



KENYA COUNTY BUSINESS SUPPORT INDEX

DOING BUSINESS IN KENYA 2025

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ACRONYMS

ADP	Annual Development Plan
BETA	Bottom-Up Economic Transformation Agenda
BPS	Budget Policy Statement
CBSI	County Business Support Index
CIDP	County Integrated Development Plans
GCP	Gross County Product
GDP	Gross Domestic Product
MSME	Micro Small Medium Enterprise
PFMA	Public Finance Management Act

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METHODOLOGY

The CBSI report seeks to display a comprehensive topography of the business climate for MSMEs and Startups in 15 counties by analysing county strategic documents of finance acts currently in use and annual development plans (ADPs) for financial years 2024/2025 and 2026-2027 to establish total cost of licenses and business support programs and infrastructure among other factors.

The 2025 CBSI report focused on 15 counties that were selected based on gross county product and SME population

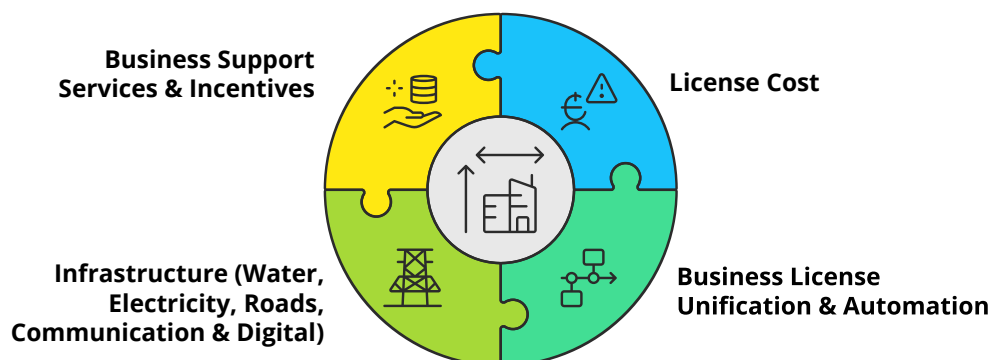
Table 1: County Selection Criteria

County	Gross County Product (GCP) Ksh Million-2017	GDP Contribution (%)	MSME Population '000'
Mombasa	206,409	5%	205.8
Nairobi	998,160	24.8%	1050.6
Nakuru	216,295	5.3%	376.1
Kisumu	115,128	3%	237.2
Kiambu	65,588	5.6%	263.2
Bungoma	86,606	2.1%	313.9
Kajiado	65,588	1.7%	148
Kakamega	91,299	2.4%	353.4
Kisii	77,680	2%	197.3
Uasin Gishu	91,221	2.4%	208.8
Nyeri	80,376	2%	116.4
Nyandarua	82,099	1.9%	101.2
Muranga	85,519	2.2%	113.6
Makueni	53,201	1.4%	133.7
Machakos	134,410	3.4%	273.5

Source: KNBS MSME Survey 2016

The 2025 CBSI focuses on county business support to general trade business and industrial plants for the same financial year and ranks counties based on the following criteria

Table 2: CBSI Criteria



License Calculation - The calculation for license cost for both general trade and industry are computed as an average of consolidated business license per county ie Average cost across business sizes per county (Mega, Hyper, Large, Medium, Small Trader, General and Large, Medium, Small plants, large, medium and small workshop). Cost per business size is an average of zones where applicable

Sample Calculation General Trade

Business Size	Zone A	Zone B	Average
Mega	XXXX	YYY	ZZZ
Hyper	XXXX	YYY	ZZZ
Large	XXXX	YYY	ZZZ
Total Ave Cost			PPP

Sample calculation industrial plants, factories, workshop, contractors

Business Size	Zone A	Zone B	Average
Large Plant	XXXX	YYY	ZZZ
Medium Plant	XXXX	YYY	ZZZ
Small Plant	XXXX	YYY	ZZZ
Large Workshop	XXXX	YYY	ZZZ
Medium Workshop	XXXX	YYY	ZZZ
Small Workshop	XXXX	YYY	ZZZ
Total Ave Cost			PPP

Infrastructure and Business Support calculation - Parameters assessed under ADP was division of actual KPI verses planned eg Average Kms of roads built divided by planned Kms of roads planned, Actual SMEs trained divided by planned SMEs trained etc.

