



Private Sector

2nd Voluntary Progress Report

ON IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT GOALS IN KENYA

2018-2019

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| | | | |
|--------|--|--------|--|
| AGRI | Agriculture Based | KES | Kenya Shillings |
| BBPC | Better Business Practices for Children | KHF | Kenya Healthcare Federation |
| CDACC | Curriculum Development Assessment and Certification Center | KRA | Kenya Revenue Authority |
| CoG | Council of Governors | LECRED | Low Emission Carbon Resilient Economic Development |
| CORONA | Corona Virus Disease | MDG | Millennium Development Goals |
| CME | Continuous Medical Education | MSME | Medium, Small and Micro Enterprises |
| CSO's | Civil Society Organizations | MTP | Medium Term Plan |
| DANIDA | Danish International Development Agency | NDC | Nationally Determined Contribution |
| DNA | Digital Nation Africa | OSHA | Occupational Standards and Health Audit |
| EABL | East Africa Breweries Limited | PPE | Personal Protective Equipment |
| EAMC | East Africa Malting Company | P4G | Partnering for Green Growth and Global Goals |
| EU | European Union | RAIN | Replenish Africa Initiative |
| GHG | Green House Gas | RETRAK | Retail Trade Association of Kenya |
| HPLF | High Political Level Forum | SDG | Sustainable Development Goals |
| IATC | Inter-Agency Technical Committee | SESOK | Social Enterprises Society of Kenya |
| IATWG | Inter-Agency Technical Working Group | SME | Small and Micro Enterprises |
| ICT | Information and Communications Technology | SSAC | Sector Skills Advisory Committee |
| ITC | International Trade Center | STEM | Science, Technology, Engineering and Mathematics |
| KAM | Kenya Association of Manufacturers | TBM | Trans Business Machines |
| KCB | The Kenya Commercial Bank | TVET | Technical Vocational Education and Training |
| KBL | Kenya Breweries Limited | UN | United Nations |
| KCIC | Kenya Climate Innovation Center | UNICEF | United Nations Children Education Fund |
| KENGEN | Kenya Electricity Generating Company | VNR | Voluntary National Report |
| KEPSA | Kenya Private Sector Alliance | WSUP | Water and Sanitation for the Urban Poor |
| KEMSA | Kenya Medical Supplies Agency | | |

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Foreword from Chairman

In 2015, United Nations Member States committed to the ambitious 2030 Agenda for Sustainable Development, charting a new path of balance for humanity and the planet. Since 2016, the government has been involving various stakeholders in the Sustainable Development Goals (SDGs) process and there have been many positive developments in Kenya. SDGs have a wider scope than Millennium Development Goals (MDGs) which did not consider active participation of private sector in the realization of shared goals and values for sustainable growth. The Kenya Private Sector Alliance (KEPSA) which is the apex private sector body in Kenya has initiated and taken part in programs that inspire other businesses to embrace and implement Sustainable Development Goals. KEPSA is the umbrella body that brings together over 500,000 businesses including SMEs from all sectors of the economy under one umbrella to engage the government and other stakeholders in one voice on areas of interest or issues of concern to businesses. KEPSA's main focus is to ensure a stable, secure and enabling business environment for private sector development in Kenya.

In Kenya, there exists an institutionalized mechanism of engagement between government and private sector known as Public Private Dialogue (PPD) platforms through KEPSA for co-creation of solutions, formulation and implementation of policies, laws, and strategies and knowledge sharing to spur economic growth, wealth creation for policy and institutional coherence for the realization of sustainable development. As a result of this public private engagement, the concerted effort between government and private sector has significantly improved Kenya's World Bank index on Ease of Doing Business Ranking to position 61 in the year 2018/2019.



As a member of the SDG's Inter-Agency Technical Committee responsible for coordination of implementation and reporting of progress of Sustainable Development Goals (SDGs) in Kenya, KEPSA coordinates the development of Private Sector Report to compliment and report the progress of private sector towards Kenya's National Voluntary Review. KEPSA is also the Co-Chair of the Partnering for Green Growth and Global Goals (P4G) alongside the Chair, The National Treasury and Planning and has catalyzed 15 partnerships' both start up and scale up to provide market based solutions for sustainable development goals. KEPSA is thus pleased to present the 2nd Private Sector Complimentary Report for 2nd Kenya's Voluntary Review Report.

Message from CEO



The 2030 Agenda for Sustainable Development is transformational and unifying, as it provides a blueprint and an action plan for a better world. No single sector will be able to deliver on the SDGs alone and that the private sector shares many of the same interests and goals as governments in terms of creating more resilient and prosperous societies and markets, since business also needs stable societies to thrive.

The coordination of private sector implementation of SDGs is undertaken by the Kenya Private Sector Alliance – (KEPSA) which is the umbrella body bringing together the Kenyan private sector from all sectors of the economy. KEPSA is also the co-chair of the SDG Inter-agency Technical Working Committee (IATWC) for non-state actors.

As reporting for SDGs was a voluntary process, businesses were called upon to submit their progress reports through KEPSA. The information was then collated and developed into this report as guided by the VNR guidelines. During the last two years, it is evident that there is an increased understanding of SDGs and their corresponding indicators by the private sector. The private sector has also adopted market based solutions that include green and circular approaches for growth. The report shows that the five top most priority areas of focus on sustainable development by the private sector have been on sustainable consumption and production (SDG12), partnerships' and collaborations as covered by SDG 17 and SDG5 on mainstreaming equity and gender balance at workplace. There has been deliberate effort to address the unemployment problem for the youth through targeted programs that enhance access to skills productive opportunities for youth and women and persons with disabilities.

As the world continues to experience the effect and impact of the COVID 19 pandemic, the private sector role during the COVID19 crisis has been to maintain jobs and ensure business continuity while supporting the national response. Upon confirmation of COVID19 in the Kenya, Private sector quickly adapted to preserve the economy and support health response, and compliment government efforts through resource mobilization spurred local production of personal protective equipment, enhanced cross sectorial collaboration and partnerships to distribute free soap, sanitizer, and face masks to vulnerable communities, accelerated digitization of business operations and logistical efficiency and worked closely with the government in finding solutions and development of through case management protocols, review of protocols feasibility, diagnostic's, sharing of human resources and collaboration of key private sector hospitals with the national diagnostic center. Indeed, the private sector is a key player in the realization of sustainable development and is an integral part of the sustainable development in Kenya.

Executive Summary



Unlike during the MDGs era, the private sector is a significant contributor to the realization of sustainable development especially in Kenya where the economy is market driven. There exists a close collaboration between Government and private sector and Government is encouraged by the high degree of awareness and adoption of the SDG as well as the commitment the private sector in realizing sustainable growth and development. Since the adoption of agenda 2030 in 2016 in Kenya, the private sector continues to increase adoption and mainstreaming of SDGs in their business models, incorporates sustainability reporting as part of their annual reporting and are participating on the tracking and reporting of progress through the voluntary national reporting process.

The coordination private sector implementation on SDGs is coordinated by the umbrella body, KEPSA, which is also a co-chair of the IATWC for non-state actors on SDGs. Reporting for SDGs being a voluntary process, businesses were called upon to submit their progress reports through KEPSA which then was collated and reported in aggregate. On adoption of SDGs by the private sector, during the period under review, East African Breweries Limited (EABL) leads by adopting and tracking the most SDG number of goals, 12 in total out of the 17 in their business strategy. Other private sector entities with more than 5 Goals include Safaricom that has adopted 9 goals and Kenya Commercial Bank (KCB) and KEPSA as an organization, with 8 goals each, Coca Cola and Kenya Climate Innovation Center, each has mainstreamed 6 goals, and Pathologists Lancet Kenya (5 goals) respectively.

The report shows that, during the period, the five top most priority areas of focus on sustainable development by the private sector has been on sustainable consumption and production (SDG12) that was reported by 86% of the companies. There is increased multi-stakeholder partnerships' and collaborations for supporting realization of the goals by various organizations' as covered by SDG 17 (71%). Most companies are also taking deliberate efforts to mainstream equity and gender balance at workplace in line with SDG 5 which has been reported by 71% of the companies. There has also been an increased focus for targeted solutions for solving youth unemployment through the provision of customized programs for youth and women and persons with disabilities, as reported by 85% of the reporting companies.

Some of the sustainability models adopted by private sector during the period under review, include reduction of waste at source, where 50% of the amount of plastic used in SIM cards has reduced by Safaricom, 97% (253 tonnes) of waste collected in the main head-office and 1150 tonnes of E- waste was collected and recycled. M-Pesa continues to drive financial inclusion through cash transfers payments and diaspora remittances. The private sector also continues to compliment the Universal Health Coverage Agenda through M-Tiba. M-Tiba, in a partnership between Safaricom and CarePay to provide e-wallet payment solution that enables the users to save towards healthcare expenses. The initiative has reached over 4.6 million users, approved over 1600 health facilities countrywide, and over KES 600 million paid out during the period under review.

