management techniques that have been adopted to fast-track the achievement of such policy outputs. The quantity and quality of policy outputs achieved over time indicates the success or failure of the PPD process. It lends credibility and legitimacy of the process amongst stakeholders.

2.6.4 Monitoring and evaluation

Monitoring is a planning and management tool which allows for the generation of regular and continuous feedback that can be used to make decisions, successfully manage and plan about the future of the PPD process. Evaluation is the assessment at one point in time of the impact of the PPD process and the extent to which stated goals and objectives have been achieved. For a successful PPD process, it is important to have clear measurable objectives; key performance indicators (KPIs) and benchmarks of performance. The study sought to understand whether there is a logical monitoring and evaluation framework that has been adopted; whether, after policy formulation, follow-up teams/committees have been formed to track implementation of approved reforms and whether there are clearly defined KPIs and benchmarks of evaluating success of the outputs achieved.

2.6.5 Outreach and communications strategy

In this context, an outreach and communications strategy refers to a system through which important information is disseminated to stakeholders about the progress being achieved over time through their engagement in the PPD process. The study sought to evaluate whether the PPD process in Kenya has an outreach and communications strategy ; what methods are being used and whether they have been effective in disseminating progress made in the PPD process. An effective outreach and communications strategy is a key pillar of every successful PPD process. It ensures mutual understanding amongst all stakeholders involved about the plans and achievements made, and promote transparency, accountability and credibility of the PPD process.

2.6.6 Sustainability

Sustainability refers to the ability of the PPD process to continue providing a channel for meaningful dialogue between the public and private sectors, and an engine of reforms and activities that solve issues identified by the partnership, long after the development partners have exited. This study sought to understand what level of involvement and/or influence development partners have had in the process; the available sustainability mechanisms to ensure that the PPD process in Kenya continues to ably serve its stakeholders at the operational, managerial and financial levels.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology that was applied in this study. The chapter enunciates about the research design, population and sampling, data collection methods, data analysis approaches, research quality and the array of ethical issues that were considered.

3.2 Research design

Being a qualitative study, the researcher employed an explanatory research design with the objective of obtaining a profound, insightful understanding and interpretation of factors affecting the success of the PPD process in Kenya. The purpose of explanatory research design is to increase the understanding of a researcher on a certain subject which had not been well researched before. To elicit responses from various categories of respondents at a point in time, a cross-sectional approach was adopted.

3.3 Population and sampling

The study targeted nineteen (19) respondents drawn from both the public and private sectors. The target population is composed of institutions, which have national representation and wide membership. For instance, from the private sector, KEPSA has a membership of 500,000 direct and indirect business members; KNCCI also has its membership spread throughout the Forty-seven (47) Counties covering many SMEs, MSMEs, medium and large enterprises. Similarly, institutions drawn from the public sector have a national mandate to engage with the private sector in matters of national policy. Therefore, the target respondent institutions for the study were those that actually drive the PPD process in Kenya.

The target population for this qualitative research was mapped out as provided in Table 1 herebelow.

Table 1: Target population

Private sector	Public sector
Kenya Private Sector Alliance (KEPSA)	Medium, Small and Micro-Enterprises (MSMEs)
Kenya National Chamber of Commerce and Industry (KNCCI)	Ministry of Industry, Trade and Cooperatives
Export Promotion Council (EPC)	Council of Governors
Kenya Association of Manufacturers (KAM)	Kenya Investment Authority (KIA)
Kenya Bankers Association (KBA)	Presidential Delivery Unit (PDU)/Presidential Round Table (PRT)
Central Organization for Trade Unions (COTU)	National Treasury
Cooperative Societies	County Treasury
Trade Mark East Africa (TMEA)	Women Enterprise Fund
Fair Trade Kenya (FTK)	Interior Coordination & National Security
Kenya Human Rights Commission (KHRC)	

Source: Researcher, 2018

From the defined population, purposive sampling which is a form of non-probabilistic sampling technique was used. Purposive sampling, also described as deliberate or judgement sampling is often used in qualitative research where the interest is to collect rich information specific to a topic of interest, and such information can only be obtained through specific individuals or groups of individuals who are proficient and knowledgeable about the subject matter (Ilker Etikan et. al. 2016). To this end, the researcher purposively selected a sample of key informants (Refer Table 2), based on their familiarity with the PPD process, readiness and inclination to participate, as well as their aptitude to communicate experiences and thoughts on PPD process within the Kenyan context.

Table 2: Sample population

Category		Institution/Organization	Key Informant(s)	Importance to the study
(a) Private sector	1	KEPSA	Deputy CEO	KEPSA engages with all three arms of Government in ensuring that there is a favorable environment for doing business
	2	KEPSA Foundation	KEPSA Foundation Chairperson	The Foundation undertakes specific projects on PPD on behalf of KEPSA
	3	Kenya National Chamber of Commerce and Industry (KNCCI)	Partnership and Linkages Manager	Involved in policy advocacy which links private and public sector players with a desire to grow businesses, promote economic growth and international trade.
	4	Kenya Association of Manufacturers (KAM)	Chapter and County Affairs Manager	It is a business association that unites industrialists and manufacturers, that offers a common platform for the articulation of issues affecting their businesses.
	5	Trade Mark East Africa (TMEA)	Director and coordinator for PPD	Links up various stakeholders both in private and public in PPD on trade issues.
	6	Fair Trade Kenya (FTK)	Director and Coordinator for PPD	Negotiates with the public sector on behalf of the private sector in issues such as tax.
	7	Kenya Bankers Association (KBA)	CEO	Advocates on behalf of the banking industry, and championing financial sector

				development policies through strategic projects.
	8	Kenya Human Rights Commission (KHRC)	Governance Officer	Represents civil society organizations and acts as a public watchdog in the PPD process
(b) Public sector	1	Micro-Enterprises Support Programme Trust (MESPT)	Program Manager	Advocate for policies that help improve the investment climate and spur the growth of MSMEs
	2	Ministry of Industry, Trade and Cooperatives (MITC)	Officer in-charge of PPD	Advocacy and development of industrialization, trade and cooperatives' development policy
	3	Export Promotion Council (EPC)	Markets Development Manager	Enhancing dialogue on matters affecting exports
	4	Council of Governors (CoG)	Investments and PPP Officer	Provides forum for coordination and negotiations by different stakeholders in both levels of government and private sectors
	5	Kenya Investment Authority (KIA)	General Manager - Research, Advocacy and Planning	Promotes and facilitates investor activity by advocating for a conducive investment climate, providing accurate information and offering quality services

	6	Presidential Delivery Unit (PDU)/Presidential Round Table (PRT)	PPD Coordinator	Meets with key private sector players bi-annually to discuss the general economic environment in the country and areas of concern to private sector and government
	7	National and County Treasury	Senior Deputy Director - PPP Unit	Implementation of the Public Financial Management Reform Strategy and strengthen governance for enabling delivery and public investment in. Kenya

Source: (Researcher, 2018)

3.4 Data collection instruments

This research utilized a key informant interview guide to collect the required qualitative data. Open-ended questions were used to provide focal insights anchored around the six factors defined in the PPD Charter of Good Practice (2015), thereby providing participating respondents the flexibility to express their own views on the wider subject of study. On this note, enough time was allocated commensurate to the questions and the nature of discussion that developed in the process. The questions were set in way that allowed the respondents provide sufficient qualitative ideas for further analysis.

The study tapped into the expertise and experience of the respondents. The interview guide allowed respondents a discussion platform. Moreover, it provided the researcher with flexibility to expound further and seek clarity with the respondents.

3.5 Data collection methods

The main source of data was primary information which was obtained from mid-management and senior officers in fifteen (15) entities involved in the PPD process in Kenya. The data collection tool used was a key informant interview guide provided in Appendix 3. The researcher conducted the interviews with the support of 2 research assistants who had the requisite experience of administering key informant interviews. Engagement of experienced and competent research assistants was key in assuring quality in this study, given the need to administer questions precisely to the right respondents while ensuring clear and correct interpretation of the key informant guide. To this end, 10 out of the 15 interviews were conducted face-to-face, while the remaining 5 were conducted through telephone. Some of the respondents also voluntarily provided important reading materials that became sources of additional information for further clarification on key issues that were discussed during the interviews.

3.6 Data analysis procedure

Being a qualitative study, it was important to employ appropriate methodologies for analysis of information provided by key informants on PPD in Kenya in order to identify the recurrent themes, patterns and emerging connections. To this end, the study employed two (2) main methodologies (Content and Narrative analysis) to ensure rigor in the

results and interpretation of collected data. The process of analysis entailed the application of key predefined steps (Condensation process, coding process, information categorization, and identification of common themes).