EXECUTIVE SUMMARY

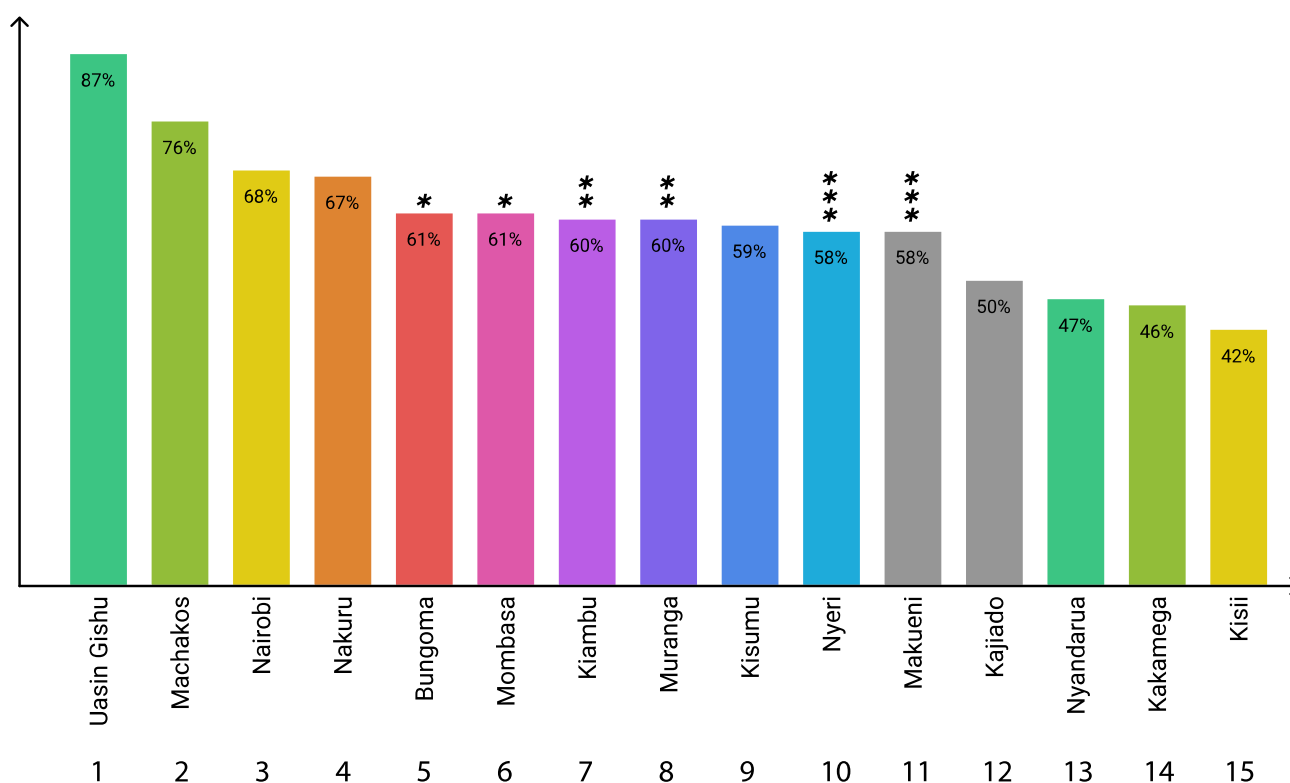
MSMEs play a crucial role in Kenya's development, contributing significantly to the economy (33 percent to GDP), creating jobs (Over 80 percent of new jobs on average) among other social benefits such as poverty alleviation, rural development and social inclusion. The current Kenya kwanza administration has prioritized MSME and Startup support as espoused in the bottom-up Economic Transformation Agenda (BETA) manifesto and further included in MTP 4. CBSI plays a key role in assessing and promoting SME friendly environments at the county level.

CBSI Objectives

Objective	Value Proposition
Measuring Progress	• CBSI Provides a standardized and objective framework for comparing and tracking the business support ecosystem across different counties allowing policymakers and stakeholders to identify areas for improvement and measure the effectiveness of interventions aimed at improving the business climate. • By identifying counties with strong and weak business support systems, the CBSI assists in directing resources and policy initiatives to where they are most needed.
Benchmarking and Competition	• CBSI encourages healthy competition among counties to attract and retain businesses. • Counties with higher rankings can potentially leverage this as a marketing tool to attract investors and entrepreneurs. Benchmarking against other counties fosters knowledge sharing and learning, allowing successful practices to be replicated and scaled across the nation.
Transparency and Accountability	• CBSI promotes transparency by publicly disclosing the strengths and weaknesses of each county's business environment. • This information empowers business owners and potential investors to make informed decisions about where to operate. • By holding county governments accountable for improving their business support systems, the CBSI incentivizes them to implement reforms and create a more conducive environment for entrepreneurship and economic growth.

Objective	Value Proposition
Guiding Policy and Investment	- CBSI provides valuable data and insights to inform policy decisions at both the national and county levels. - By understanding the specific challenges and opportunities faced by each county, policymakers can tailor interventions and allocate resources more effectively. - Investors and development partners can utilize the CBSI to identify promising investment opportunities in counties with strong business support systems and favourable conditions for their industries.
Fostering Economic Development	- By improving the business support environment across the country, CBSI ultimately contributes to national economic development. A thriving entrepreneurial ecosystem creates jobs, generates revenue, and diversifies the economy, benefiting all citizens. - Strong county business support systems can help to address regional disparities and promote inclusive economic growth by attracting investment and business activity to less developed areas.

County Business Support Index Overall Rank



Notes:

** Bungoma ranks higher than Mombasa because it had a higher ranking in cost of business license in both general trade and industry*

*** Kiambu ranks higher than Muranga because its aggregate cost of general trade and industry license is lower*

**** Nyeri ranks higher than Makueni because it had a higher ranking in cost of business license in both general trade and industry*

Table 3: Kenya County Business Support Index rank summary

County	General Trade Rank	Gen Trade Weight (%)	Industry Rank	Industry Weight (%)	Infrastructure Rank	Infrastructure weight (%)	UBB & Automation weight (%)	Business support Service Rank	Business support Weight (%)	Final Rank (Ave weight %)
Bungoma	5	75%	4	80%	12	40%	50%	8	60%	*61%
Kajiado	6	70%	8	60%	13	35%	50%	13	35%	50%
Kakamega	14	30%	5	75%	11	45%	50%	14	30%	46%
Kiambu	11	45%	6	70%	10	50%	50%	3	85%	**60%
Kisii	9	55%	9	55%	15	25%	50%	15	25%	42%
Kisumu	13	35%	14	30%	8	60%	100%	6	70%	59%
Machakos	1	95%	2	90%	4	80%	50%	7	65%	76%
Makueni	4	80%	7	65%	2	90%	0%	9	55%	***58%
Mombasa	10	50%	10	50%	14	30%	100%	5	75%	*61%
Muranga	8	60%	15	25%	6	70%	100%	11	45%	**60%
Nairobi	15	25%	12	40%	1	95%	100%	4	80%	68%
Nakuru	12	40%	13	35%	7	65%	100%	1	95%	67%
Nyandarua	7	65%	11	45%	3	85%	0%	12	40%	47%
Nyeri	2	90%	1	95%	9	55%	0%	10	50%	***58%
Uasin Gishu	3	85%	3	85%	5	75%	100%	2	90%	87%

Note: General trade, Industry, infrastructure and business support weights are distributed as follows; Rank 1 is allocated 95%, Rank 15 is allocated 25%. The weight is reducing by 5% from rank 1 to 15. Final rank is average of individual weight

Table 4: Ranking weight distribution matrix

Rank	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Weight%	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25

1 - BUSINESS LICENSE COST COUNTY PERFORMANCE

Chapter Twelve of the constitution of Kenya article 224 (County appropriation bills) provides the basis of the division of revenue bill passed by parliament under Article 218, each county government shall prepare and adopt its own annual budget and appropriation bill in the form and according to the procedure prescribed in an act of parliament