Coca-Cola has driven the world without waste initiative in particular focus on spurring a circular economy, voluntary extended producer responsibility initiative for management of plastic waste in Kenya. KBL working within the EABL framework through East African Maltings Limited (EAML) Contract Farmers' Network Program has 62,000 farmers. The program provides a ready market of sorghum at a guaranteed price,

provides extension services and ensure availability of improved seeds at affordable price. In the year 2019, Kenya Shillings 1.2Billion was paid out to the farmers supplying 100% of raw materials (Sorghum and Barley). The Kenya Commercial Bank, (KCB), has disbursed over KES 10 billion through Inua Jamii Program reaching out to the vulnerable members' of the society.

To strengthen coordination and accelerate innovative sustainable solutions, the Government of Kenya and the private sector partnered to establish a National Partnership Platform known as Kenya National Platform on Partnering for Green Growth and Global Goals(P4G) that was inaugurated in July 2018. The platform is Co- chaired by KEPSA and Chaired by the Government through the National Treasury and Planning and is part of a global initiative for catalyzing, nurturing and accelerating innovative public private partnerships' projects for the implementation of SDGs and green growth hosted in 12 countries of the world, Kenya being one of them. Currently the, Kenya National P4G platform is driving the adoption of green and circular economy in Kenya and is coordination implementation of 15 partnership projects for five SDGs- SDG2- Food Security, SDG6- Water, SDG7-Energy, SDG11- Cities and SDG12- Circular Economy.

The private sector is an integral part of the SDG implementation and reporting in Kenya and is was part of the team that prepared the 2017 VNR for Kenya, the and the 2019 SDGs Progress Report as well as, the 2020 private sector VNR has also prepared their progress report to complement the 2020 VNR. However, greater visibility and more effective coordinated efforts are still required if the private sector is to play its pivotal role in realization of the agenda 2030 targets.



Introduction

Following the conclusion of the Millennium Development Goals (MDGs) at the end of the year 2015, the United Nations built on the momentum generated by the MDGs and transitioned to a new set of goals which currently define the global agenda called Sustainable Development Goals (SDG's) which comprises of 17 goals, 169 targets and 231 indicators to guide development between years 2015 and 2030 to guide the global development agenda on how to achieve peace and prosperity for the people and the planet while embracing partnership and collaboration for the realization of the goals aspirations.

During the United Nations General Assembly in September 2019, it was noted that the progress has been slow and the UN Secretary-General called on all sectors of society to mobilize for a decade of action to secure greater participation, leadership and smarter solutions and embedding the needed transitions in the policies, budgets, institutions and regulatory frameworks for pushing for the required transformations. The year 2020 was declared a decade for all major stakeholders including the private sector to set ambitious actions to deliver the Goals by the year 2030.

The 2030 Agenda “acknowledges the role of the diverse private sector in the implementation of the new Agenda” and “calls on all businesses to apply their creativity and innovation to solving sustainable development challenges”. The expectation that the private sector will engage with the SDGs is based on the “Shared Value Model”.

In 2017, during the first voluntary national reporting, 93% of the 43 countries that presented their first voluntary national reports, reported that they had consulted with the private sector in the preparation of the national strategy and development of the progress report on SDGs. In addition, 63% of these reports recognized that private sector investment is a crucial alternative means to compliment public expenditure to SDGs. Towards this, 43% of the reports stated that countries' are making efforts to enhance public private partnerships' for SDG's implementation.

Kenya presented her first VNR in the year 2017, and KEPSA, a private sector representative in the SDGs Inter-Agency Technical Committee responsible for Private Sector Reporting on SDGS adoption and implementation, coordinated the development of the Private Sector Report that complimented the First Kenya's Voluntary National Report (VNR) that was presented during the High-Level Political Forum (HLPF) held at the United National Headquarters in New York in July 2017. The report, titled, “Private Sector Progress Report on Implementation of SDGs – 2016-2017: Frameworks, Opportunities, Progress, Challenges and Best Practice provided insights into private sector adoption of SDGs and has inspired both large and medium sized businesses to report their progress in implementing SDGs in this second round.

Kenya is among 23 of the 50 countries that will present her second Voluntary National Report (VNR) at the UN High-Level Forum in New York in July 2020. The theme for the 2020 forum is, “Accelerated actions and transformative pathway for realizing a decade of action and delivery of sustainable development. The review is meant to assess progress made since the 2017 VNR, identify challenges and gaps in the implementation as well as strategies for addressing an accelerated action to implement SDGs in the “Decade of Action”.



National Platforms Gathering (P4G) in New York September 2019



2030 Agenda In Kenyan Context & The Role Of Private Sector

The Vision of sustainable growth for Kenya is entrenched in several key planning documents such as Vision 2030, the National Climate Change Action Plan (NCCAP) 2018–2022 and the Green Economy Strategy and Implementation Plan GESIP (2016), and MTP III (2018–2022), which outline Kenya Priorities of development for the country using a sustainable, green and low carbon resilient approach.

Kenya is also a signatory to the global development agenda, commonly known as Agenda 2030 under the United Nations Framework known as Sustainable Development Goals (SDGs) comprising of 17 goals, 169 targets and 231 indicators to guide development between years 2015 and 2030. Kenya mainstreamed sustainable development goals in the Third Medium Term Plan (MTP III) 2018–2022 that mainstreamed the 17 SDGs in government programs, policies, projects and strategies at both national and sub-national levels.

The Private Sector through KEPSA contributed through public participation provision and long term partnership with government, to the development of the MTP III and thus proposed sustainable approaches that Kenya can adopt to realize sustainable and inclusive growth. The prioritized SDGs for Kenya are amplified by the “Big 4 agenda which is SDG2- Food Security and Nutrition, SDG 3 on Universal Health Coverage, SDG 11 on Affordable housing, SDG 9 on Manufacturing.

The private sector is indeed pivotal in realization of sustainable development through innovation, investment, a mass customer base and a global labor force. With its on-the-ground networks and its ability to swiftly adapt and innovate, the private sector is well-positioned to bring new solutions to achieving the SDGs and their targets. In addition, there is opportunity to leverage the resources, skills and knowledge of the private sector to accelerate the implementation of SDGs in Kenya. Mobile technology has been an enabler for many other services ranging from digital financial inclusion, social and political inclusion, health, education and cleans energy solutions in Kenya. A conducive business environment is thus a key enabler for private sector participation in sustainable growth and development.

The preparation of the Country's 2nd Voluntary National Report is informed by stakeholders' input including national and county government, private sector, civil society, academia and specialized groups. KEPSA as a member and Co-Chair of the Interagency Working Group on Non State Actors of SDGs has coordinated the reporting of private sector progress in implementation of SDGs in Kenya.



Integrating the Three Dimensions of Sustainable Development in Private Sector



The Sustainable Development Goals (SDGs), are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. The 17 goals SDGs are integrated into that action in one area will affect outcomes in the 3 dimensions of development hence for sustainability to be realized there must be a balance between social, economic and environmental sustainability.

Businesses have the power to bring solutions to scale and create real transformative solutions to systemic social problems. The agenda 2030 transformative goals requires the full participation of business with the understanding that the goals present opportunities to create new solutions, markets, opportunities, and require inclusive and sustainable business models instead of one off corporate social responsibility initiatives.

3.1. RE-ENGINEERING BUSINESS MODELS:

The private sector is progressively undertaking a transformational shift from a one off corporate responsibility initiative to designing sustainable business models that take cognizance of contribution to SDGs. There is a shift from the concept of business-as-usual to green and circular models, adoption of sustainability standards across value chains and preparation of annual sustainability reports by business today.

3.2. ENVIRONMENTAL PILLAR:

Businesses are shifting from the linear economy model to green and circular models that balance economic pursuits with environmental sustainability key among them is the circular economy in the management of waste, resource efficiency models and consideration of environmental safeguards and sustainability while designing projects and products.

3.3. ECONOMIC PILLAR:

Sustainability standards are being incorporated as part of product design and market requirements. The Green Market is taking shape as the trading practices seek to ensure that products and production processes transacted adhere to sustainability standards. In partnership with International Institute for Sustainable Development, the private sector is developing voluntary sustainability standards for the agriculture value chain to foster investment by private investors and companies in sustainable production and trade. The voluntary sustainability standards (VSSs) will increase transparency with a preliminary focus on accessing affordable finance, contributing to the Sustainable Development Goals (SDGs) and reducing poverty while promoting sustainable development.

The Private Sector has also contributed significantly to the provision of decent work opportunities by paying minimum living wages and providing a good and safe working environment to the employees. According to Trade Economics, Kenya's average living wage increased from 47,500 to 48,500 KES per month. At least 40% of private sector employees earned above the living wage while, while another 40% earn above the minimum wage.

3.4. SUSTAINABILITY REPORTING:

Companies are progressively incorporating sustainability reporting in their annual reporting in addition to their financial reports to demonstrate a holistic account of value and impact of their ecosystem in promoting environmental, social and economic development (sustainable development goals). Companies have incorporated sustainability reporting including impact on the environment, energy saving, corporate social responsibility and carbon emission, fairness, compliance, employee training and development. Most of the publicly listed companies disclose environmental or social category.