Information obtained from the key informants was grouped into six (6) thematic areas that corresponded with the six (6) factors defined by the PPD Charter of Good Practice (2015). In terms of content, the analysis was based on the words and rhythm of explanation of the factors as to how they contributed to a successful PPD process in Kenya. On the narrative, the researcher took notes of the narrations that were provided by the respondents guided by their experience in the PPD process. That information was then coded, labeled and categorized into the six (6) thematic areas in order to obtain key messages in reference to each. This also entailed summarizing large volumes of text data collected while still retaining the fundamental message.

Table 3: Data analysis approach

Objectives	Instrument	Description	Data Analysis
Objective 1: Assess the extent to which the factors as defined by the PPD Charter of Good Practice contribute to the success of PPD process in Kenya.	Key informant interview guide	Use information categories to reveal various roles of institutions/organizations towards PPD process and their contribution. Define themes to assess contribution of defined PPD factors towards its successful delivery	Content analysis to identify information categories, themes, patterns and connections. Narrative analysis
Objective 2: Assess the challenges PPD process is facing in Kenya	Key informant interview guide	Leverage on information categories and defined themes to identify challenges hindering successful delivery of PPD process	Content analysis to identify themes, patterns and connections Narrative analysis

Objective 3: Propose ways of improving the effectiveness of PPD process in Kenya	Key informant interview guide Literature review	Based on emerging insights from objective 1 and 2, and further leveraging on literature, researcher will develop applicable recommendations	Synthesis of objective 1 & 2 outputs Narrative analysis
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Source: (Researcher, 2018)

3.7 Dependability and credibility of the research instrument

Dependability is the stability of findings over time that is supported by the data as received from the participants (Irene & Albine, 2018). Another way of guaranteeing dependability reposes on the quality of the information sources utilized by the researcher. Credibility establishes whether the research findings provide plausible information drawn from the participant’s original data (Irene & Albine, 2018). The strength of dependability in the study is anchored on the choice of the respondents as being institutions and individuals who are directly involved in the PPD process in Kenya. In order to guarantee credibility of the study, the researcher triangulated information from one interviewee with another. The additional reading materials provided by key respondents from their institutions served as a supplementary source of data verification.

3.8 Ethical considerations

De Vaus (2013) observed that ethical considerations such as voluntary participation, exposure to harm, confidentiality, anonymity, and privacy should be adhered to. The participants were allowed to participate on an open and voluntary basis, and had the right to withdraw partially or completely from the process. Confidentiality of the data provided by individuals was upheld using coding techniques (e.g. Use of tags such as Respondent xyz). No information from individual respondents was quoted directly to ensure a high level of confidentiality. Privacy of the respondents was also maintained as none of the respondents was coerced to participate. The respondents were treated with respect and courtesy.

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF FINDINGS

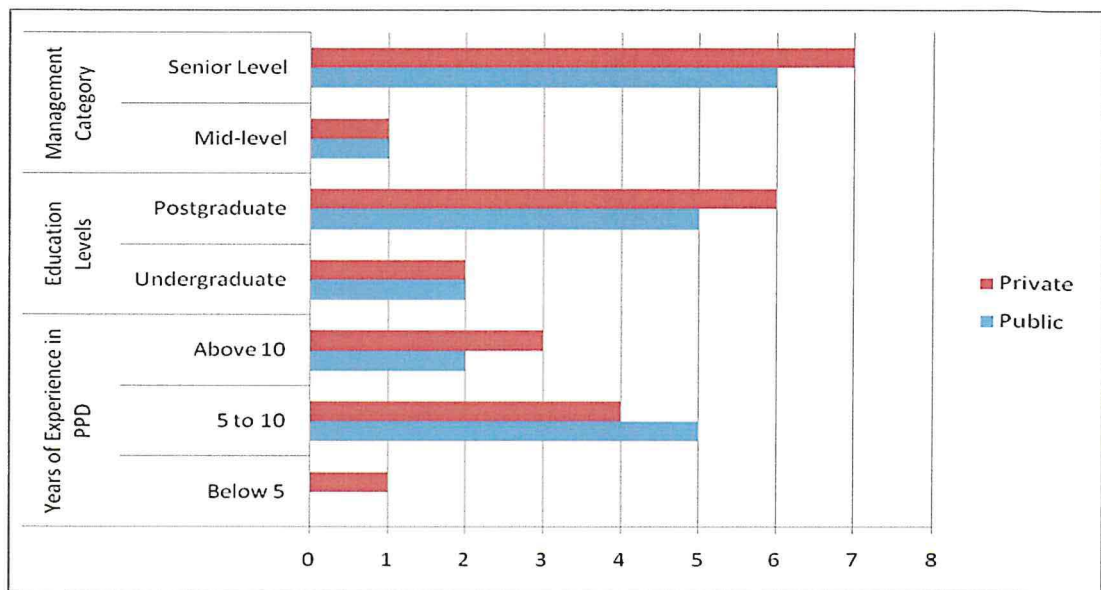
4.1 Introduction

The findings of this study which sought to analyze the factors that determine the success of PPD in Kenya are presented in this chapter. It debuts with an analysis of the background characteristics of the respondents, the general overview of the PPD process, factors contributing to its success and concludes with the major challenges faced in its implementation in Kenya.

4.2 Background characteristics of the respondents

The researcher managed to interview a total of 15 respondents drawn from public (7 respondents) and private (8 respondents) sectors, out of the targeted 19 respondents. Most of the respondents interviewed had between 5 and 10 years of requisite experience in the PPD process. Majority (13 out of 15) were senior management officials with Masters' degree level of education while two (2) were in mid-level management. Figure 2 here below summarizes the respondents background characteristics.

Figure 2: Respondents' background characteristics



4.3 General overview of PPD in Kenya

Opinions varied on the state of PPD in Kenya with over half of the public and private sector respondents in the survey confirming that PPD in Kenya is not well developed, especially with the advent of the new Constitution (2010) which made trade and development to be a devolved function. The general view amongst private sector respondents was that the government has not been on the driver's seat in steering the PPD process despite the enactment of the Public-Private Partnerships (PPP) Act of 2013 as well as Semi-Autonomous Government Agencies (SAGAs) to drive the process. In other words, the popular opinion held by both the public and private sector is that PPD has not been very successful as it lacks robustness as well as involvement of varied actors, as it should be, beyond a clique existing at the national level.

Public sector respondents who found PPD to have taken root in Kenya opined that more needs to be done to enhance its success especially given the devolved governance set up of the country. They held that even if the PPD process is at its infancy, there is good progress being made through the private sector as well as other government initiatives. Kenya's PPD initiative has given rise to the emergence of PPPs which largely form the basis of infrastructural development across the country.

The fact that the National Treasury is now publicly disclosing PPP projects, processes and deals denotes that engagement is being implemented and is welcome. The process is a key plank of national development financing and the GoK is keen on its implementation, and hence the formation of the PPP Unit.

However, both the public and private sector respondents were in concurrence as to what PPD constitutes revealing a good understanding of the process and the corresponding benefits to the business environment. It was evident from the responses that PPD indeed offers the best solution for implementing a variety of projects e.g. the Lake Turkana Wind Power Project (energy sector), Managed Equipment Services (health sector), 10,000 Kilometers of road network (infrastructure) and the Affordable Housing project.

The public and private sector respondents agreed that all the six (6) factors that determine the success of the PPD process i.e. open governance, structure and participation, quality

policy outputs, monitoring and evaluation, outreach and communication strategy and sustainability, are inter-linked, with all of them buttressing the overall PPD objective.

4.4 Factors contributing to the success of the PPD process in Kenya

4.4.1 Open governance process

The guarantees to the existence of an open governance process are credibility, fairness and transparency in the PPD process. Given the foregoing, both public and private sector respondents admitted that an open governance process is mutually beneficial and reinforcing to the PPD process. Respondent No. 8 cited opaqueness, absence of integrity, lack of accountability and corruption as some of the issues bedeviling the PPD process. Respondent No. 4 questioned the government for its unwillingness to promote open governance, something that would address key challenges in the economy.

“Open governance is essential to investors who look into engaging with the government, because they would like to know how their money is being used and how they can be able to benefit from the same”. – Respondent No. 4

Respondent No. 16 noted that there was political goodwill exhibited by the government’s commitment to the Big Four Agenda where manufacturing, health, food security and housing have been prioritized. The government has openly admitted that the delivery of the Big Four Agenda is hinged on involving the participation of the private sector. This in itself demonstrates the level of support that the government is willing to provide to the PPD process. However, Respondent No. 1 cautioned that more needs to be done to boost trust and reduce competition amongst sector players because the private sector is always willing to take part in the PPD process if the government is open, fair and transparent in their dealings.