General Trade: As per county finance acts business under this category include



General Trade Cost County Ranking

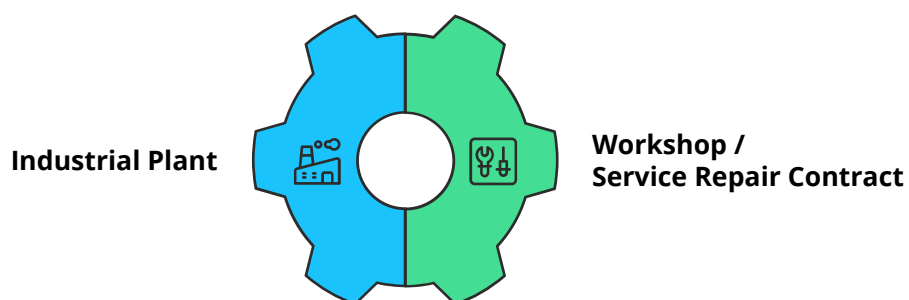
Table 5: General trade cost county ranking

Rank	County	Ave Cost p. a (Kes)
1	Machakos	24,100
2	Nyeri	24,958
3	Uasin Gishu	25,443
4	Makueni	26,194
5	Bungoma	37,400
6	Kajiado	37,556
7	Nyandarua	38,883
8	Muranga	51,808
9	Kisii	55,696
10	Mombasa	59,800
11	Kiambu	59,831
12	Nakuru	60,639
13	Kisumu	68,750
14	Kakamega	83,000
15	Nairobi	85,000

Source: County Finance Acts Analysis: VIFFA Consult Note: (Cheapest is 1; Expensive 15)

Industrial Plants and Factories

As per county finance acts business under this category include



Industrial Plant Cost County Ranking

Table 6: Industrial plant cost county ranking

Rank	County	Ave cost p.a (Kes)
1	Nyeri	35,725
2	Machakos	38,233
3	Uasin Gishu	52,000
4	Bungoma	54,750
5	Kakamega	58,667
6	Kiambu	58,961
7	Makueni	63,267
8	Kajiado	70,556
9	Kisii	80,817
10	Mombasa	89,000
11	Nyandarua	89,782
12	Nairobi	100,000
13	Nakuru	110,653
14	Kisumu	132,000
15	Muranga	206,929

Source: County Finance Acts Analysis: VIFFA Consult Note: (Cheapest is 1; Expensive 15)

2 - BUSINESS LICENSE UNIFICATION AND AUTOMATION

Table 7: Business license unification and automation matrix

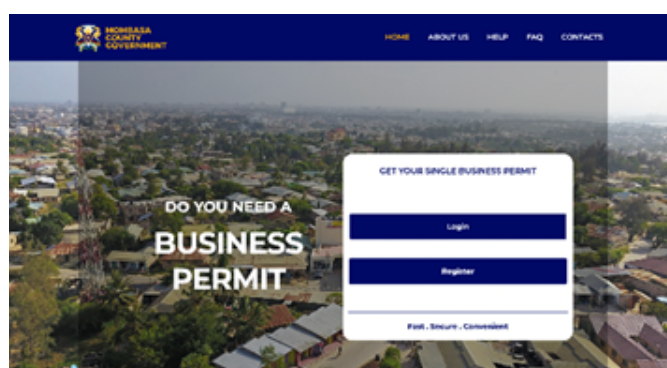
Business Permit Status	Nairobi	Kisumu	Nakuru	Kiambu	Mombasa	Uasin Gishu	Bungoma	Kisii
Unification of Business License (UBP)	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Automation of Business License	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Weight %	100%	100%	100%	50%	100%	100%	50%	50%

Business Permit Status	Kajiado	Kakamega	Nyeri	Makueni	Machakos	Nyandarua	Muranga
Unification of Business License (UBP)	Yes	Yes	No	No	No	No	Yes
Automation of Business License	No	No	No	No	No	No	Yes
Weight %	50%	50%	0%	0%	0%	0%	100%

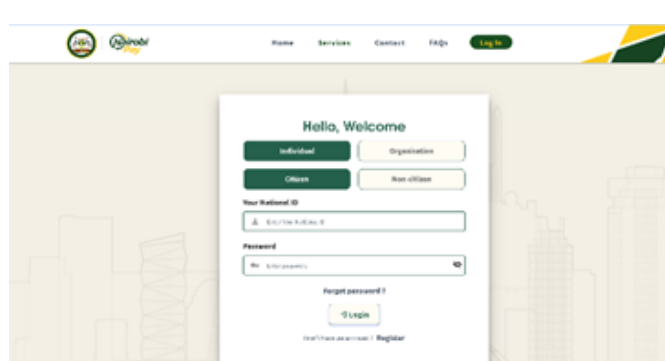
Note: Unification of Business License (UBP) means customer pays one consolidated trade license that combines single business permit, fire and disaster and public health where applicable. Automation means customers can apply and pay for license online