3.5. SOCIAL IMPACT BASED BUSINESS:

This era has seen increased number of businesses established with social impact and sustainability in mind. They are purely social impact goal driven and thus prioritize sustainability, equity and justice. There are 44,000 social enterprises in Kenya and currently organized under the Social Enterprises Society of Kenya (SESOK). Under SESOK, the social impact businesses are categorized under Education and Training, Water and Sanitation, Renewable Energy, Healthcare, Financial Services, Housing and Youth and Gender.





Adoption & Mainstreaming of SDGs By Private Sector In Kenya

During this second reporting cycle by private sector in Kenya, the trends shows that, there is an increased understanding and adoption of SDG's in Kenya who have taken deliberate steps to mainstream the goals in their business models, strategies and operations hence providing robust market-based sustainability solutions to deliver the SDG's. The figure below shows the level of adoption of the SDG's during this reporting cycle.

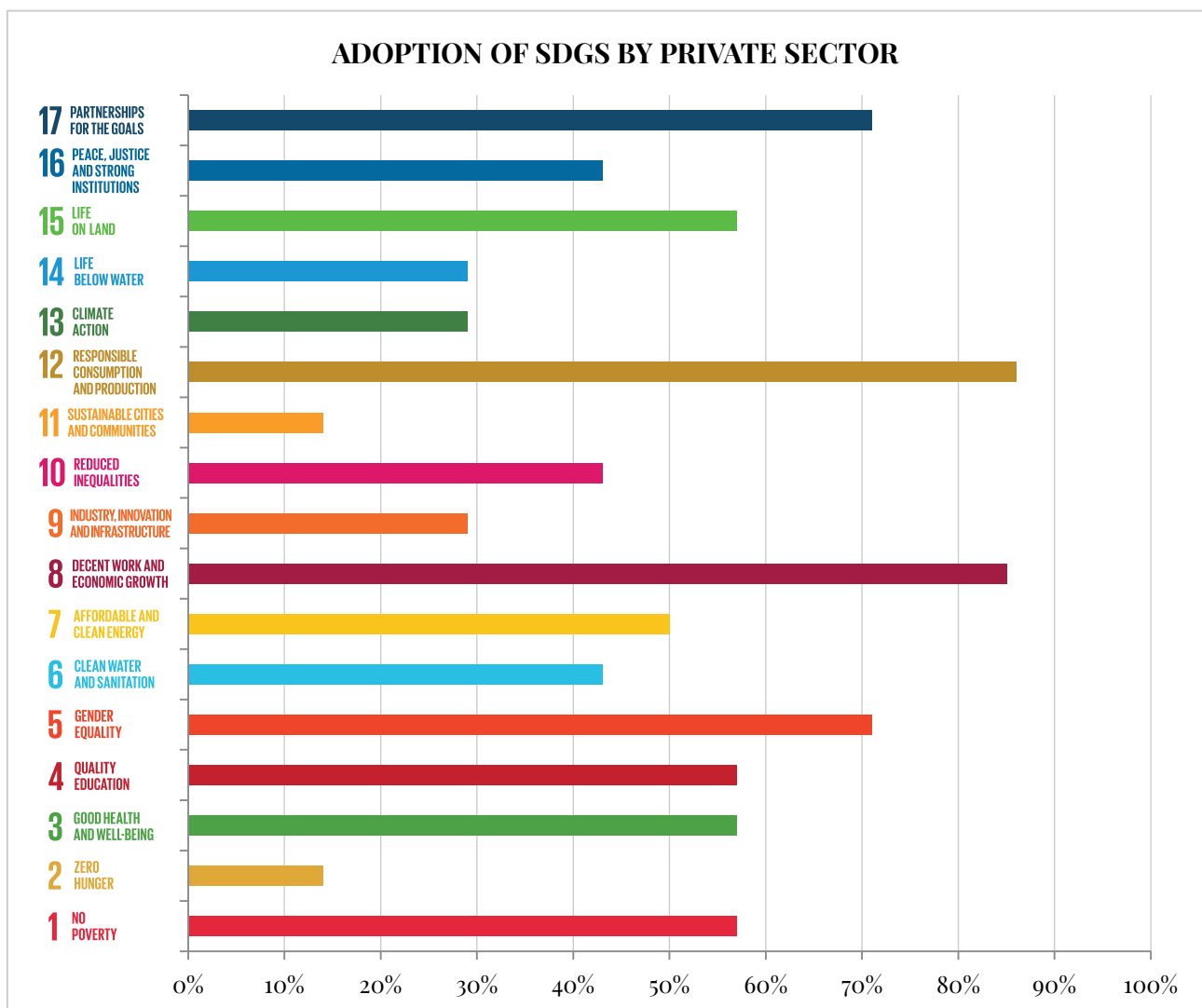


FIGURE 4.1 ADOPTION OF SDGS BY PRIVATE SECTOR

Figure 4.1 above shows that the top three SDG's of focus by private sector during this period is SDG12 on Sustainable Consumption and Production as reported by 86% of the entities; followed by SDG 8 (85%) on provision of customized programs to provide employment for the youth, women and persons with disabilities, which also is closely linked on efforts to ensure fairness and gender balance at workplace as reported by 71% of the businesses. The bottom three SDG's are SDG2 (14%), SDG9(29%) and SDG11 (14%).



Tracking & Reporting of Private Sector Progress on SDGs

The SDG's Coordination Directorate in the State Department for Planning is the focal point that coordinates the SDG's activities in the country. It spearheads the process supported by the Inter-Agency Technical Committee (IATC). The IATC is composed of members from National Government Ministries, Departments and Agencies, CoG, United Nations Agencies, CSOs, Private Sector, Academia and Research Organizations and other stakeholders. The preparation of the 2020 VNR was a consultative process coordinated by the SDG unit under the National Treasury and Planning. Stakeholders are engaged through their umbrella bodies for enhanced coordination and increased ownership of the process.

In 2017, Kenya ranked position 125 out of 157 in the Sustainable Development Solutions Network, SDG index with a dash-board score of 54.9. The highest performing SDG was SDG 12 on sustainable consumption and production with a score of 80.3% and the lowest performing SDG was SDG9 with a score of 23.6%. This means that, though momentum for implementation of SDG's has taken route, there remains a lot ahead of us in order to realize the transformation envisioned in the SDG'S. In 2018, Kenya SDG index was position 125 out of 162 countries with a dashboard score and slightly improved dashboard of 57.3. The highest SDG score was SDG 12 on with a score of 93.1 followed by climate action at 94.8. The lowest score was on SDG 10 on reducing inequalities with a score of 36.3



On Voluntary Reporting of progress of implementing SDG'S by the Private Sector in Kenya, 50% of the reporting companies submitted their progress during the first VNR reporting in the year 2017, while 50% are reporting for the first during this 2nd VNR reporting. One of the main challenges during the first private sector reporting, was low understanding of SDG goals and indicators where most companies reported CSR based initiatives' as SDG'S. During this second cycle, there is a great improvement, where their reporting is characterized by proper indication of the SDG Goal and indicator of focus. The input to the VNR reporting by private sector has been of the required depth and coverage, with a clear demonstration of impact.



Private Sector Progress in Implementation of SDGs (2017-2019)

The following is a highlight and progress of interventions employed by private sector for the implementation of Sustainable Development goals between year 2017 and 2019.



End poverty in all its forms everywhere



By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance

INTERVENTION

OUTCOME / IMPACT

Financial, advisory and policy services:

to support growth and scaling up of clean tech businesses (mobilized 4million USD) for low pyramid households

Creation of job opportunities and quality products for low pyramid households

Local Sourcing of Raw Materials:

EABL through East African Maltings Limited (EAML) Contracts Farming Program for growing sorghum varieties suitable for malting

A network of more than 62,000 farmers 100% of raw materials (Sorghum and Barley). 240,000 people have been employed in EABL farming value chain. In 2019, KES 1.2Billion was paid out to the farmers.



Reducing exposure to economic, social and environmental shocks to help build resilience of the poor and vulnerable

INTERVENTION

OUTCOME / IMPACT

Inua Jamii Program:

Support the implementation of appropriate social protection systems.

KCB, disbursed KES 10 billion through Inua Jamii Program reaching out to 567,097 beneficiariesserved

Mobile banking services:

870,000 loans taken worth KES 212 Billion by over 14,000 SMES during the period.

Table banking and financing of groups/chamas:

Over KES 868.3 million worth of loans extended to groups/chamas and over 21,600 chama accounts created by 2019

Chama accounts were able to deposit upto KES 1.37Billion for their entrepreneurial activities,



End hunger, achieve food security and improved nutrition and promote sustainable agriculture



By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment

INTERVENTION

OUTCOME / IMPACT

Agribiz program by KCIC:

valued at USD 20 million to support 1000 agribusiness for women and youth based agri enterprises. 36 agri-businesses have been supported by KCIC The program supported by EU and DANIDA targets to create 20,000 jobs.