Respondents were asked to state whether there is fairness, openness and transparency of the private sector in its engagement with the government. Interestingly, responses by public sector agencies were affirmative and even gave examples such as the existence of an online portal intended to disclose to members of the public, media, civil society and other interested parties key project data on PPPs which are an offshoot of the PPD

process. This according to the public sector respondents is a reaffirmation of the government's commitment to an open and fair PPD process.

On the contrary, respondents drawn from the private sector were categorical that despite their willingness to engage with the government in addressing various challenges of the economy, they faced several challenges ranging from legislative, regulation to

“The evacuation of factory operations by legendary companies out of Kenya is the latest in a spate of exits by multinationals that is sending a chilling message about the local business environment. Multinationals for instance pointed to lack of competitiveness in their local manufacturing operations as the reason they opted to relocate part of their businesses to other countries” – Respondent No. 4

administrative bureaucracy within government institutions. They cited the lengthy business registration and approval process as well as the double taxation regime which has increased cases of corruption and drove private investors away. Respondent No. 4

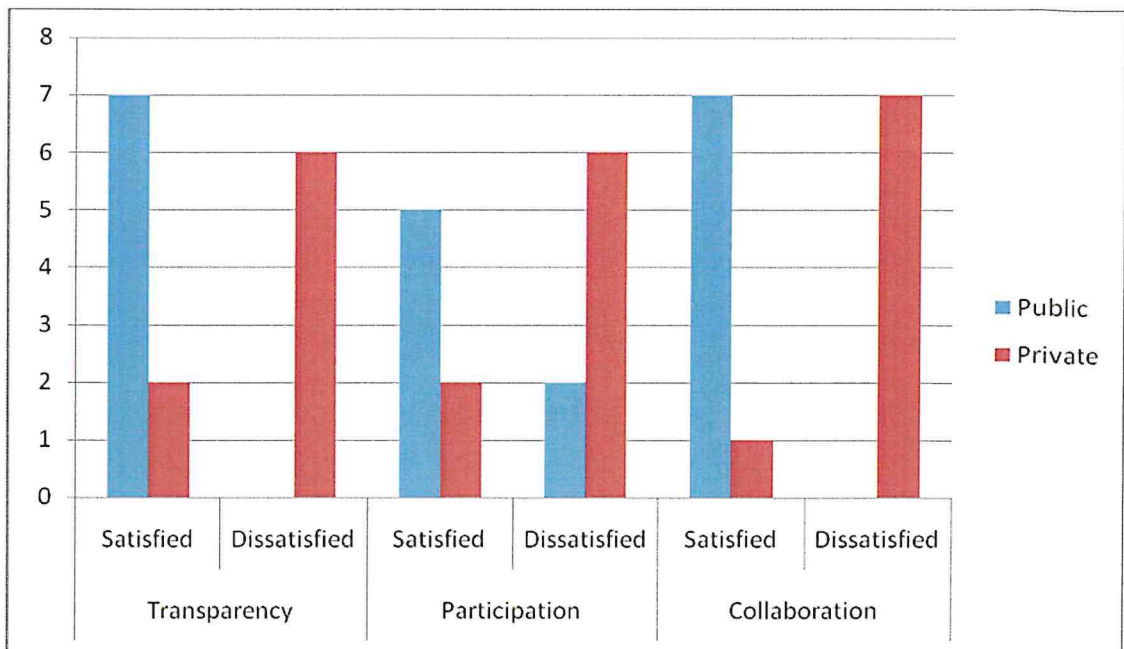
mentioned cases where several multinational corporations relocated their operations. The respondents further revealed that the government often requires more from the private sector while giving less.

On alignment of the PPD process to existing government and private sector institutions, respondents were affirmative that indeed the two are aligned. The PPP Unit provides the requisite technical support to various government agencies keen to implement PPP projects. This is then interfaced with other relevant partners to streamline alignment, and in that regard, liaise closely with KEPSA to align the PPD process in a manner that ensures agreement and buy-in from all concerned. Consequently, the PPD process as championed by KEPSA, for instance, is cognizant of the various government institutions and various sectors. KEPSA has 16 sector boards all aligned along government ministries, and this then serves as the entry point of contact between KEPSA and government on policy advocacy work.

On the flipside, Respondent No. 13 faulted the PPD process as it had not been fully aligned to the existing government administrative structures. For instance, the Constitution (2010) devolved trade and development function to County Governments and the PPP Act (2013) has not been amended to take on board this provision.

As to the extent to which open governance determines the overall success of the PPD process in Kenya, an analysis of the responses revealed that being accountable and responsive is essential to the success of the PPD process. Respondent No. 9 was categorical that PPD thrives well in an open system where each participant feels the spirit of accountability, and responsiveness. Consequently, where investment is encouraged, private sector are concerned more on accountability which is a hallmark of open governance.

Figure 3: Satisfaction levels with open governance



The above three principles i.e. transparency, participation, and collaboration, form the basis of an open governance process. In this case, transparency is relevant to accountability and data as a national asset. Participation involves leveraging the dispersed knowledge and collective expertise held by the government through public input in government decision making. Collaboration is the engagement in other aspects of

government through the use of innovative tools, methods, and systems to cooperate across all levels of the public and private sector.

With regard to the three principles of open governance, respondents from the private sector felt that little had been put in place to guarantee open governance in PPD process. This is in sharp contrast with the views of public sector respondents who expressed high optimism in the existence of open governance. The public sector representatives rated open governance highly on account of the fact that the process is open to both censure and praise from international financial institutions and partners, and the fact that the existing PPD regulatory and institutional framework is structured to evolve in response to emerging needs.

The private sector respondents who expressed dissatisfaction with the three aspects (i.e. transparency, participation and collaboration) expressed the need to enhance the effectiveness of the PPD process through information sharing, creation of awareness and building private sector knowledge on the role of government sector parastatals and services.

4.4.2 Structure and Participation

Since the quality of PPD partially depends on the structures of the institutions involved, whether formal or informal (Pinaud, 2007), and that formal mechanisms are preferable as they are more sustainable and credible (Herzberg & Wright, 2006), it goes without saying that the PPD process in Kenya is weak in relation to structure and participation. Out of the 15 respondents, only three have fully functional PPD departments constituted with a legal mandate to do so. Respondent No. 16 indicated that Kenya has a clear PPP Policy and Legal Framework to guide and encourage implementation of the PPD process, which in turn yields PPP projects. This is enshrined in the law under Section 8 of the PPP Act (2013).

As for the rest of the respondents, they lack formal structures in place to engage in the dialogue process with either public or private sectors, but only mainstream PPD in various secretariat dockets.

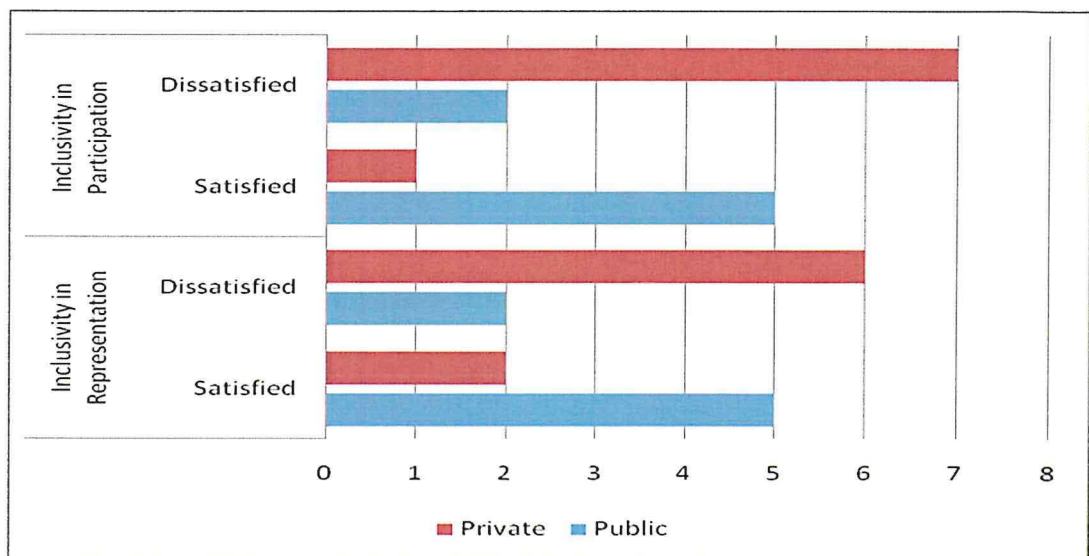
However, both the institutions with a formal mandate as well as those without called for additional capacity building and awareness creation amongst all publics because this would enhance PPD and ultimately result in an increased momentum for PPPs.