Sample UBPs and Automation

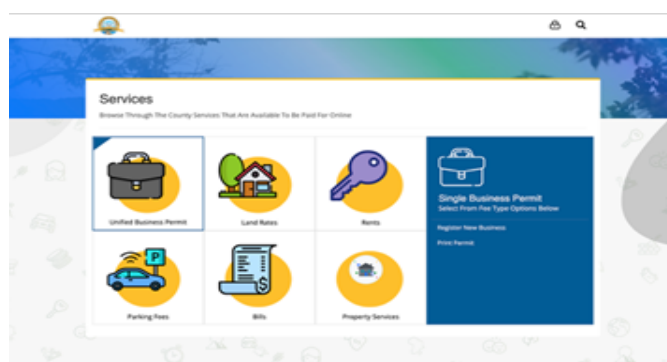
Mombasa



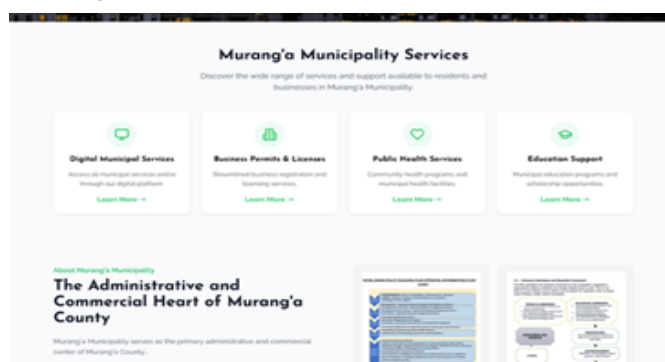
Nairobi



Kisumu



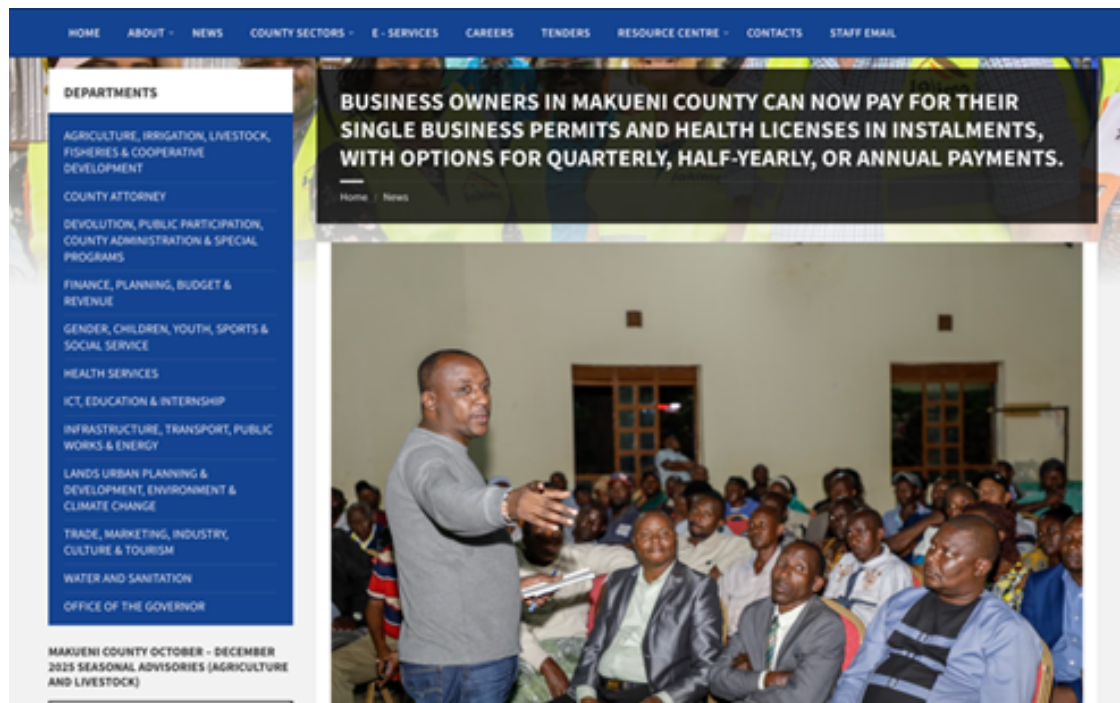
Muranga



Case Study: Makueni

1-License payment in tranches

Makueni county announced in 2024 that SMEs can stagger single business permit and health licenses payment. This is unique as it allows SMEs to manage cashflow and reduces compliance burden.



2-Makueni eService's

Despite not having UBP Makueni has developed several other e-services such as ; Afya Makueni, Ardhi Makueni and Elimisha Makueni among others.



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Government of Makueni County eServices

Improving service delivery through technology by digitizing processes, enhancing transparency, and ensuring faster, more efficient access to public services.



The County Website

It serves as the official digital gateway for accessing real-time and up-to-date information about Makueni County.



Projects Monitoring & Tracking System (PMTS)

A Unified Platform Aimed At Boosting Efficiency, Fostering Transparency, And Ensuring Accountability In Monitoring And Tracking Projects Throughout The County.



Supplier Registration Portal

A centralized platform for vendors to apply, register, and update their profiles for participation in county procurement opportunities. This portal enhances transparency, streamlines supplier onboarding, and ensures compliance with public procurement regulations.



Afya Makueni

An integrated County Health Information System designed to digitize, streamline, and enhance healthcare service delivery across Makueni County. The system centralizes patient records, facility management, supply chain monitoring, and health workforce administration into a unified digital platform.



Ardhi Makueni System

A unified platform for all land development applications in Makueni County, designed to streamline the submission, tracking, and approval processes for planning, surveying, building, and related permits.

3 - SUPPORT INFRASTRUCTURE AND BUSINESS CLIMATE

Assessment under these parameters is based on county integrated plans and the subsequent annual development plans for financial years 2025-2026 and 2026-2027.

The ADPs are prepared pursuant 126 of the Public Finance Management Act (PFM), 2012 where every county government shall prepare a development plan in accordance with Article 220 (2) Of the Constitution that includes:

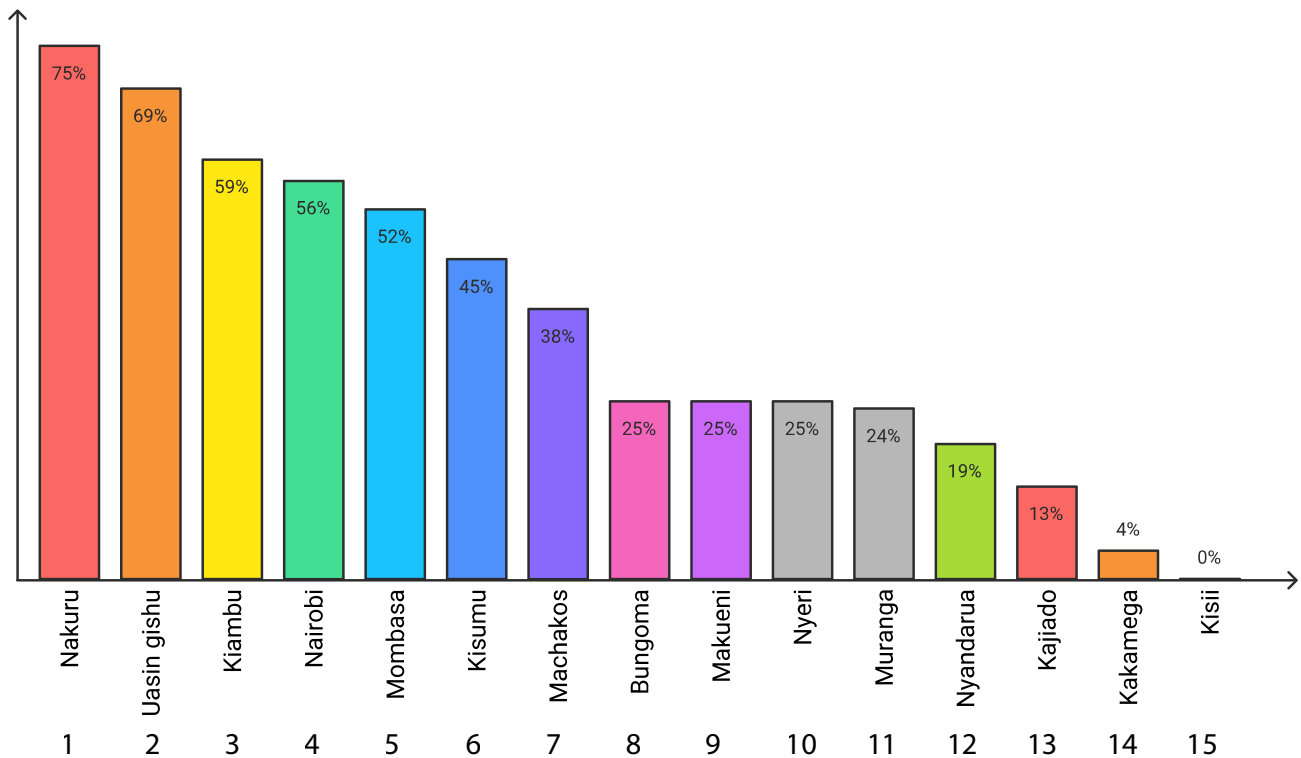
1. Strategic priorities for the medium term that reflect the county government's priorities and plans;
2. A description of how the county government is responding to changes in the financial and economic environment.
3. Programmes to be delivered with details for each programme
4. The strategic priorities to which the programme will contribute;
5. The services or goods to be provided;
6. Measurable indicators of performance where feasible; and
7. The budget allocated to the programme;
8. Payments to be made on behalf of the county government, including details of any grants, benefits and subsidies that are to be paid;
9. A description of significant capital developments;
10. A detailed description of proposals with respect to the development of physical, Intellectual, human and other resources of the county, including measurable Indicators where those are feasible
11. Such other matters as may be required by the Constitution or the PFM Act 2012.

The County Executive Committee member responsible for planning shall prepare the development plan in accordance with the format prescribed by regulations. The County Executive Committee member responsible for planning, shall, not later than 1st September in each year, submit the development plan to the county assembly for approval, and send a copy to the Commission on Revenue Allocation and National Treasury.

Infrastructure and Business Support Parameters assessed under ADP

Infrastructure	Business Support & Incentives
•Road •Water •Electricity •Incubation Hub	•SME Fund •Market •Capacity Building •Industrial park

County Infrastructure Ranking



Infrastructure County Performance

Table 8: Infrastructure county performance matrix

	Uasin Gishu	Nakuru	Nairobi	Kiambu	Kisumu	Mombasa	Kisii	Kakamega
Water	99%	93%	82%	20%	30%	0%	0%	93%
Roads	89%	57%	70%	53%	100%	49%	0%	76%
Energy	70%	45%	100%	100%	53%	0%	0%	0%
Incubation Hub	0%	0%	100%	0%	0%	0%	0%	0%
County Average	64%	49%	88%	43%	46%	12%	0%	42%

	Kajiado	Bungoma	Nyandarua	Machakos	Makueni	Muranga	Nyeri
Water	0%	32%	88%	95%	100%	69%	0%
Roads	70%	25%	100%	48%	100%	100%	100%
Energy	64%	81%	100%	25%	100%	82%	80%
Incubation Hub	0%	0%	0%	100%	0%	0%	0%
County Average	33%	34%	72%	67%	75%	63%	45%