Empowerment of local farmers to join its supply chain and provision of opportunities for farmers, youth and women through local sourcing of ingredients from vast farming communities across the Country. Over 8,000 small scale farmers benefited from agribusiness loans in the year 2019.

Local sourcing of raw materials:

Prioritization of growth of Agriculture and agro-processing through sourcing of locally produced products: Coca Cola sources mango products locally 100%.

INTERVENTION

OUTCOME / IMPACT

Agribusiness loans:

Approximately KES 310 Million value of agribusiness loans disbursed to SMEs and farmers.

Agribusiness Insurance:

Agribusiness insurance cover of KES 13.3million value of Agribusinesses insured over KES 2Billions wealth was assured by Dec 2019 by KCB.

Safaricom Digifarm (accessible by dialling *283#):

The platform was launched in April 2018 and provides small holder farmers with a convenient access to a variety of services, including discounted inputs, financing advice on the best farming practices, and connecting farmers to a ready market for their produce and is million farmers were registered, 1.4 million farmers were registered, 7,000 loans issued in 2018.

Agri-PPPs:

to increase access to farm inputs and access storage facilities especially for milk and Potatoes has been implemented. An example is a PPP between Syngenta and USAID to provide root capital to smallholder farmers to increase access to farm inputs.



Ensure healthy lives and promote well-being for all at all ages



Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

INTERVENTION

OUTCOME / IMPACT

Provision of quality healthcare services

to patients and extending of discounts to needy patients

100% discount given to 323 needy patients in 2019 by Pathologists Lancet Kenya.

INTERVENTION

OUTCOME / IMPACT

Health Insurance:

KCB Simba Health Insurance cover provided upto KES 119 million worth of health cover.

At least 1000 beneficiaries are covered by the Simba Health Insurance Policy

The M-Tiba:

country wide service e-wallet health payment solution via *253#, which enables the users to save towards healthcare expenses from as little as KSh 10.

Now has over 4.6 million users, over 1600 approved health facilities countrywide, and over Ksh 600 million paid out to date.

Empowerment of Health Care Workers through Fafanuka Program:

an SMS caregiver services on prevention, screening, diagnosis, management and follow of up on non-communicable diseases (NCDs)

Fafanuka Program has reached 5400 unique subscribers.

Supply of Medical Equipment:

The Coca-Cola Foundation provided assorted medical equipment and consumables to Mama Lucy Kibaki Hospital with a focus on maternal health and the care for new-borns. In partnership with MedShare, the Foundation donated US\$419,800 worth of life saving medical supplies and biomedical equipment to Pumwani Maternity Hospital.

Supporting the Beyond Zero Campaign:

The Coca-Cola Company donated medical supplies and equipment worth over Sh10 million towards the initiative.

Medical Wellness and Medical Camps:

Private sector organized more than 41 medical camps held across the country focusing on diabetes, limbs corrective surgeries and general medical check-ups supported and sponsored by Safaricom. Services range from Diabetes screening and provision of medicine, eye care, ENT care, corrective surgery, HIV testing, deworming, and treatment of other ailments.

58,100 Kenyans have attended the medical camps for treatment and checkups.

Medical check-ups and wellness sessions were facilitated through Staff Wellness programs. 1200 KCB staff took up the wellness sessions leading to reduced medical costs.

Better Business Practices for Children Program (BBPC):

The Kenya Private Sector Alliance (KEPSA) in partnership with UNICEF has implemented the Better Business Practices for Children Program (BBPC) which has promoted the establishment of lactation stations within the Private Sector in order to increase the number of businesses whose women workforce have access to lactation stations.

BBPC has contributed to improved productivity, health and wellbeing of lactating mothers and their young ones. Today at least 64 businesses have established lactation stations which have led to increased access of breast milk to infants, directly impacting their health.

Copa Coca-Cola partnership with the Kenya Secondary Schools Sports Association (KSSSA)

the annual COPA Coca-Cola tournament is a sports nurturing platform for high school students.

Over 200,000 high school students through 5400 schools benefitted from participation in 2019.



Ensure inclusive and equitable quality education & promote lifelong learning opportunities for all



By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

INTERVENTION

OUTCOME / IMPACT

Increase mobile and e-Learning Platforms:

by enhancing connectivity through Shupavu 291, which enables students and teachers to take quizzes, search subjects to study and access Wikipedia summaries without an internet connection.

Currently has 654,972 active subscribers.

So far it has been used by 4,129,058 learners since launch in 2016.

The M-PESA Foundation Academy

Driven by leadership, entrepreneurship, technology and innovation, the Academy serves talented but economically disadvantaged students with demonstrated leadership potential.

Has provided opportunity for 700 economically disadvantaged students' to access high quality of education, building leadership and entrepreneurship skills

Project Heshima:

Launched in 2018 targeting youth and women between the ages of 18-35 years through vocational training. The project is aimed at equipping women and youth with practical skills that will enable them earn a decent living, improve lives and create livelihoods across the country for those who are at a risk of falling prey to illicit brew consumption and production.

The project has been rolled out across 10 counties: Nairobi, Kwale, Kiambu, Murang'a, Nakuru, Makueni, Machakos, Homa Bay, Migori and Kisumu.

Life-long and continuous Professional Training:

39 Continuous Medical Education (CMEs) held by Pathologist Lancet Kenya to educate doctors on various medical and healthcare topics.

Local Sourcing of Raw Materials:

EABL through East African Maltings Limited (EAML) Contracts Farming Program for growing sorghum varieties suitable for malting

Private sector has set up over 800 private TVET training institutions thus increasing access to skilled and competency training in preparation for productive work.

Technical Vocational Education and Training (TVET):

Private sector participated in development and the launch of the Technical and Vocational Education and Training Authority (TVETA) strategic plan 2018 -2022 in April 2018. The strategic plan calls for concerted efforts between public and private sector to improve the sector governance, upgrade competency based skills framework, and create micro system's to ensure alignment of TVET with small and micro enterprises.

Private sector has set up over 800 private TVET training institutions thus increasing access to skilled and competency training in preparation for productive work.

Higher Education:

There are a total of 34 private universities in Kenya. Studies by the British council have rated Kenya as the country with the fastest growing college-aged population in the world.

The Sector has experienced an improved access due to public private partnership by the placement of Government-sponsored students in Private Universities.



Achieve gender equality and empower all women and girls



End all forms of discrimination against all women and girls everywhere

INTERVENTION

OUTCOME / IMPACT

KEPSA:

through its Gender and Youth Development Sector Board is championing for three key Issues for Gender Quality; (i) supplier diversity by private sector (ii) Board diversity and (iii) Youth engagement.

Inclusive Recruitment and retention of diverse workforce

- ▶ Safaricom has achieved 50:50 gender balance of all employees, and 35% of senior management comprises of women. 2.3% of workforce staff are persons living with disabilities.
- ▶ 50% of in-market Managing Directors across the EABL business are women and 25% of women at EABL are in senior management

Sourcing of supplies from Women Owned Businesses Initiative

targets to increase the share of sourcing given to women owned businesses to 10% from the current 3.2% by end of 2020.

The Coca-Cola 5by20 Initiative

targets to empower 5 million women globally by 2020, The partnership in Kenya targets to empower 1 million women by end of 2020.

718,550 women empowered in Kenya through the Coca Cola5by20 project activities by 2019.

Women in Leadership Training:

240 women trained annually under the KCB Women in leadership programme. EABL is partnering with learning institutions for the Women in STEM programme

Diversity through Management Trainee Program:

Promotion of diversity and inclusion through the Management Trainee program. The Ratio of Male to Female was 42 to 30

6 CLEAN WATER AND SANITATION



Ensure availability and sustainable management of water and sanitation for all



By 2030, achieve universal and equitable access to safe and affordable drinking water for all

INTERVENTION

Coca-Cola's RAIN (Replenish Africa Initiative): seeks to empower 6 million people without water in Africa by 2020:

- ▶ **Kenya (Millennium Water Alliance)** - Safe Water Enterprises in Isiolo County for increasing access to safe water by enhancing collaboration between local utility and safe water enterprises in the community.
- ▶ **The Nature Conservancy II)** - Securing Water for Kenya's Future: The Upper Tana – Nairobi Water Fund.
- ▶ **Kenya (WSUP II)** – Catalyzing Improved Water Services at City Wide Scale for Improving capacity of local service providers across Kisumu, Mombasa, Nairobi and Naivasha to improve access to water and sanitation services for low income urban consumer

OUTCOME / IMPACT

Through RAIN:

- ▶ **27 million litres** of water are flowing into Nairobi each day.
- ▶ **595,978** people with improved water access;
- ▶ **24,500 farmers** are applying soil conservation and water-saving methods.
- ▶ Additional **220 Water Pans** excavated.
- ▶ 939 Sq. meters of riparian land conserved
- ▶ 4,471 meters of grass strips laid and 2,441 meters of terraces dug.
- ▶ **8,500 coffee farmers** have achieved Rainforest Alliance certification and **20,000 women** economically empowered
- ▶ Over **1.4 million trees** have been planted so far in the watershed.
- ▶ **196,000 acres** of land are under sustainable management.
- ▶ **26 River Gauging Stations** (RGS) are now automated - 6 stations fitted with telemetric equipment.
- ▶ More than **25,000 farmers** are enrolled in a mobile data monitoring platform.
- ▶ World Health Organization water turbidity standards were achieved for the first time in July–September 2016 (T<5 NTU).
- ▶ **214,915 people** with full water access from an improved source
- ▶ **127,740 people** with access to improved sanitation facilities.
- ▶ 5,394 women and youth economically empowered.
- ▶ Enhanced water quality through locally appropriate technologies



By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

INTERVENTION

OUTCOME / IMPACT

Water Clients Support:

KCIC has supported a total of 11 clients have been supported on water management to create access to water for households in a bid to provide clean water for the residents.