“In our organization for instance, there is no designed department that deals only with PPD, but the same has been incorporated in the various secretariat dockets. For instance in my position, I do engage with the various chapters and county government in any engagement with them. However for the county government I would say that they lack a robust structure for engagement with the PPD.” – Respondent No. 4

There exists a PPP Steering

Committee that is chaired by the Principal Secretary (PS) at the National Treasury, and has four (4) members representing the private sector and a representative from the Attorney General’s Office. The PPP Unit Director serves as the Secretary to the Committee. This type of setup is easily replicable and forms the basis for how working groups are organized.

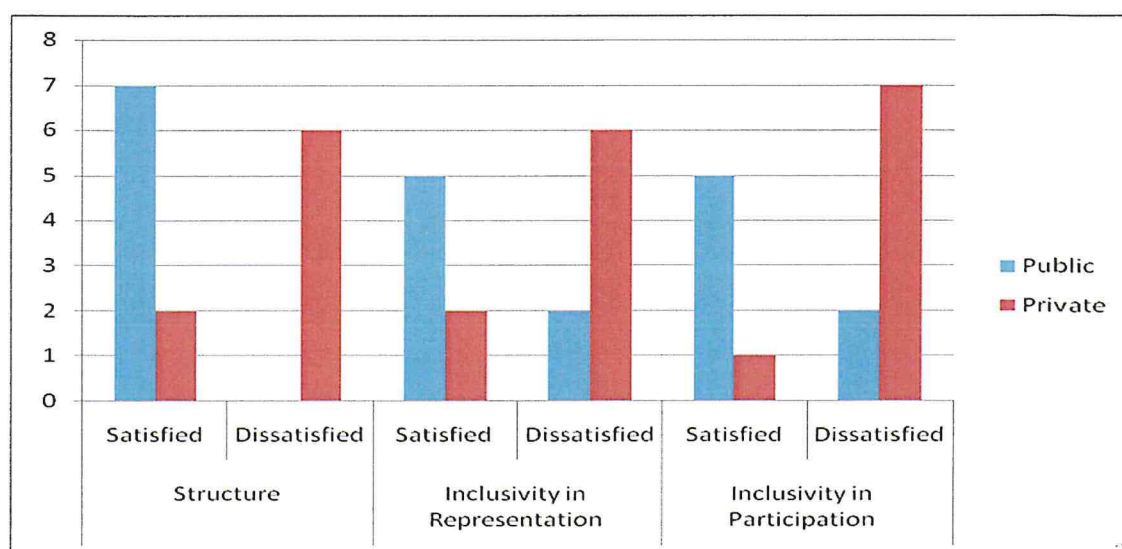
Figure 4: Satisfaction levels with inclusivity in representation and participation



Results from the study indicated a higher rating of the existence of inclusivity and participation in the PPD process by the public sector with 5 respondents supporting this view. The fact that 2 respondents cited absence of inclusivity and representation is something that needs to be addressed. This also affirms earlier findings that even where there is inclusivity, participation is limited to a select few. Undeniably, even those who acknowledged the presence of inclusivity and participation alluded to the fact that policies and guidelines outlined by the Public Service Commission of Kenya (PSCK) when it comes to all matters pertaining to PPD, requires inclusivity in representation and participation by all stakeholders. To a large extent, inclusion, participation and representation in the PPD process is more of a legal requirement than an inherent belief that it should happen.

Proper structure and participation of all stakeholders is the key to a successful PPD. Moreover, structure and participation are key ingredients for the sustainability of the PPD process. The factors that make the PPD process effective are probably the same that determine the success of the PPD process. The results showed that a well outlined structure gives the foundational basis for the success of PPD since it creates a forum for engagement and participation of various stakeholders, drawn from both from the public and private sectors. Participation of stakeholders gives PPD its legitimacy and boosts the chances of its success, something that often lacks in most institutions in Kenya.

Figure 5: Satisfaction levels with structure, representation and participation



The analysis of the satisfaction level as far as structure, representation and participation is concerned reveals that the public sector respondents are more satisfied than their private counterparts as shown in Figure 5 above.

The public and private sector respondents confirmed that their respective institutions had tried to incorporate PPD in their structures and operations, to enhance engagement with the government. They also indicated that qualified personnel from the institutions are the ones involved in PPD forums. The majority of private sector respondents who expressed dissatisfaction with the structure, representation and participation in PPD process said that PPD is not an end in itself and as such should not be a one stop agenda. They identified lack of knowledge among the private sector players, lack of awareness on government support systems due to a closed approach and lack of communication, resource constraints, conflict of interests amongst the various players in the PPD process, duplication of responsibilities and lack of trust in government due to corruption and integrity issues as some of the reasons for their dissatisfaction.

The private sector respondents faulted the “top-down” approach to the PPD process where the public sector decides whom it will consult, and on which issues. According to them, this model of consultation serves mainly the public sector’s need for information, while opening up a channel for the expression of opinions. This is clearly more valuable than the mere provision of information, yet existing PPD consultations remain a limited form of engagement which does not permit a fuller expression of

“Two years ago KRA came up with a structured framework to interact with its clients, hence leading to this 4th edition of the KEPSA-KRA Roundtable. “The purpose of the Roundtable,” he added, “is continuous dialogue with the business community and other key players to resolve challenges in the paying of taxes.” He went on to outline improvements which had been realized including installation of digital scanner systems at entry points, enhancement of iTax platform and of taxpayers on the appeal process.” – Respondent No. 6

stakeholder's points of view. Additionally there are structural issues within the public sector. For example, when interviewing most government agencies involved in PPD, the respondents stated that several key decisions are vested on one person only. Thus, if the responsible official is sick, travels or died, there is no possibility for continuing the process until he/she returns, or the position is newly filled. Situations like these increase the obstacles existing for private sector stakeholders to constructively engage in public-private dialogues.

4.4.3 Quality Policy Outputs

It is evident that the quality of policy outputs realized from the PPD process is an indicator of its success or failure. In this case, successes need to be achieved for the sustenance of the process and to ensure its long-term credibility. The strategy needs to be clear, innovative and results-based management techniques adopted. Respondent No. 1 pointed out that PPD had yielded several results and highlighted examples of PPD in the recent past. This includes KEPSA meeting with a team from the Kenya Chinese Chamber of Commerce to establish possible partnerships between KEPSA and the caucus; KEPSA co-hosted the 4th Tax Roundtable with the Kenya Revenue Authority (KRA) to reciprocate KRA's commitment to a continued improvement in the Ease of Paying Taxes Indicators under the Ease of Doing Business rankings with a target of ranking the top fifty (50).

Some of the most conspicuous policy outputs emerging from the PPD process hosted by KEPSA to address business and economic challenges include:

- a) Implementation of the Business Registration Services Act (2015), which provides a centralized mechanism for the registration of businesses by merging the procedures required to operate formally.
- b) Establishment of 52 Huduma centers; 1 in every County with 5 in Nairobi and 2 in Kajiado. 73 different services are offered, with each center providing between 15 to 35 services and serving an average of 40,000 Kenyans.
- c) The cost of registering companies reduced to a flat rate of Ksh.10,000 and procedures reduced from 11 to 7 in 2017.

- d) Since 2015, Kenyan citizens and foreign residents can apply for selected public services through E-Citizen for Government-to-Citizen (G2C) services and pay via online platforms. There are currently 197 services available on the platform which has been accessed by over 3 million people since inception.
- e) Reduction of bureaucratic processes has saved time and cost allowing companies to be more efficient.
- f) According to the KNBS 2017 report, MSMEs engaged 14.9 million persons creating more jobs and increased economic activity.
- g) Integration of Online Title Deed search through E-citizen portal promotes transparency reducing opportunities for rent seeking.
- h) Digitization of tax processes was completed and the Kenya Revenue Authority (KRA) I-Tax system is now fully operational with over 2 million users.
- i) Improvement of Kenya's ranking in doing business to position 80 in the DBI 2018 report as a viable and attractive investment destination that protects investors.
- j) “Buy Kenya Build Kenya” Strategy launched which aims at implementing the President's directive that all government agencies should reserve 40% of their procurement budget for the purchase of locally produced goods and services.
- k) 17,349 tenders worth Kshs 15.7 billion were awarded to Youth, Women and People Living with Disabilities (PWDs) entrepreneurs.
- l) Companies in the Export Promotion Zones (EPZ's) now sell up to 20% of their production in the domestic market, without paying duties.
- m) The Government has waived all landing fees for charter aircraft terminating at the Kenyan coast until June 2018 under the Charter Incentive Programme (CIP)
- n) Expansion of the Outer-Ring and expansion of Ngong road phase 1 into a dual carriage highway complete and open for public use.