Source: County Annual Development Plans Analysis: VIFFA Consult

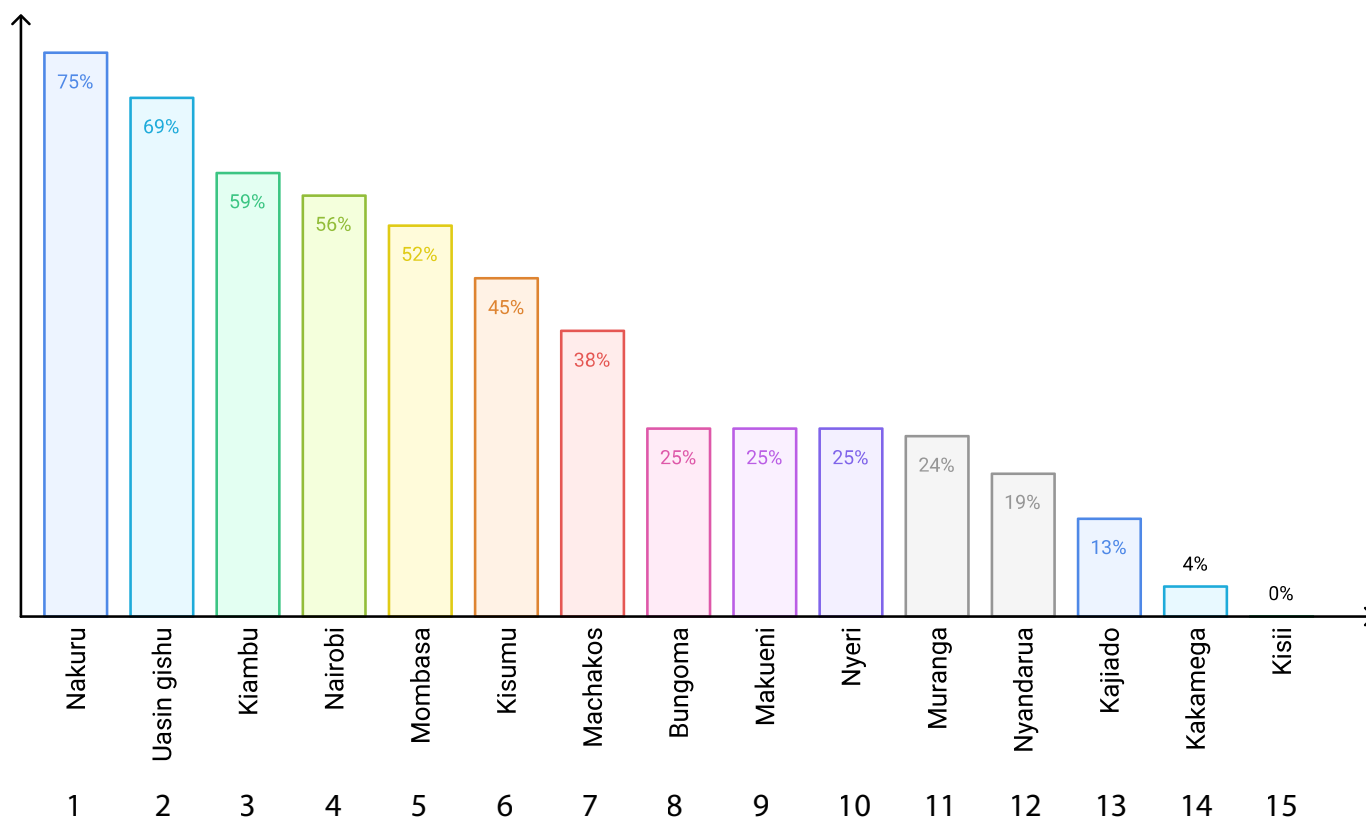
County Infrastructure performance Notes

County	Comments
Kisumu	- Roads is an average of; No. of Kilometres (Km) of roads gravelled to standards, No. of Km of roads rehabilitated/ maintained, and No. of Km of new roads tarmacked - Energy is an average of; No. of household beneficiaries of rural electrification, No. of Km of streets electrified (achieved 1 of planned 2), High mast Floodlighting, Solar high mast floodlights installed, and operational, Solar streetlights installed, and operational, Solar mini/ micro grids installed and operational - Under water No of meters installed is used for ease of comparison with other counties of no of households reached
Kiambu	- Under water Consumer meters supplied and installed, Bulk meters procured and installed, Pipelines rehabilitated/replaced - Road is an average of; Roads upgraded to bitumen Standards and roads maintained - Energy is an average of: Solar streetlights installed, Solar Flood masts installed, Grid connected streetlights installed. Kiambu's energy indicator is high due to overachieving in Solar streetlights installed (3,860 achieved vs 600 planned) as a change in priorities from No. of grid connected streetlights.
Kisii	- Water: county reported successfully drilled and reticulated 35 boreholes and 34 water schemes. They also supplied 192 water tanks (10,000 M3) through FLLOCA and protected/rehabilitated 282 springs. No evaluation provided as to degree of achievement between planned and achieved target - Energy: county reported Solar power projects were completed at Nyamache hospital, Oresi, Keumbu, Gesusu, Marani, and Motonto health centers. Solarization was also implemented for milk cooperatives in Bobaracho, Bonchari, and Gesusu wards. Additionally, street lighting projects promoted green energy in Moticho and Birongo wards, and clean energy solutions (solar) were provided to Gesieka hospital. No evaluation provided as to degree of achievement between planned and achieved target - Roads: County reported Opened and constructed new roads across various sub-counties, significantly improving connectivity. Several existing roads were also repaired and maintained to enhance safety and accessibility. No evaluation provided as to degree of achievement between planned and achieved target
Nyandarua	- Water is calculated based on Pipe connectivity- Accessible, safe potable water - Roads is an average of: Length of roads graded and gravelled and road under Roads 5000 programme - Energy is average of: No. of households connected to the national power grid, No. of streetlights installed, No of 20M high Flood masts, No of 13M high Flood mast and No. of floodlights and streetlights maintained (including migration from high sodium halogen bulbs to LED flood lights)

County	Comments
Kakamega	- Under water No. of Households connected to piped water used - Roads is an average of: Km of bitumen road constructed, Km of road constructed under 10km ward projects and Km of gravel road maintained - Energy is composed of Rural electrification programme and High mast lighting. County reported achievement of zero explained that available funds used to pay pending bills
Kajiado	- Roads constructed and maintained is an average of: Km of new roads opened, Kms of roads maintained, Kms. of roads gravelled and Kms. of tarmac roads constructed - No report on access to water by households - Energy is an average of; No. of solar streetlights installed and in use, No. of high mast lights installed and in use and Proportion of streetlights/masts maintained
Bungoma	- Road development is an average of: Urban Roads upgraded, Rural Roads upgraded, and Rural roads opened calculated as planned km divided with achieved kms - Energy is an average of Solar streetlights installed, Flood mast lights installed, Grid energy lights installed, And Transformer installed calculated as planned divided with achieved - Under water, Households accessing clean and safe water for domestic use was used
Machakos	- Incubation hub. County reported refurbishment of the Machakos Innovation and documentation Centre and engagement with key stakeholders involved in innovation developed including Kenya National Innovation Agency, Konza Technopolis, Kenya Science Park, and institutions involved in innovation such as Strathmore, Daystar, USIU-Africa, Dedan Kimathi University of Science and Technology, Anza Village - Energy is an average of; No. of Markets installed with mulika mwizi , No. of Road KMs installed with streetlights - And Increased connectivity per household in rural electrification - Roads is an average of roads tarmacked, Road network graded, and Road network graveled - Water is Kilometers of water distributed for domestic and irrigation use
Makueni	- Water is average of km of water pipeline completed with water kiosk/ water points and No. of urban centers/Markets connected with reliable piped water - Roads is an average of : Km of new roads opened, and Km. of roads rehabilitated to all weather - Energy is average of ; No. of HHs and public institutions connected to electricity, No. of streetlights installed, No. of high mast floodlights installed, and No. of solar streetlights installed
Mombasa	Roads is average of Km of major roads maintained and Km of access road constructed