By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity

INTERVENTION

OUTCOME / IMPACT

'Water of Life'

An EABL initiative focused on improving access to water and sanitation in communities where EABL operates.

EABL has reached over 2 million people through the water project and aims to double this by the year 2022.



By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes

INTERVENTION

OUTCOME / IMPACT

Waste Water Treatment: EABL has invested in effluent treatment that ensures waste water is properly treated before discharge to the environment and targets to return 100% of wastewater from operations to the environment safely.

Water stewardship is part of industrial production and operations. EABL is currently operating at three hector liter of water per hector liter of beer, thus saving 25% of the water at all sites.

EABL has launched the Water Recovery Project which will save over 1.2 billion cubic of water a year.



Support and strengthen the participation of local communities in improving water and sanitation management

INTERVENTION

OUTCOME / IMPACT

6. Sanergy: 100,000 households, mainly in informal settlements i.e. Mathare, Kibera and Mukuru were reached in the provision of sanitation services by Sanergy. Sanergy provides access to clean toilets for these households and provides jobs to hundreds of young people who maintain these facilities.

According to Water and Sanitation for the Urban Poor, at least 1.52 million people living in informal settlements in Naivasha, Kisumu, Mombasa, Malindi, Nairobi and Nakuru have access to improved water services. 450, 000 People have access to improved sanitation.

7 AFFORDABLE AND CLEAN ENERGY



Ensure access to affordable, reliable, sustainable and modern energy for all



By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology

INTERVENTION

OUTCOME / IMPACT

Provision of clean and affordable energy solutions, including payment platforms and increased access to renewable energy.

- ▶ **M-Kopa Solar**, has provided access to solar energy to over 650,000 households.
- ▶ **Support Services:** 38% of client portfolio at KCIC is from the renewable sector and for the period under review, 29 renewable energy clients were 35,000 people using low carbon energy sources supported by KCIC.
- ▶ **The Kenya Mini-Wind project** implemented to test the integration of wind energy in off-grid areas in Ndeda Island Migori County. Sites feasibility study done in Garissa, Kajiado and Migori. A total of 121 mini grid sites identified.
- ▶ **Shift to Renewable Energy:** EABL; Currently 23% of electricity is renewable and EABL committed to sourcing 100% renewable electricity by the year 2030. In 2019 the company announced a Kshs 22 billion The investment that will help reduce carbon emissions by 95% through use of biomass and will be leveraging on solar to deliver a tenth of its power needs.

Mkopa has impacted 2.4 million lives.

Through the KCIC initiative, 35,000 people are using low carbon energy sources.

Initiatives reduce negative impact to the environment

Implementation of solar mini-grids in 14 counties.

8 DECENT WORK AND ECONOMIC GROWTH



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



By 2020, substantially reduce the proportion of youth not in employment, education or training

INTERVENTION

OUTCOME / IMPACT

The Ajira Digital Programme:

A public-private partnership (PPP) initiative with KEPSA, the Ministry of ICT, with funding from Rockefeller Foundation, to implement the Ajira Digital program aimed at introducing Kenyan youth to online work through training and mentorship, reducing unemployment with the overall objective of making Kenya a freelance hub and the global destination for online work by the year 2022.

The first phase of the Ajira Digital Project was implemented between years 2017- 2019 and identified training and mentorship as a key pillar to creating awareness, and enabling access to online work for Kenyan youth. After a total of 7,168 youth (1984F) were trained and mentored, an evaluation was carried out in September 2018 which showed that 57% of the project beneficiaries (25% being female and 75% male) are connected to jobs and income opportunities (wage employment, self-employment and online work) with 40% of the program beneficiaries having successfully managed to earn from online work. KEPSA is currently incubating the Online Work Freelancers Association that will be the recognized professional Association of choice for online workers in Kenya.

Young Africa Works Initiative:

KEPSA in partnership with MasterCard foundation, Ministry of Education, Ministry of ICT, Kenya Commercial bank, Equity Bank Group, Moringa School and e-Mobilis on 20th June 2019 launched The Young Africa Works Initiative. The initiative commits 30 billion Kenya Shillings and its goal is to enable 30 million young people in Africa to access dignified work. KEPSA component is to expand the Ajira Digital Programme in order to provide digital training and mentoring and increase success in digitally enabled work.

Kuza-Kazi Project:

Through the Coca-Cola System and its value chain partners target to economically empower by creating jobs for 50,000 youth and women in 3 years. The pilot phase currently targets 1,000 beneficiaries in each of the 9 pilot counties in Kenya (Kisii, Kericho, Nairobi, Kwale, Bungoma, Nyeri, Garissa, Migori and West Pokot).

- ▶ **5 Counties** launched the programme in 2019 with important learnings and positive feedback
- ▶ **989 Youth** recruited & trained so far
- ▶ **287 starter kits** provided for youth who have since started their own small businesses.

Trans Business Machines (TBM) Internship allows graduates and other ICT technical skills to be fast tracked into relevant commercially viable skills given the Tech trends locally and globally. Cloud, Cyber-security and Server infrastructure. The program is on-going and it instils 4 - 6 skills per quarter. Implementing partners include IBMs Digital Nation Africa (DNA) program.

Internship: KCB on-boarded 345 College students are highly motivated and trained at KCB for a period of three months to ensure they are well equipped with relevant knowledge and skills.



Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

INTERVENTION

OUTCOME / IMPACT

Safaricom Magenta Project: which is commitment to improve the working conditions of outsourced staff, by implementing adhering to the living wage (minimum wage) as part of requirements

Mpesa Services impact over **22.6 million** customers

Jobs through M-Pesa Network: financial inclusion platform through cash transfers payments and diaspora remittances has engaged over 142,000 merchants, 180,000 M- Pesa Global customers and over 168,000 Agents

Safe Working Environment: EABL and Pathologists Lancet Kenya continue to carry out OSHA audits and implementing recommendations as required by the National Occupational Safety and Health Policy to ensure a safe working environment for all employees, and Annual salary adjustments in line with inflation rates and awarding bonuses to high performers. Partnership with contractors and suppliers to ensure adherence to safety guidelines and that there are zero fatalities at manufacturing plants including partners and suppliers. KBL employs over 1000 employees and engages 19,000 retailers all over the country.

The Private Sector has consistently contributed to the provision of decent work and Economic Growth

Ajiry is a Centum Investment company project that provides a platform for workers and employers to connect and network effortlessly, conveniently and free from the controls of third-party agent. It targets both skilled and semi- skilled youth Phase II Roll-out was launched on 22nd May 2019 with an investment value of KES 2.8 million and implemented in all the 7 Counties Across Kenya

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets

INTERVENTION

OUTCOME / IMPACT

KCB Mobigrow product: over KES 41 Million worth of loans have been extended to farmers through Mobigrow by Dec 2019.

At least **2.6 million farmers** have been reached through MobiGrow Program



By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

INTERVENTION

Integration of Social and Environmental Risks Assessment: KCB achieved a 73.05% integration of screening for social and environmental risks for corporate clients across the group. Achieved 100% screening in Kenya with **KES 447Billion** worth of loans screened against social and environmental risks since inception in 2015.

Sustainable & Reliable net mobile network infrastructure: 96% of the Kenyan population covered by 2G, 93% covered by 3G and 57% covered by 4G.

Intelligent Transport System: In 2018, Huawei delivered a pilot intelligent Transport System (ITS) system for the Kenyan Urban Roads Authority in 7 junctions in Nairobi. The system detects traffic flow, monitors safety issues along the roads, and provides e-police cameras for identification of drivers who violate traffic regulations.

OUTCOME / IMPACT

Enhanced sustainable business activities among clients. **105 corporate clients** of KCB have developed their occupational safety and health policies



Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020

INTERVENTION

Internet Access:

Number of internet subscriptions - 26,823,275 (as of December 2019) 6700 kms of fibre optic network laid down Connection of 107,762 homes, 2692 enterprise buildings and 5992 businesses to high speed internet through fibre optic network.

Internet of Things (IoT) - IoT Connections: include: Machine to Machine - 331,000, SIM Management – 60, Full stack – 5,000.

Huawei deployed 3500 mobile towers in Kenya and in the year 2017, completed the 2nd phase of the National Optical Fiber to all the 47 counties headquarters and other key public facilities.