- o) Standard Gauge Railway (SGR) services for both passengers and cargo operations between Nairobi and Mombasa complete.

On its part, the Export Promotion Council (EPC) managed to work with Vision 2030 (Services) in 2015, with KAM on manufacturing in 2016/2017, with EPC in 2017/2018 and with the Office of the President (MSMEs/SEZs) in 2018, and on digitization in manufacturing. Notable is the service exports to the UK increasing 3.6 times in value terms between 2001 and 2012. Additionally, through PPD, EPC has been able to advocate for the building of Special Economic Zones (SEZs), industrial parks are export processing zones that are effective tools for exports, industrialization, and economic. This has also helped overcome some of the domestic and international market access issues and has facilitated exports and promoted industrialization in a targeted / coordinated way.

The PPD forums spearheaded by KAM saw the Ministry of Industry, Trade and Cooperatives (MITC), Kenya Wildlife Service (KWS) and the Department of Defense (DoD) decide to procure locally-made textile and footwear products. KAM facilitated DoD to visit some key leather, textile and apparel manufactures for verification of capacities and standard of products. This collaboration has resulted into provision of tenders to local suppliers of footwear, textile and apparels by DoD in place of imports for the same. Tanzanian government collaborated with KAM to ascertain the quality of food products exported by Kenyan manufacturers into Tanzania. This has resulted into improved business relations and increased export for Kenya. Further, KAM collaborated with Kenya Bureau of Standards (KEBS) on the review of standards for export products manufactured in Kenya.

KAM was very instrumental in the development of the Kenya National Export Development and Promotion Strategy that was launched in July 2018. KAM played the role of peer review throughout the development of the policy, especially on matters on manufacturing, import of materials for manufacturing, barriers to trade and export of goods. KAM participated in international trade agreement negotiations on behalf of Kenya and this has contributed significantly to reduce trade barriers for Kenyan export. KAM led a PPD process that resulted into the approval of Kenya's standardization mark in collaboration the National Standards Council (NSC) and Kenya Bureau of Standards

(KEBS). Additionally, KAM also contributed to the review of Kenya's tourism sector through amendments to the National Tourism Board (NTB) Act.

KAM has also participated in several Sectoral Councils on Trade, Industry, Finance and Investment (SCTIFI) dialogue meetings where some of the resolutions arrived at include the deliberation on the East African Community (EAC) budget proposals for 2018/2019. KAM budget and post-budget proposals were adopted. Additionally, the applications on textile and raw sugar that had negatively affected Kenya's exports were stopped. Further, KAM advocated for the removal of restrictions and discriminatory levies on animal products where Tanzania removed the restrictions and issued permits for importation of products from Kenya. Tanzania was directed by the EAC Secretariat to adhere to the provisions of the Treaty, Custom Union Protocol (CUP), EACCMA and Rules of Origin. KAM successfully lobbied for legislative changes on the tax policies and proposals to manufacturing sectors in the Tax Law Amendment Bill of 2018.

Together with other stakeholders, KAM and KRA have had good quarterly engagement meetings to articulate members' issues. These have reduced complaints on tariff classification, valuation, delays in release of entries and clearance of export and import goods amongst others. KAM engaged KRA at all levels and throughout the year on important fiscal policy matters and trade matters including; the need to have a continuous review process of the VAT Export Refund Formulae; lobbying for the reduction of Withholding VAT from 6% to about 2%; excise Tax Refunds for Kerosene and duty imposed on metal sector raw materials and other steel products.

The responses on the overall role of quality outputs in the PPD process and the extent to which they determine the overall success of the PPD process reveals that indeed, they propel the directions and effectiveness of the PPD process towards achieving certain desired outputs. This is also assumed logically that quality outputs will naturally lead to overall success.

4.4.4 Monitoring and Evaluation (M&E)

Monitoring and evaluation is an effective means to manage the progression of the PPD process, and to demonstrate its purpose and performance.

'A sound monitoring and evaluation framework should result in improved management of the PPD outputs and outcomes. For the government, it should encourage the allocation of effort and resources in the direction where it will have the greatest impact.' – Respondent No. 1

Respondent No. 15 faulted the M&E framework for failing to keep the PPD process on track, create the basis for reviewing priorities and an evidence base for current and future PPD processes, through the systematic collection and analysis of data and information on the implementation of PPD.

The private sector players were of the view that assessing the impact of any PPD process

'For sustainability of PPD process, the M&E framework ought to put emphasis on engaging all stakeholders and specific government institutions in order to help build ownership. Unfortunately, the M&E approach is not inclusive, and has limited engagement of government officials.' – Respondent No.12

is difficult given that the existing M&E system does not address the diverse interests of the businesses. For instance, Respondent No. 4 was of the view that the M&E framework does not recognize that the PPD process has winners and

losers. Respondent No. 11 imputed that the existing M&E approach and system is largely ad-hoc. It does not guarantee checks, and does not examine whether the results or benefits for specific stakeholders take understanding of the themes of equity and sustainability. In essence, all the private sector respondents called for a review of the existing M&E framework so that it's possible to assess who are the probable winners and losers as a result of PPD intervention.

In gauging the rigor and practicality of the M&E framework in the PPD process, both public and private sector respondents revealed that the existing M&E framework is not able to guarantee a reasonable chance of successful PPD benefit.

4.4.5 Outreach and Communications Strategy

All the respondents were affirmative that their respective organizations have an outreach and communications strategy, even though for some, the strategy is broader than just PPD. Respondents from government agencies were clear that they rely on the outreach and communication strategies for virtually all their engagements including PPD. However, private sector actors faulted the governments' outreach and communications strategy terming it 'reactive' when it ought to be proactive. They suggested that the government should institute an entity specifically responsible for communication of government initiatives and opportunities for private sector to ensure success of PPD process.

'So far I would not say that the outreach and communication strategy for most organization has worked. This is because most private organizations do not have the necessary information necessary for the success of the PPD. The problem lies with the way information is packaged and delivered.' – Respondent No. 9

Responding to the effectiveness of the outreach and communications strategy in information sharing, majority of the respondents opined that PPD communication and

'Outreach and communication is important for the purpose of sharing information and knowledge. When the public sector and private sector in common understand of what roles each player is playing, then the PPD process will become successful.' – Respondent No. 11

dialogue processes are mostly top-down oriented, while structures for meaningful, bottom-up communication processes are weak or even absent. Findings further reveal that many government officials driving the PPD process lack awareness,

information and knowledge on private sector development programmes strategies and

policies. To address this challenge, it was suggested that policy measures be put in place to respond to this situation. It was also imperative to include the creation of open, effective and efficient communication avenues between different line ministries, County governments and the private sector.

The overall role of outreach and communications in the PPD process as established from the respondents is help keep all stakeholders and the general public informed of the purpose, role and aims of a PPD process. Availability of such information is critical in ensuring public participation. It is unfortunate that the same cannot be said to be successful with the County governments given the administrative and legal challenges.

4.4.6 Sustainability

Sustainability entails integrating PPD with existing local institutions and structures by ensuring that donors or third-party facilitators never displace local actors and structures. The responses reveal that the PPD process in Kenya is highly reliant on donors. The public sector respondents called for additional donor support to strengthen the PPD process as an offspring of the PPP program. Both public and private sector respondents confirmed that local and international donor agenda influence the PPD process. The explanation to this was that Kenya is to all intents still at the infancy of both PPP and PPD and as such must learn lessons that emanated from earlier exponents of PPD. Even if not directly stated, insistence on benchmarking – for instance, have had a direct correlation to outcomes and which is still influence. Additionally, the adoption of certain PPD policies including a code of ethics in the process is influenced by international donors.

“there still exist some dependence on international donor for capacity building, technical advice and funding given their expertise and the amount of resources. However local PPD do not exclusively depend on them since we have also local donors and capacity building being done by various organizations. For example we invest in TVET institutions, offer trainings and fund some projects. However, we do have international Partners that help in the realization of our goals.” – Respondent No. 1

Considering that the country's PPD process is at its infancy stage, not much transfer of responsibility from donor to local entities has taken place, except in instances where the country has passed several PPD legislations and or established entities to drive PPP.

Private sector actors called for PPD independent Champions that are recognized by the larger business community and qualified to represent them. They further called for sector-specific core leadership that would mobilize and coordinate participation in the dialogue process and address the challenge of overdependence on individuals. Public and private sector respondents were categorical that there is no evidence of long term driven operational and financial sustainability of the local PPD process because PPD has not been successful at the devolved units.