County	Comments
Muranga	- Roads is calculated as Kms of access roads maintained with report indicating 45.8 km against planned of 45km - Energy is average of Kms of Street lighting
Nakuru	- Road is average of: Km of graded roads, Km of graveled roads, Km of newly tarmacked roads, Km of existing tarmacked roads maintained - Water is No. of boreholes drilled with county reporting 14 out of planned of 15 - Energy is average of Proportion of streetlights maintained and Proportion of solar streetlights installed
Nairobi	- Roads is of No. of Kms of walkways and footpaths constructed - Energy is Number of lighting fixtures installed - Water is Increased No. Of households connected to clean water reported - Incubation Hub reported Construction of the NCC Innovation and Digital hub was initiated at the A.S. K. Jamhuri show ground
Nyeri	- Roads. County reported 100 percent achieved through Upgraded roads within the municipality (Muthaiga PCEA Road 0.6KM,Kamuyu Dispensary Road 0.9KM,Karingaini Road 0.3KM,Gitathini circuit-0.9KM,Jacaranda 0.9KM,Ruring'u drainage works,Ruring'u AIPCA F Ninda Mountain view lane & Maina Nyingi 0.5KM,Thunguma Quarry Micha shopping centre 1KM,Kiaruingi Rd 0.6KM, Gati Iguru-Muimbuini&Gathiuru Kahurura 0.5KM,Victor Chapel 0.7KM,Mercy Wangii and Kangemi PCEA Rd 0.8KM,Lower King'ong'o&Nguru Rd 0.9KM,PGH opposite Rd &Nyamachaki Rd 0.3KM,Ha-Muraya Kangemi & Jesus Christ Peace 0.6KM,Nyaribo Shopping Centre RD . No evaluation provided of planned roads verses achieved - Energy. County reported 80 percent achieved through Street Electricity Accessibility and Connectivity - Water connectivity not reported in the county's ADP
Uasin Gishu	- Road is average of No. of Km Graded, No. of Km Graveled, No. of Km of roads opened by dozing and No. of Km of roads Maintained - Water is No. of community water projects developed with reported achievement of 80 out of planned 81 - Energy is average of No. of new street light lamps installed and maintained and No. of high masts installed

Business Support and Incentive Ranking



Note *Bungoma has the most SME support programs followed by Makueni then Nyeri

Business Support Services and Incentives County Performance

	Uasin Gishu	Nakuru	Nairobi	Kiambu	Kisumu	Mombasa	Kisii	Kakamega
Market	49%	100%	100%	86%	80%	100%	0%	0%
Capacity Building Programs	100%	100%	25%	100%	100%	0%	0%	0%
Industrial Parks	42%	0%	100%	50%	0%		0%	14%
SME Fund	84%	100%	0	0%	8%	8%	0%	0%
County Average	69%	75%	56%	59%	45%	52%	0%	4%

	Kajiado	Bungoma	Nyandarua	Machakos	Makueni	Muranga	Nyeri
Market	50%	67%	60%	83%	0%	88%	0%
Capacity Building programs	0%	0%	0%	0%	100%	10%	0%
Industrial parks	%	0%	17%	70%	0%	0%	100%
SME Fund	0%	33%	0%	0%	0%	0%	0%
County Average	13%	*25%	19%	38%	**25%	24%	***25%

Business Support Services and Incentives Notes

County	Comments
Bungoma	- MSME loan amount disbursed was Kes 20,822,845 against target of 64M Kes with loans recovered being Kes 6,163,657 - MSME training was zero with lack of funds cited as reason - Market: No formal access to market program. Market infrastructures include physical markets, cold storage and boda sheds. For purposes of ranking physical market was used
Kajiado	- Market: Market include ESP markets completed (Isinet, Ongata Rongai and Namanga), Municipal markets and county markets. - Formal trade promotion program that includes Market information, Marketing channels developed (primarily exhibitions) and ecommerce. Most of the programs under trade promotion not achieved
Kakamega	- Market includes Number of open-air markets Completed. County reported none of the planned 6 as completed but ongoing construction of 5 markets. No formal access to market program - Industrial development includes dairy factory, tea factory, Maize processing plant, CAIP, industrial park and Juakali sheds
Kiambu	- Markets is an average of physical markets and No. of Bodaboda shed constructed - Industrial development is composed of; Industrial parks established that is reported as achieved through remarks indicate 1 industrial park is ongoing in Githunguri and Cottage industries/Incubation/Start-Up development centers created - Capacity building not captured under trade but youth as empowered youths on AGPO, value addition, entrepreneurship and other skills trainings. The achievement was due to a PPP arrangement - SME fund is under youth empowerment called Jijenge fund though reported as under planning
Kisii	Markets: County reported to have completed the construction of market sheds in Motonto, Kionyo, Mogweko, Suguta, Arura, Nyakoora, Gesusu, Nyangusu, Ikoba, and Mogenda. No evaluation provided as to degree of achievement between planned and achieved target
Kisumu	Capacity building reported as supported enterprises through business accelerator programs financed by like-minded stakeholder having trained 400 out of a planned 200
Nyandarua	- Markets is calculated as no of rehabilitated market sheds and stalls - Industrial development was calculated as County Aggregation and Industrial Park construction which was reported 17 percent complete - Although county didn't report SME fund, there was an Agricultural Loans and grants- IDA (World Bank) – National Agricultural Value Chain Development Project Implementation (NAVCDP) (county contribution 5M) under tourism development and marketing program with an achievement of 50 percent disbursement