OUTCOME / IMPACT

- ▶ Footprint (kilometers) – 5469 (69% growth from 2016)
- ▶ Commercial buildings connected – 7117 (90% growth from 2016)
- ▶ Residential homes passed 141,700 (21 times the number for 2016)
- ▶ Number of towns/counties connected: 72/46 (4 times the number of towns and 3 times the number of counties)
- ▶ Currently smart phones make up 39% of all the devices in our network.



Reduce inequality within and among countries



By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

INTERVENTION

OUTCOME / IMPACT

KCB Special Groups Support:

Special groups (PLWDs, youth and women) suppliers KES 140.8 million spent by KCB on special groups

16 special groups given business during the period under review.

KCB Biashara Club

for enhancing Financial literacy of SMES, has to date reached out to over 14,000 members who are in micro small and medium enterprises (MSMEs). The Club is continually empowering them through financial literacy programmes as a key component in business success. 90 Forums done in 2019.

11,000 members actively involved in Biashara Clubs

Inclusion through Education Scholarships:

Inclusion of PWDs in the KCB Foundation programmes where 10% of the KCBF scholarships awarded to PWDs.

Scaling up education for social inclusion thus reducing inequalities while upholding dignity of persons with disability.



Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard

INTERVENTION

OUTCOME / IMPACT

Provide universal and affordable access to data Internet:

In 2019 Safaricom reduced the cost of data per MB by 42% to enable customers access internet such as Neon Kicka (3G) which costs Ksh 3500 and Neon Lite (4G) which costs Ksh 4999. Currently 38% of the devices in

Reduction in inequality in a data and internet access.



Make cities and human settlements inclusive, safe, resilient and sustainable



By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

INTERVENTION

OUTCOME / IMPACT

Mortgage facilities:

Provision of both commercial and residential mortgage facilities. A total of 927 mortgage facilities provided whereby 864 of them were residential.

This has encouraged home owning among locals. The bank looks forward to scaling mortgage services to facilitating home owners access such facilities through the government KMRC programme.

Residential Mortgage:

Government partnerships have enabled civil servants access up to KES 2.69 Billion residential mortgages.

334 civil servants have benefitted from the mortgage facilities.



By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations

INTERVENTION

OUTCOME / IMPACT

Bacassurance services:

Over KES 2Billion wealth sum assured at KCB Insurance Agency

These services have helped secure variety of valuables such as agribusiness, health, education, property among others.



Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials

INTERVENTION

OUTCOME / IMPACT

Prioritise Local purchase of materials:

Procurement spend on materials purchases was 60% of total purchases worth KES 8B that were procured locally.

Utilization of local products promotes local businesses and domestic market growth.

INTERVENTION

OUTCOME / IMPACT

The Lions' Den Platform:

71 successful applicants of the Lion's Den Initiative, have accessed **KES 130 million**

Safe City Project:

Safaricom and Huawei completed the first phase of "Safe City Project" in Kenya for using ICT technologies covering two of the largest Cities, Nairobi and Mombasa. The project established an integrated command and control centre that enables police to receive and respond emergency calls from the public, it also installed 1800 surveillance and automatic number plate recognition (ANPR) cameras.

The project has helped to prevent crime and improve law enforcement response time.



Ensure sustainable consumption and production patterns



By 2030, achieve the sustainable management and efficient use of natural resources

INTERVENTION

OUTCOME / IMPACT

Circular Economy for Management of waste:

The New Plastics Economy Project developed by the Kenya Private Sector Alliance with support from Center for Clean Air Policy (CCAP), in partnership with Coca-Cola, DiscoverBrands, BESIC Group, ITal3D solutions, Kenya Climate Change Innovation Center (KCIC), Retail Trade Association of Kenya (RETRAK), PETCO Kenya, Kiambu Government and the Ministry of Environment and Forestry. The goal of the project is to spur a formal circular model for PET bottles waste by increasing innovative use of recycled plastic products, improve the collection of plastic waste and creating a closed loop for post-consumer PET through voluntary schemes and policy recommendations. Through collaborations the partners have set up waste segregation receptacles in for PET, paper, plastics and metal, at the Naivas Capital Center and will be setting up others at Two Rivers Mall, Shell Petrol Station on Argwings Kodhek Road, South End Mall, Ciata Mall and Chandarana Supermarkets

A total of 92,057 kilograms or 4.5 million bottles of plastics collected through 2,000 secondary schools in 2019 under COPA Coca-Cola programme



By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

INTERVENTION

OUTCOME / IMPACT

Through partnership with licensed waste handlers, KCB has managed to recycle all its paper use at head office units as well electronic waste.

This obviously is an environmental conservation method thus protecting habitats of humans, animals and plants.

Project Safi is KBL's recyclables and waste management programme for management of post-consumption waste Optimization of packaging to reduce the amount of waste generated by product.

World Without Waste Initiative goal, is to collect and recycle the equivalent of 100 % of our packaging worldwide, and manufacture PET bottles using at least 50% recycled plastic by 2030.

7704 metric tonnes PET bottles collected and recycled in 2018 - 2019

Integrated Waste Management Programme: through reduction at source and recycling program: Safaricom reduction by 50% the amount of plastic used in SIM cards

Take back schemes: 97% (253 tonnes) of waste collected in the Safaricom Administrative buildings and Recycling: 1150 tonnes of E-waste collected and recycled for the period under review.

Taka Taka Solutions is a waste collection and recycling waste management service provider. The business is modeled to collect and recycle. They have two sorting sites where waste collected from residential and commercial clients within Nairobi is sorted in 45 waste fractions and is subsequently recycled. 95% of the waste collected by Takataka solutions is recycled and all the organic waste is composted.



Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

INTERVENTION

OUTCOME / IMPACT

Resource Efficiency program with reduction in resources used by KCB as follows Fuel by 11%, water by 39% and electricity by 2%

Efficiency in the use of resources has been increasing over time due to the adoption of digital channels.

Sustainable Inclusive Business in Kenya is a project knowledge center established by the Netherlands Government and hosted by the Kenya Private Sector Alliance (KEPSA). The project's objective is to encourage businesses to be sustainable and inclusive with a positive impact on People, Planet, and Profit. The project is also working in collaboration with the Kenya Association of Manufacturers to develop a business model for a Producer Responsibility Organization for other plastic other than PET

Producers have established a voluntary extended producer responsibility organization for industry to self-regulate and manage PET waste known as the Kenya PET Recycling Company Limited. (PETCO Ltd) which focuses on the sustainable management of PET plastic material and aims to achieve recovery and recycling rate of 70% by 2030. Through PETCO, 3 recycling partners have been identified (Mr. Green Africa, Trash, Thread, Textiles (T3) and WEECO Recycling company) to beat the target of recycling 5,900 tonnes (247 million bottles) in 2019.



Promote public procurement practices that are sustainable, in accordance with national policies and priorities

INTERVENTION

OUTCOME / IMPACT

Green and Circular Economy Innovation for Kenyan companies (GECKO) is DANIDA funded a pilot study that started in April 2018 to present of Ruaraka based Industries in partnership with the Ruaraka Business Community (RUBICOM) in order to provide the scientific knowledge base to develop a national strategy for designing and projecting high-circular eco-industrial parks in Kenya. The focus is on investigating the potential and scope of 'industrial symbiosis' that is resource recovery at source where one company's residual becomes another company's resource. The project will assist identify profitable green and circular innovations, establish the business case for developing green and circular business models for industrial parks in Kenya.



Take urgent action to combat climate change and its impacts



Integrate climate change measures into national policies, strategies and planning

INTERVENTION

OUTCOME / IMPACT

National Climate Change Action Plan 2018 - 2022: Private Sector was a member of the National Taskforce that developed the National Climate Change Action Plan whose one goal is to mainstream private sector participation in combating climate change in Kenya in the 7 Priority Areas.

Introduction of science based carbon reduction approach for planning and tracking progress towards becoming a Net-Zero carbon emitting company by the year 2050. Safaricom has transitioned 196 (3.7%) of their sites to renewable and hybrid energy sources – up from 155 (2.5%) in 2018. EABL targets to reduce Greenhouse Gases by 85 % emissions by investing in Biomass to reduce carbon emissions and switching to renewable energy.

INTERVENTION

OUTCOME / IMPACT

Sustainable Forest in 2019: Safaricom in partnership with Kenya Forest Service and Community Forest Association committed to plant 5 million trees in 5 years to support development of carbon sinks that offset carbon emissions in a sustainable manner.

Addressing Deforestation: EABL is replacing heavy fuel oils in our factories through our Investment in sustainable fuel alternatives (Biomass) and installation of biomass boilers in its factories across East Africa. KES 22 billion investment in biomass and water recovery projects in our factories in East Africa

Access to Climate Financing: 80 businesses supported by KCIC through in business advisory, access to finance to ensure climate adaptation and mitigation.