With regards to the role of sustainability in the PPD process, private sector respondents stated that sustainability enhances economic development of a country, and that sustainable PPD has to take in both the micro and macro-economic factors in a country.

“This is still up in the air. Indeed it would be interesting to have a dialogue on that same issue.” – Respondent No. 16

Further, they revealed that private sectors always look forward to engaging in projects that would enable them make their profits while maintaining continuity of their operations.

Those with contrary opinions stated that there is actually no sustainability aspect in the PPD process. However, they were quick to point out that sustainability would completely institutionalize the PPD process and make it a permanent feature of the process. This would then accelerate PPP development and projects implementation in Kenya. It was also pointed out that there is a sustainability mismatch where donors who are willing to invest in PPD programs opt out since the private sector players are not willing to invest in these areas. This makes the donors shun away making some of these programs unsustainable. For example not most in the private sector would acquiesce to contribute to the facilitation of PPD forums where training and capacity building can be conducted.

4.5 Major challenges for PPD implementation in Kenya

This section presents key challenges that the PPD process has faced and continues to face in Kenya. The challenges are addressed specific to each of the six PPD key success factors as captured in the PPD Charter of Good Practice (2015).

4.5.1 Open governance processes

The responses revealed that to a larger extent, the existing dialogue between the public and private sector is a relationship built on personal ties and networks of influence as opposed to public good. Further, it was clear that political interference and or interests greatly impede the success of PPD in Kenya. This confirms an earlier study by Bayart et.al. (1997) which also found that political entrepreneurs can sometimes be important economic entrepreneurs and use the state apparatuses to serve their industrial and commercial interests – and of course, this situation of collusion somewhat destroys the meaning of PPD.

Consequently, corruption in government was cited by private sector actors as a major challenge to a successful PPD process in Kenya. For instance, it emerged from the responses that rent-seeking is rampant especially where major infrastructural projects in the country are involved.

4.5.2 Structure and Participation

The respondents agreed that Counties were being excluded in PPD discussions despite most businesses being at the County level.

'PPD has not been successful in Kenya especially with regard to devolution since the legislations in place do not provide for PPD framework at the county level. Moreover, there is no laid out infrastructure to facilitate the success of PPD. Existing regulations as well prohibit PPD because they are not private sector friendly. For instance the lengthy procedure and lack of tax incentives from the government prohibit the private sectors in engaging in PPD.' – Respondent No. 15

Additionally, despite their immense contribution to the economy, most informal (“*Jua Kali*”) sector actors are in practice excluded from structured dialogues with the government. With regard to participation, the private sector actors were of the opinion that PPD appears to be an “elite members club” with very diverse interests hence weakening their bargaining power with the government or other development partners.

The government has been able to push through unfriendly policies and taxes such as the recent petroleum levy points to a situation where the private sector in Kenya has limited capacity to analyze government policies or propose alternatives, despite the existence of PPD. Private sector actors revealed that despite their inclusion in PPD discussions, decision-making in the implementation of PPD is largely a preserve of the government. It is clear from the interviewees that all policy guidelines are designed by national government and are expected to be implemented by the private sector as well as Counties. Indeed, the controversial leasing of medical equipment for the County referral health facilities and denial of the right to borrow externally or enter into major PPPs without national level approval implies that PPDs at the County level are dependent on the acceptance of the national government.

The existing PPD structure also excludes participation of Civil Society Organizations (CSOs) despite their important role as public watchdogs.

4.5.3 Quality policy outputs

The PPD process has limited quality policy outputs in terms of operational sustainability, financial sustainability, and mandate sustainability. In terms of operational sustainability, the existing PPD lacks a sound governance structure formalized, absence of written operating guidelines, PPD as a unit lacks dedicated staff identified/assigned and absence of a dedicated PPD Secretariat. The financial sustainability is weak because sustainability of sources of funds and a clear contributory mechanism for members and sponsors and long-term budget plan are absent.

Finally, as regards to outputs relating to sustainable mandate, the process lacks a capacity building mechanism for stakeholders, weak capacity of the administrative unit, limited

member capacity to advocate for policy reform, capacity to secure political will and finally limited research capacity to inform future PPD processes.

4.5.4 Monitoring and Evaluation

The private sector respondents identified the lengthy process of policy formulation and implementation and cartels within the public sector and private sector who manipulate the PPD process mostly in their favour. For instance, those involved in certain key policy discussions around PPD are selectively chosen and the outcomes of such deliberations are limited to a select few, hence demotivating a larger group of private sector actors.

There are many misconceptions surrounding M&E namely: it's difficult, it's expensive, it requires high level skills, it is time and resource intensive, it only comes at the end of the PPD process and it is someone else's responsibility. There is often a sense of frustration because expectations of M&E activities appear to outstrip resources and skill sets.

More so, the business environments can be affected, positively or negatively, by a host of external factors beyond the influence of the PPD process, such as fluctuating global prices of inputs, trade reforms, health problems affecting the labour force, fiscal and monetary policy, and hence affecting the M&E plan.

4.5.5 Outreach and Communication Strategy

The PPP/PPD Unit has failed to implement an outreach and advocacy campaign in support of the institutionalization of PPD and in the realization of priority business environment reforms. This is revealed in the weak communication and dialogue with key stakeholders to resolve issues. Many a times, the lack of a clear outreach and communications strategy has led to fierce resistance from trade unions and/or members of the public.

The government's failure to explain its PPP projects arising out of PPDs to the public, have harshly been censured, even where the PPD process is transparent. For instance, the details of bidding procedures and processes should be open to public scrutiny. Otherwise the government's lack of strategic communication plays into the hands of its political opponents. For example, several parliamentarians and Kenyans as well have called for the resignation of the Transport Cabinet Secretary for alleged inflation of the SGR tender.

The attack revealed a lack of public awareness— something that would have been obviated from had the government made public the details of the contract.

4.5.6 Sustainability

Sustainability of the PPD process is not guaranteed for various reasons. First, both public and private respondents revealed inadequacy of resources to support the PPD process as a major constraint limiting the frequency of the dialogues. Secondly, most PPD meetings are donor supported and or informed by vested private sector needs – something that tilts the discussion towards the sponsor. There is also a popular view that most stakeholders lacked commitment as exhibited in their reluctance to allocate requisite resources and even time to the PPD process. There is need to ensure integration and sustainability of PPD values and mechanisms. Respondent No. 8 stated that the absence of the people’s voice in PPD discussions is a major setback to the sustainability of the discussions and the projects thereof since they are the persons affected by policy decisions.

CHAPTER FIVE: DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

Based on the research objectives, this chapter summarizes the findings of the study, outlines the conclusions, presents policy implications and recommendations and suggests areas for further research.

5.2 Discussion of findings

The findings of this study, based on an analysis of the key success factors that determine the success of the PPD process in Kenya, are in consonance with the ideology behind the political systems and the institutional theories of public policy making. In reference to the political systems theory, the study revealed that the process of public policy making cannot succeed if there lacks support from the political system (i.e. government). By extension, there is therefore need for political goodwill and support for meaningful and constructive dialogue between the public and private sectors to take place. Only in such an environment that quality policy outputs that guarantee an improvement in the prevailing business environment can be realized. The study also reaffirmed that public policy is basically an institutional output. Public policies are made within the context of institutional structures and that in the context of PPD, government institutions are the ones that offer legitimacy in the implementation of these policies. This means that, how well these institutions are structured to engage in the process of public policy making is very crucial to the success of this process.

Further, the study also revealed that all the six (6) factors outlined in the PPD Charter of Good Practice (2015) are quintessential to the success of any PPD process. However, it became clear that the PPD process in Kenya is currently not optimally structured. Though the process has already started and certain meaningful outputs realized, there is an urgent need to revisit the issue of how this process is structured so that it can have robustness, effectiveness and nation-wide appeal.

The study revealed that an **open governance process** was essential for the success of the PPD process. As imputed by the political systems theory, political goodwill, or the willingness of government to engage with the private sector, was essential. According to

the respondents in the public sector, this willingness is there. But those in the private sector felt that policy decisions were being made, at times without their consultation, by a powerful elitist group. For the PPD process to be more successful in Kenya, there is need for government institutions charged with the prerogative of steering to PPD process to reach out more to the private sector in order to eliminate this perceived opacity by the private sector. PPD is more than just the provision of information (one-way process). It also entails consultation (asking for comments, views and feedback of stakeholders). Dialogue is clearly a two-way communication process that is built on potential mutual interests and shared objectives to ensure a regular exchange of views. Therefore, unless these various government agencies tasked with spearheading PPD are committed and devote the necessary political will, time and resources, PPD is not likely to become effective and sustainable over time.