County	Comments
Machakos	- Market is average of physical market and boda sheds - Under industrial development county reported 70 percent completion under No. of CAIPS constructed
Makueni	- Capacity building is calculated as No. of MSMEs trained to enhance entrepreneurial skills with report of 517 trained against planned of 150. - E-commerce Makueni has developed an ecommerce platform that connects vendors to market (https://soko.makueni.go.ke/)
Mombasa	- Market is No. Wholesale & retail markets Constructed & rehabilitated with report of 1 constructed by CGM 1 new market constructed by KENHA Rehabilitation of Kongowea Market perimeter wall fence - Capacity building is calculated as No. SMEs trained, coached and mentored with county reporting Mama mboga trained and equipped. Kiosks branded in collaboration with GAIN - Though county doesn't have SME fund the county under youth affairs and development reported No. of Youth groups supported with business funds being 40 out planned of 500 funded by partner
Muranga	- Market is No of Markets Developed (Local markets and market sheds) with report of 7 built out of a planned 8 - Water is Number of new households connected with water
Nakuru	- Sme fund: Count reported Increased access to financial services to MSME measured by No. of MSMEs funded under the Bank Nakuru County Enterprise Fund having achieved 1,010 against planned of 1,000 - Capacity building. County reported 10 No. of trainings for MSMEs compared to planned 4 done in collaboration with stakeholders, such as. KIBT, KCB Bank, and KSBDC - Markets measured in No. of new markets constructed. County reported 6 markets built against planned of 1
Nairobi	- Market is average of new markets constructed, Modern kiosks constructed, Constructed Market Sheds - Industrial development reported as achieved through The Kariokor Common Leather Manufacturing - Facility started its operations.This is a joint venturebetween NCCG & Kenya Leather Development Council. (KLDC) The County undertook construction. CAIPs is still pending - Capacity building is reported as Kariokor leather artisans were trained in entrepreneurship and basic leather identification and usage out of planned training of 4

County	Comments
Nyeri	- Markets is Construct Major Markets - Industrial Park. County reported achievement of Number of parks and zones as 1 with no further details - Enterprise Development .The county government provided an Enterprise Development Fund where the SMEs are able to borrow at a low interest rate of 5% reducing balance per annum. Currently the EDF has a growing portfolio of Kshs 62 million and over 200 loanees have benefitted from affordable financing. County did not evaluate planned vs achieved hence not awarded mark
Uasin Gishu	- Market is average of Construction of 64 ultramodern market (reported as 35% complete), No. of retail markets constructed, No. of wholesale markets constructed, No of apparel markets developed and No. of Curio markets constructed - Industrial Park is average of No. of SME Parks established, Construction of County Aggregation and industrial park in Moiben Ongoing at 57% and Export processing zone in conjunction with Export Processing Zone Authority ongoing at 68% - Capacity building. County reported 960 SMEs trained against target of 900 - SME Fund. County reported MSMEs financing (Inua Biashara Fund) with achievement of Kes 38 M against plan of Kes 45M

RECOMMENDATIONS

1 - Policy

Effective program reporting under ADPs is crucial for ensuring transparency, accountability, and achieving development goals by all 47 counties. Here are some recommendations for Kenyan County Governments to improve policy practices in supporting MSMEs and Startups:

- **Markets:** Most counties focus on building physical markets for wholesale retail traders in addition to seeking exhibition opportunities. Counties in collaboration with national agencies such as KENINVEST and KEPROBA must seek regional and international markets for Kenyan SMEs in manufacturing to reduce the country continued dependency in exporting tea, coffee, cut flowers, fruits and vegetables.
- **SME Funding:** Most counties struggle with implementing SME funds due to lack of funds, high default rate among others. Counties to consider (1) working with national government in strengthening and implementing credit guarantee scheme or (2) working directly with private sector lenders both financial institutions and digital lenders on a credit guarantee mechanism.
- **Scrap or harmonise uncompetitive taxes:** Regional economic blocs to consider harmonizing efforts under CESS to ensure its automated and paid once to increase SME competitiveness, reduce compliance cost by SMEs and revenue leaks
- **Unify and Automate licensing:** Though some counties such as Nairobi among others have unified business permit (UBP) that is automated, other counties are yet to follow suit.
- **Develop Joint MSME programs:** Counties in regional economic blocs to consider conducting joint MSME support programs to deal with the challenge of insufficient resources. Similarly National government state departments such as msme and trade can consider leveraging on counties to implement programs
- **Finance Acts and ADP:** (1) counties must ensure all the finance bills are subjected to public participation (example of Nairobi county's finance bill was nullified due to flawed public participation) (2) counties must develop a predictable and data driven approach in their application of license cost taking cognisance of youth, women and PWDs who can be given limited license waivers as they start operations . Counties can consider having other licenses pegged as a percentage of Single Business Permit (SBP) like what Machakos county has on solid waste management fee and fire pegged to SBP at 10 percent to make it easier for public to understand and counties to automate and infuse predictability (3) Counties should use the same format in reporting programs under ADPs based on planned against achieved programs for ease of reference (4) license fees charged within each sector in a finance bill/act must have the same description and categorisation.
- **Startup Support:** Counties can consider giving procurement opportunities for innovators and tech entrepreneurs to support digitisation of county programs and services with a good case being Muranga county leveraging on local talent to develop health systems.

2 - Strengthening Data Collection and Management:

- **Standardize Data Collection:** Counties can consider developing clear and consistent data collection formats across sectors and programs to ensure comparability and ease of analysis.
- **Invest in Data Management Systems:** Counties can consider implementing robust data management systems to facilitate efficient data collection, storage, and retrieval.
- **Build Capacity for Data Collection:** Counties can consider training program staff on accurate and timely data collection practices and utilize technology where feasible.

3 - Enhancing Reporting Quality and Content:

- **Focus on Results and Outcomes:** Counties can consider reporting not just on activities completed, but also the impact and outcomes achieved by programs, using clear and measurable indicators.
- **Disaggregate Data:** Counties can consider disaggregating data by geographic location, target beneficiaries, gender, and other relevant factors to identify disparities and track progress for specific groups.
- **Make Reports Accessible:** Counties can consider publishing reports such as finance acts, ADPs, CIDPs in multiple formats (online, print) and in local languages to ensure accessibility for diverse stakeholders.
- **Adopt Technology for Reporting:** Counties can consider using online reporting platforms and mobile data collection tools to streamline data collection and reporting processes.

4 - Improving Communication and Engagement:

- **Hold regular stakeholder consultations:** Engage stakeholders (SMEs, Startups directly and through their associations among other entrepreneurship stakeholders) throughout the program cycle, incorporating their feedback in reporting.
- **Disseminate reports widely:** Counties can consider sharing program reports on county websites, public platforms, and through community outreach activities.
- **Organize Open Budget Forums:** Publicly discuss program performance and future plans through open budget forums and citizen engagement initiatives.
- **Utilize Visualizations:** Use clear and engaging data visualizations (charts, graphs) to enhance report clarity and accessibility.

REFERENCES

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