Conserve and sustainably use the oceans, seas and marine resources for sustainable development



By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution

INTERVENTION

OUTCOME / IMPACT

Building Momentum against Marine Litter:

Private sector held a side event during the sustainable blue economy conference themed, "Building the Global Momentum on Marine/aquatic plastic litter, held in Kenya in the year 2018 and was attended by over 300 participants. The participant including private sector, reached a resolution that stopping the flow of plastics waste in our marine environment continues to require action by all stakeholders, including all levels of governments, but also international organizations, youth, industry, and civil society.



By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans

INTERVENTION

OUTCOME / IMPACT

Commitment to Ocean Plastics Charter:

The Ocean Plastics Charter is a led initiative that outlines a "resource-efficient lifecycle management approach to plastics in the economy which includes working together toward making all plastics recyclable by the year 2030, reducing the use of single-use plastics and promoting the use of recycled plastic. It also pledges to build out recycling infrastructure, and innovate around more sustainable technologies. The Government of Kenya committed to the Charter and since then a number of producers and business associations' have endorsed the charter. They include Kenya Private Sector alliance (KEPSA), Kenya Association of Manufacturers (KAM). Among the organizations that have endorsed the Ocean Plastics Charter include Bidco Africa, Cooper K Brands Ltd, Coca Cola Beverages Africa, Unilever, Kenya Limited Melvins Tea and T3 Limited.

By endorsing the charter parties commit to sustainable design, production and after use markets, plastic collection management and other systems infrastructure through extended producer responsibility schemes and supporting research and innovation and new technologies.

The Flip Flopi Dhow:

Launched in 2018, the flip flopi dhow is an innovation of a kind that was built in the island of Lamu using 100% recycled marine plastics. On January 24, 2019, the dhow started its inaugural journey from Lamu through Kipini, Malindi, Watamu, Kilifi, Mombasa, Diani Shimoni then crossed to Tanzania with planned stopes in Pemba Island and onwards to Zanzibar. The dhow and completed its first ground breaking sailing over 500 Kilo-meters to Zanzibar and Tanzania. The flip flopi campaign is centred on a call to stop marine plastic pollution by demonstrating that single use plastics is not good and that people should find a way of redirecting and repurposing plastics. It seeks to make the plastic revolution in Africa and to the world.



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, & halt and reverse land degradation and halt biodiversity loss



By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements

INTERVENTION

OUTCOME / IMPACT

Kijani Project:

In collaboration with Nature Kenya and Kenya Forest Service, EABL is implementing the Kijani Project aimed at planting 100,000 trees every year. In the last two years, EABL has successfully planted 100,000 trees in the Mt. Kenya Forest and restored 250 ha of forest cover.

- ▶ In the last decade EABL in partnership Nature Kenya, Kenya Forest Service and Community Forest Associations (CFA's), has planted and nurtured over 1 million trees whose success rate is 85% survival rate.
- ▶ Areas initiative has had the biggest impact-Mt. Kenya, Aberdares, Koguta and Karura Forest.



By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally

INTERVENTION

OUTCOME / IMPACT

The Kijani Movement

is a private sector led initiative for enhancing environmental conservation. On 30th June 2018 the Foundation launched the Kijani Movement during a tree planting event at Mangu high school under the Feed and Green our Institutions program; Kijani movement supported the National Tree planting initiative dubbed "Panda Miti Penda Kenya" presided over by H.E President Uhuru Kenyatta. Through its membership KEPSA raised funds for approximately 50,000 seedlings in May 2018. On 30th March 2019, Kijani Movement held its 2nd KEPSA tree planting event at Lenana School, under the same initiative led by Old boys of Lenana, KEPSA Members and Government. 200 fruit trees were planted.

The Kijani Movement is supported by BIDCO, Coca cola, Madison Group, Kenya Association of International Schools, KUSSCO, Tabaki Freight International Services, Kenya Market Trust, Shanga Engineering Works, Bollore Transport and Logistics, Jijenge Credit, Plantronics Services, ACME Containers Ltd, Intercity Secure Homes Ltd, Protel Studios



By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development

INTERVENTION

OUTCOME / IMPACT

Bamboo Tree Planting Initiative is a BIDCO Africa programs launched in the year 2017 as a green, sustainable and renewable energy source and to replace the need for traditional timber. Through contract farming arrangement with farmers to plant 1,000,000 trees in the next five years, the organization is engaging small farmers across the country to invest in bamboo as an investment and Bidco will provide a guarantee market. Bidco Africa partnered with Kitil farm a leading bamboo propagation centre to provide farmers with quality bamboo seedlings, training and technical support.

NIC Bank Change the Story initiative:

is a corporate environmental regenerative initiative launched in the year 2018 aimed at reversing environmental degradation by planting trees within communities, farms and public forests championed by NIC Bank. For every account opened, NIC plants a tree as a way of engaging customers and creating more awareness on the need to restore green cover.

About 2000 trees were planted at Michuki park along Nairobi River during the launch.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



Substantially reduce corruption and bribery in all their forms

INTERVENTION

OUTCOME / IMPACT

Code of Ethics for Business:

96% of Safaricom's suppliers have signed up to Code of Ethics for Businesses in Kenya. All KCB employees have signed the code of ethics and declaration forms.

Combating Money Laundering:

282 dealers (64%), 61,567 (38%) agents and 248 suppliers trained on Know Your Customer (KYC) requirements for registration of customers to combat money-laundering and other crimes associated with mobile technology.

96% of Safaricom employees have undergone training on ethics and anti-corruption.



Develop effective, accountable and transparent institutions at all levels

INTERVENTION

OUTCOME / IMPACT

Subscription to Global Compact Network: Private Sector members have subscribed to the UN Global Compact Principles and continue to encourage their value chain players to adopt. KCB Bank as a member of UN Global Compact and subscribes to the 10 principles and code of business ethics. The bank endeavors to mainstream these principles to its supply chain by encouraging its suppliers to adopt such.

So far **319 vendors** have signed up.

Performance disclosures: KCB reports its financials through the annual integrated reports and its impacts report namely the Annual Sustainability Report.

Whistle blowing: The bank has contracted an External independent organization to handle all whistle blowing fraud and all forms of misconduct. Toll free call contact and email are provided to the public hosted in the KCB Group website under the Sustainability Tab.

Confidential and Reliable whistle blowing has assisted averting of fraudulent and unethical practices.



Ensure responsive, inclusive, participatory and representative decision-making at all levels

INTERVENTION

OUTCOME / IMPACT

Multi-sectorial initiative against corruption:

The Multi-sectorial Initiative against Corruption was launched on 9th August 2018; the Multi-Sectorial Initiative is a platform for engagement with leaders from various sectors of society around a unified and well-coordinated multi-sectorial approach to national development and achievement of the Vision 2030 based on a diverse and inclusive partnership model. It draws its sectorial representation from the Private Sector; Religious Community; Media; Professionals; Youth; Women; Trade Unions; Civil Society; Academia; Development Partners and the Government. In January 2019, The MSI held a National Anticorruption and brought together all the stakeholders' who identified corruption hotspots in their sector as well as make a commitment on how to uproot the vice in their sectors.

As part of the key programs and in light of the efforts to fight corruption at the national level, the immediate area of focus has been building a unified, multi-sectorial and sustainable approach to fighting corruption and promoting national values under the theme "movement against corruption."



Strengthen the means of implementation and revitalize the global partnership for sustainable development



Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism

INTERVENTION

OUTCOME / IMPACT

Partnerships for Policy Coherence and Enabling Environment:

Public Private Dialogue Engagements (PPD's): KEPSA has established public private dialogue engagement platforms between private sector and all arms government include the Presidential Round Table, the Ministerial Stakeholders Forum, The Speakers Round Table of both houses- National Assembly, and The Senate, The Chief Justice Forum known as the Judiciary Round Table as well as engagement with select State Agencies and Departments

Partnership for Closing Financing Gap:

Safaricom joined the Global Investors for Sustainable Development to work together with other partners to close gap financing for SDG's.

Partnering to catalyze and nurture market based solutions for SDG's:

The Partnering for Green Growth and Global Goals Platform (P4G) is a platform between government and private sector that develops, accelerates, and scales-up concrete public private partnerships for the implementation of sustainable development goals and the Paris Climate agreement in particular SDG2- Food Security, SDG6- Water, SDG7-Energy, SDG11 – Cities and SDG12 with a focus on Circular Economy. The Kenya P4G Platform Chaired by the National Treasury and Planning and Co-Chaired by KEPSA. 15 partnerships' projects are being coordinated under the Platform.

Trade for Sustainable Development Program:

ITC implements a coaching program called Trade for Sustainable Development (T4SD) Hub, Kenya, in collaboration with KCIC and Strathmore Business School who jointly host the T4SD Hub in Kenya. T4SD program seeks to provide technical assistance to export-ready SME's in support of sustainable business practices to ease their participation in global value chains. Targeting 20 clients to develop environmentally and sustainable business practices.

Partnership for Nature:

EABL Partnerships with Nature Kenya, Community Forest Associations, Kenya Association of Manufacturers, KRA, National and County Governments Kisumu County Government, Lake Basin Development Authority, KENGEN.