In terms of **structure and participation**, the respondents both in the public and private sectors were agreeable that proper structures are essential for the success of the PPD process in Kenya. But while the public sector representatives averred that the current process was overly participatory, private sector representatives felt alienated from the process. While a collective structure under KEPSA was there, the private sector felt that the effectiveness of the PPD process was not being felt at the grassroots. There lacks wide representation that would net MSMEs, SMEs, CSOs, Academia and other crucial stakeholders. It therefore means that stakeholders in the PPD process in Kenya must reach out to individuals, businesses and organizations at the grassroots levels for the process to be effective. The government should have structures under the County governments that would engage with the private sector at the grassroots level.

The study also revealed that **quality outputs** are necessary for the success of a PPD process. This is because they provide tangible evidence of the achievements the process. Though the private sector felt that little has been achieved, there are many projects that have been accomplished through the process. The PPP Act (2013) is also a legislative output of the PPD process in Kenya through which many public-private partnerships for infrastructural development have been consummated. However, for the PPD process to

succeed more, the pace at which these outputs are realized should be stepped up so that stakeholders can realize meaningful changes in the prevailing business environment.

Both representatives from the public and private sectors were agreeable that a **monitoring and evaluation framework** was also an essential facet for the success of the PPD process in Kenya. However, both categories agreed that the current M&E framework needs thorough review. They argued that it has not been designed to address the interests of private sector businesses, were largely adhoc and did not guarantee adequate checks and balances. A robust and well structured M&E framework is essential in measuring and evaluating the progress made within the PPD process over the plod of time. In support of these findings, the current M&E framework should be urgently reviewed so that there are clear goals, objectives and outputs, responsibilities, resources and timelines. This way the PPD process would become results-based and transformational.

Robust outreach and communications strategy is important for any PPD process to succeed. However, it became clear that the flow of information was mainly top-down oriented. Therefore structures for bottom-up communication processes were noted to be weak or even absent. It was revealed that public officials steering the PPD process lacked knowledge and awareness on private sector projects, activities, challenges and successes. It can therefore be inferred that the current outreach and communications strategy has largely been bogged down by an apparent disconnect between the public and private sector. For it to be effective, it ought to be well structured and harmonized so that all stakeholders are progressively informed, in a timely manner, of the achievements being made through the PPD process over time. Information flow should be two-way, not one-way.

Finally, the study's findings revealed the need for a **sustainable mechanism** to drive the PPD process well into the future. Noting that the PPD process in Kenya was largely regarded to be at its infancy, public sector officials could not downplay the contribution that has been made by donors to support the process, both technically and financially. But the private sector respondents noted the lack of sustainability of the PPD process due to lack of time and financial resources marshalled in support of the process. Overreliance on

donors often tilts the resolutions made in favour of the donor. This implies that for the PPD process to be sustainable well into the future, the government must be willing to channel more time and financial resources to support the process. Experts in the PPD process should be progressively trained so that the process benefits from this knowledge base. The government should also enact legislation that will anchor the mandate of institutions steering the PPD process in law to guarantee their sustainable contribution to the PPD process.

5.3 Conclusions

In conclusion, the study found that the existing PPD process in Kenya has made some progress over the years but still remains weak and not fully grounded within the public intuitions despite efforts by the private sector. The analysis of responses from all the 15 interviewees reveals that the six (6) factors as defined in the PPD Charter of Good Practice (2015) have not been optimized to a level that would guarantee a successful dialogue process between the public and private sectors in Kenya. It was evident that the existing PPD process excludes key actors, it is heavily influenced by political interferences and its deliberations are rarely cascaded to all stakeholders. It was also evident that the existing PPD structures have limited technical and financial resources to sustain the process in the long term.

However, in the overall, the study reaffirmed that the PPD process is an important facet to Kenya's development. It just needs to be well structured and supported. Enhanced dialogue between the public and private sectors should be encouraged at all times so that the investment climate is progressively improved. This will result in increased opportunities for employment, reduced poverty levels, growth and development. It is indeed an idea whose time has come, that should be embraced at all costs.

5.4 Recommendations

Drawing from the findings and conclusions of the study, the following recommendations are proposed regarding how to structure a successful PPD process in Kenya;

Open Governance: There is need for the government to disclose the details of all PPD processes and any policy-relevant information to the private sector as well as the larger

public to enhance participation and buy-in as suggested by private sector respondents. To avoid the identified risk where PPD degenerates into collusions of politicians with vested interests, there is need to expand the PPD process to include other stakeholders' including trade unions and professional associations. This would ensure genuine engagement and guarantee above-board, institutional, and context-specific dialogue.

Structure and Participation: To overcome exclusion tendencies within existing PPD arrangement, there should be a deliberate focus on MSMEs and SMEs mainly owned by younger entrepreneurs. Besides the attitude and environmental reasons, development initiatives focusing on this group is more efficient as well as more cost effective. Given the administrative weaknesses within the private sector, it is recommended that the private sectors' internal administration be strengthened to enhance the quality of PPD.

Quality Policy Outputs: There is need for independent evaluation of all PPD/PPP projects to assess their quality and outcomes, creating an extensive practice evidence base. Furthermore, qualitative processes such as public dialogue should not be assessed on the basis of quantitative criteria like the number of participants, but instead focus on the quality of the ideas developed and implemented through the PPD process.

Monitoring and Evaluation: Practitioners in Kenya should ensure that the design of an M&E framework is considered in the initial PPD process design, clearly articulating how monitoring and evaluation will be executed throughout the PPD process.

Outreach and Communication Strategy: The understanding of the PPD process is very limited with many actors confusing PPD for PPP. Therefore, leaders of the PPD process should undertake an outreach and media campaign to ensure access of information, and to educate the public about the objectives of various initiatives. Further, there is need to enhance the effectiveness of PPD through information sharing with the private sector, creation of awareness and building private sector knowledge on the role of government sector parastatals and services.

Sustainability: The government should set up a fully-functional PPD Unit with adequate funding to guarantee operations. Secondly, most PPD meetings are donor supported and or informed by vested private sector needs – something that tilts the discussion towards

the sponsor. To overcome this, there is need for more public sector involvement in driving the process through capacity building of public sector officials.

5.5 Limitations of the study

The main limitation of the study was the lack of grounded written information about the PPD process in Kenya. The researcher relied heavily on the narrations and experiences of the respondents. It is on this note that most of the interviewees provided mixed feedback on PPD versus PPP in Kenya; hence it was up to the researcher to categorise observations into the relevant thematic areas of the discussion.

5.6 Areas for further research

Considering that this was a qualitative study, the researcher finds it imperative that a quantitative study on the same subject be done in future. This would help to ascertain the extent to which each of the key factors affecting the success of PPD in Kenya can be analyzed.

Noting that PPPs are an offshoot of the PPD process, the researcher recommends that further studies be done to analyse the key factors influencing the choice of PPP projects adopted in light of the PPD process in Kenya, with reference to international best practices.

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APPENDICES

Appendix-1: Introductory Letter



Strathmore Business School

Wednesday, 21st November 2018

To whom it may concern

RE: FACILITATION OF RESEARCH - ABDIKARIM DAUD ADEN

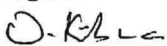
This is to introduce Abdikarim Daud Aden, who is an MPPM students at Strathmore Business School. As part of our Masters programme, Daud is expected to do applied research and to undertake a project. This is in partial fulfilment of the requirements of the Master of Public Policy and Management. The outcome would be of immediate benefit to the organizations he is researching on. To this effect, he would like to request for appropriate date from your organization.

Daud is undertaking a research paper on **An Analysis of factors affecting public private dialogue in Kenya**. The information obtained from your organization shall be treated confidentially and shall be used for academic purposes only.

Our MPPM seeks to establish links with industry, and one of these ways is by directing out research areas that would be of direct usefulness to industry. We would be glad to share our findings with you after the research, and we trust that you will find them of great interest, if not of practical value to your organization.

We very much appreciate your support and we shall be willing to provide any further information if required.

Regards

For 
Dr. Nancy Njiraini
Director, Graduate Studies
Strathmore University Business School



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Appendix-2: Key Informant Interview Guide

This guide forms the basis of discussions with key informants known to have technical knowhow on the implementation of PPD in Kenya. The questions are just a guide, hence the moderator will be expected to follow up and record meticulous feedback.

Target Group: Technical officials and Advisors in both the public and private sector, who have a direct or implied role in the PPD process in Kenya.

Item	Interview guide
Key informant background information	Name, Relevant working/engagement years of experience, Which target group does the key informant fall under? What is their position? How long is their experience and involvement in the PPD process? What is the education background?
Welcome, introduction/purpose	Explain process to the key informant – it is a discussion, all comments are valuable, we would like to hear from you as the key player contributing to KEPSAs vision of successful PPD in Kenya.
General opinion on PPD process in Kenya	What is your general view regarding the PPD process in Kenya? Do you think Kenya can claim to have a robust PPD engagement? To what extent would you say PPD process is being implemented in Kenya?
Related PPD experience	Briefly describe your ROLE, PARTICIPATION, and EXPERIENCE in the PPD process. (<i>Ensure to establish on whether key informant role is clearly defined as far as PPD is concerned; Establish frequency of their participation in PPD delivery/contribution</i>) To what extent would you say your contribution to the PPD process has been valuable? Explain Would you say in your current role, your contribution to the PPD process has been/is being hindered? Explain the challenges if any

<p>Factors contributing to success of PPD process in Kenya</p>	<p>Are you familiar with the guiding principles/factors of successful PPD process defined in the PPD Charter of Good Practice? (<i>Let the key informant attempt to state, identify how many they could comfortably recall</i>)</p> <p>In your own opinion, which factors among open governance, Structure and participation, Quality policy outputs, M&E, Outreach & Communications Strategy and Sustainability contribute to the success of PPD processes?</p> <p>Which of the factors you have identified would you categorize as the top 3 that largely contribute to the success?</p> <p>Looking at the factors you have identified, how does “Mention specific factor” contribute to a successful PPD process in Kenya?</p> <p>NB: Expound the discussion for each of the factors to capture extent/level of representation and satisfaction;</p> <p style="text-align: center;"><u>1. Open governance process:-</u></p> <ul style="list-style-type: none"> (i) Genuine willingness of private sector & Government to address key challenges of economy. (<i>Prompt for examples & scenarios.</i>) (ii) Fairness, openness and transparency of private sector engagement with the government. (<i>Prompt for examples & scenarios</i>) (iii) Alignment of the PPD process to existing government and private sector institutions. (iv) Commitment of the government to devote ample resources for the PPD process (v) Overall role of Open governance process in PPD process. To what extent does open governance determine overall success
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of PPD process in Kenya?

- (vi) To the best of your knowledge, has there been one PPD whose success can largely be attributed to open governance process? Expound
- (vii) To the best of your knowledge, has there been one failed PPD which can be attributed to lack of open governance process? Expound
- (viii) Looking at the current openness, transparency and accountability levels of the PPD levels, how satisfied are you with each of these elements and why?

2. Structure and Participation:-

- (i) To the best of your knowledge, do the institutions involved in the PPD process, including yours, have a formal legal mandate to operate?
- (ii) Do such institutions have a formal structure in place to engage in the dialogue process with either public or private sectors? Expound with examples
- (iii) Is there clarity of vision & mission statements, strategic goals & objectives?
- (iv) Existence & organization of steering committee, working groups, plenary sessions, PPD champions, effective PPD facilitators? How are the working groups organized? (*assess whether this is done based on industry clusters or sector specific policy issues*)
- (v) Is there inclusivity in representation & participation of stakeholders?

- (vi) Is there a clear and effective “Champions” or Leaders for the PPD process? Are there suitable and effective “Facilitators” and/or Managers for the PPD process?
- (vii) Overall role of structure and participation process in PPD process. To what extent does it determine the overall success of a PPD process in Kenya
- (viii) To the best of your knowledge, has there been one PPD whose success can largely be attributed to existence of a robust structure & participation? Expound
- (ix) To the best of your knowledge, has there been one failed PPD which can be attributed to lack of robust structure and participation process? Expound
- (x) What is your satisfaction level as far as structure, representation and participation is concerned in your organization, and generally private and public sectors.

3. Outputs:-

- (i) What is your opinion regarding existence of quality & quantifiable structures & process, and recommendations outputs in the PPD process in Kenya?
- (ii) Are the outputs generated in the PPD process useful? Do they provide strong evidence for policy making? Are they reliable? Are they believed to be credible? Is the process of generating outputs clear and transparent? (*Prompt for specific examples*)
- (iii) What is your opinion on existence of innovations such as rapid results initiative, Performance contracts, Results based management? How useful are they? What value are they

bringing in the PPD process?

- (iv) What is the overall role of quality outputs in PPD process?
To what extent do they determine overall success of PPD process in Kenya?
- (v) To the best of your knowledge, has there been one PPD whose success can largely be attributed to use of quality outputs? Expound
- (vi) To the best of your knowledge, has there been one failed PPD which can be attributed to lack of quality outputs? Expound

4. Monitoring & Evaluation:-

- (i) To the best of your knowledge, does PPD players (both private and public) have a monitoring and evaluation framework for PPD process?
- (ii) Does your institution have an M&E framework for PPD Process? Expound by describing the framework if it exists, or why it does not exist
- (iii) In your opinion, how would you describe the operationalization of an M&E framework in the context of PPD in Kenya? (*Separate private & public*)
- (iv) How would you describe the rigor & practicality of the M&E framework in the PPD process?
- (v) What is the overall role of M&E framework in PPD process?
To what extent has it contributed to successful delivery of the PPD process?
- (vii) To the best of your knowledge, has there been one PPD

whose success can largely be attributed to existence of a robust M&E framework? Expound

- (vi) To the best of your knowledge, has there been one failed PPD which can be attributed to lack of a robust M&E framework? Expound

5. Outreach & Communication:-

- (i) To the best of your knowledge, do key private and public PPD players (including yours) have an outreach and communication strategy for the PPD process?
- (ii) Briefly describe the outreach and communication strategy for PPD process in your organization, if it exists. To what extent is the strategy implemented?
- (iii) How would you describe effectiveness of the strategy in information sharing?
- (iv) In your opinion, what is the overall role of outreach & communications in the PPD process? To what extent would you describe its role towards successful delivery of PPD process in Kenya?
- (v) To the best of your knowledge, has there been one PPD whose success can largely be attributed to existence of a robust outreach and communication strategy? Expound
- (vi) To the best of your knowledge, has there been one failed PPD which can be attributed to lack of a robust outreach and communication strategy? Expound

6. Sustainability:-

- (i) Looking at the pointers of sustainability, to what extent does the local PPD process rely on international donors in capacity building, technical advice and funding.
- (ii) In your own opinion, does the local & international donor agenda influence the PPD process in Kenya? How does this happen and to what extent?
- (iii) To the best of your knowledge, has there been notable transfer of responsibility from donor to local participant in driving ownership & sustainability. Please state some of these cases?
- (iv) Is there evidence of long term driven operational and financial sustainability of the local PPD process? Please expound.
- (v) What is the overall role of sustainability in the PPD process? To what extent does it contribute to success of PPD?
- (vi) To the best of your knowledge, has there been one PPD whose success can largely be attributed to the fact it portrayed sustainability aspects? Expound
- (vii) To the best of your knowledge, has there been one failed PPD which can be attributed to lack of sustainability aspects? Expound

	<p>Conclusion:</p> <p>(i) To the best of your knowledge, is there one successful PPD process that strongly demonstrated and benefitted from all the 6 factors defined in the PPD Charter of Good Practice? Please expound</p> <p>(ii) To the best of your knowledge, is there one failed PPD process that did not demonstrate all the 6 factors defined in the PPD Charter of Good Practice? Please expound</p>
<p>Challenges hindering successful delivery of PPD process in Kenya</p>	<p>In your own opinion, and based on the factors you have identified, what are key challenges that the private and public sectors continue to face towards achieving a successful PPD process in Kenya? Elaborate on the challenges in the context of;</p> <ul style="list-style-type: none"> (i) Open governance process (ii) Structure and participation (iii) Quality policy outputs (iv) Monitoring and Evaluation (v) Outreach & communications strategy (vi) Sustainability (vii) Others
<p>Opportunities for improving effectiveness of PPD process in Kenya</p>	<p>What opportunities do you envision that would contribute to delivery of a successful PPD process in Kenya through the private and public sectors? Explore the opportunities in the context of;</p> <ul style="list-style-type: none"> (i) Open governance process

	<ul style="list-style-type: none"> (ii) Structure and participation (iii) Quality policy outputs (iv) Monitoring and Evaluation (v) Outreach & communications strategy (vi) Sustainability (vii) Others
Other Remarks	Is there anything else you would like to share with me regarding the PPD process in Kenya?

Thank you.

MR. ABDIKARIM DAUD ADEN

Researcher