Note: Partnerships and multistakeholder collaborations that build the collective capacity of private sector to deliver SDG's



Leaving No One Behind: Private Sector Response

The core rallying call for SDG's is the principle of 'Leaving No One Behind' which means assaulting all forms of inequality - economic, gender, race, youth, sexual orientation, disability or regional inequalities and consideration of vulnerable groups of people living beyond the population average. To realize sustainability businesses are called upon to develop business models that reduce inequality for the youth cohort, mature cohort, ethnic or racial and gender imbalance. Private sector is also taking initiatives for inclusivity as follows:

7.1. RESTORING THE DIGNITY OF THE VULNERABLE IN THE SOCIETY:

Restoration of dignity of the vulnerable in the society by providing descent accommodation facilities through the Optiven Mercy Project The Soweto Anti-Aids Children's Home, Soweto Kayole, Embakassi District in Nairobi County. The mercy project by Optiven accommodates over 50 children aged between 1-18 years. They are victims of circumstances such as being orphaned due to parents who passed on due to HIV and AIDS, of fathers who sired them and refused to take responsibilities, and of many other life tragedies that rendered them homeless. The construction and completion of the home that consists of 3 classrooms, 1 matron's room, 1 girls' dormitory, 1 boys' dormitory, 2 bathrooms, 2 toilets, kitchen, store, laundry area and our budget had been over Kshs.5,000,000 and since the construction.

7.2. FOOD SECURITY: FEED ONE MORE CAMPAIGN:

The Feed One More Campaign is a partnership between Optiven and the National Drought Management Authority to give relief assistance in order to address food insecurity and drought, caused by short rains and the rivers drying up in the Counties. Optiven has undertaken 3 missions on feed one more initiative.



Kshs.2,000,000 (Two Million Kenyan Shillings) contributed during the official launch on 13th February, 2017. The Optiven staff were also not been left behind and donated part of their salaries as well as skipping their meal. 1st mission took place on 27th February 2017 to Ngatataek, Kajiado County where we distributed food to many homes in the major villages of Oloika, Nodia, Nentoni, Noositet, Loisipeti, Ilekeekoigeo amongst others. The 2nd mission of 3rd March, took place in Kieni West Sub-County in Nyeri County in areas such as Laburra Location, Mweiga, Lamuria Location. Our 3rd Mission was Solio Location in Laikipia County. The 4th mission, of 17th March, 2017 took place in Maralal town, the administrative headquarters of Samburu County where we again fed the major villages the likes of - Lulu Hills, Soitpos, Lorrok, Metarai, Lolmongo, Elba, Kiriswa Hill, Ntungai, Lorrok Lolmongo Villages amongst others. Over 10,000 Kenyans were fed in these missions.

7.3. PERSONS LIVING WITH DISABILITY:

“Mobility that brings Smiles”: Optiven mobilized 10 wheelchairs and 2 hand carts and gave the most deserving cases of persons with disability under “Mobility that brings Smiles” initiative. For the reporting period, 2.1% of Safaricom staff are persons living with disabilities, which is a 0.9% increase from 2016.

7.4. DUSE ICT LITERACY PROGRAM:

The Huawei digital literacy program for all Duse residents in Isiolo County who lacked digital knowledge on the use of smartphones and digital applications. The program is catalysing economic growth in Duse through providing digital literacy, - Communication and social media, -Smartphone and internet skills -Maps, photos and storage, -Reading and Education -Jobs - Health -Agriculture - Shopping and Trade -Government services to Duse Residents.

7.5. GIRLS EMPOWERMENT:

Huawei-Samburu Girls Foundation equipped Samburu girls with computers and tablets necessary for digital literacy. -Provide career guidance and mentorship to Samburu girls as they advance in their studies and venture into their respective career paths. -Raise awareness on the challenges the Samburu Girls face such as Female Genital Mutilation (FGM) and beading. The Sanitary Pads initiative: 3500 girls been issued with re-usable sanitary towels by Safaricom. It has also included the Purchase and distribution of sanitary pads to disadvantaged girls.

7.6. WOMEN IN STEM:

More businesses are taking action for women in Science Technology Engineering and Mathematics (STEM) by giving scholarships to high performing young ladies with an interest in STEM. These initiatives are common among businesses in Energy, Mining and Extractives.

There are also mentorship opportunities for women in IT and STEM, in an effort to balance the gender equation in the industry. Most private sector entities have sought to increase the number of women in their workforce by 2/3. Women have been supported and included in fields that are traditionally considered to be for men especially STEM.

7.7. MICRO, MEDIUM SMALL AND ENTERPRISES' (MSMES)

Despite their significant contribution to economic growth, SMES continue to face a lot challenges' and most of them focus on low value addition. On July 4th 2019, KAM launched a Manufacturing SME Hub geared towards offering incubation services, preparing, nurturing and growing manufacturing SMES to take full advantage of available markets. The hub will seek to address challenges affecting SMEs in the country including unfriendly policies and regulatory regimes, lengthy standards and certifications processes, access to market, access to affordable finances and poor governance structures. KEPSA had developed the SME policy index in order to track the regulatory environment for SMES and assist enhance growth of SMES in Kenya. The government also during its 2019 budget statement proposed to enhance access to fiancés to MSEM through Stawi Loan on a mobile platform.

7.8. SUSTAINABILITY REPORTING:

Sustainability reporting or the triple bottom Line reporting is a call for business to account for their full impact. The triple bottom reporting includes reporting performance of an organization impact on people planet and profits parameters (3P's). It captures the essence of sustainability and measures the full impacts of an organization activity on the planet. The SDG'S era call for the business community to not only account for financial performance, but to also account for their impact on the environmental and societal performance. The current sustainability reports need to be aligned to the SDG's principles' and VNR reporting frameworks.



Cross Cutting Issues



The following are identified a cross cutting factors contribution to successful implementation of sustainable development. They include:

8.1. ENABLING POLICY FRAMEWORK AND INSTITUTIONAL COHERENCE

In Kenya, there exists an institutionalized engagement mechanism driven by the need for improve the ease of doing business and Kenya's competitiveness between government and private sector known as Public Private Dialogue (PPD) platforms through KEPSA. The PPD platforms are very significant in co-creation of solutions, formulation and implementation of policies, laws, and strategies and knowledge sharing to spur sustainable economic growth, wealth creation for policy and institutional coherence. Private sector through KEPSA also engages with intergovernmental and devolved governance structures through the following platforms'; Intergovernmental Technical Relations Committee (IGRTC), Council of Governors Round Table, County Executives Members, County Assembly Forum, Nairobi County Governors Round Table and the Nairobi County CEC Sectorial Committee Forums. For year 2017 and 2019, a total of 167 PPD engagements between private sector and government were held including 4 Presidential Round Tables, 37 Ministerial Stakeholder Forums, 2 speakers round table, 3 council of Governors Engagements, 2 Chief Justice Forums, 20 Sector Working Groups, 95 engagements with select state agencies such as Kenya Revenue Authority, energy regulatory authority, Attorney General, Climate Change Directorate, National Environmental Management Authority among other agencies. As a result of this public private engagement, the concerted effort between government and private sector has significantly improved Kenya's World Bank index on ease of doing business ranking to position 61 in the year 2018/2019.

During the period under review, private sector participated in development of key policies and laws as follows:

- ▶ Development and the launch of the Technical and Vocational Education and Training Authority (TVETA) strategic plan 2018 -2022 in April 2018. The strategic plan calls for concerted efforts between public and private sector to improve the sector governance, upgrade competency based skills framework, and create micro system's to ensure alignment of TVET with small and micro enterprises.
- ▶ Development of TVET Curriculum through the TVET-CDACC leading to formation of over 40 Sector Skills Advisory Committees (SSACs).
- ▶ National Climate Change Action Plan 2018 – 2022 (NCCAPII)- Private sector participated as a taskforce member in the development of the second national climate change action and mobilized private sector participation in determination of priority actions and priority sectors for combating climate change in Kenya.
- ▶ Private Sector Engagement Framework for NCCAPII -The private sector coordination framework for the implementation of the Second National Climate Change Action Plan (2018 – 2022) is being developed by private sector in partnership with the Ministry of Environment and Forestry with the support of LECRED. (Low Emissions and Climate Resilience Development) The framework, mainstreams participation of the private sector in addressing climate change and a coordinated framework for monitoring, tracking and reporting implementation of the NCCAP.
- ▶ National Climate Change Policy: The policy framework recognizes opportunities for private sector to access new and additional financing through the development of financial and insurance services, engaging in projects to generate carbon credits for sale in international markets, exploitation of new green economy opportunities and green jobs.
- ▶ Climate Finance Budgeting Coding and Tracking: KEPSA engaged with the National Treasury and Planning between October 2018 and February 2019 as a technical member for the development of the Climate Finance Budgeting and Expenditure Tracking handbook. The training is in 3 modules and is part of Kenya's strategic intervention to build capacity on climate finance, enable coordination of resource mobilization and tracking expenditure in climate change.
- ▶ Private sector engaged as a taskforce Member with the Ministry of Water and Sanitation in the development of the National Water Policy and the national water resources management strategy. The policy and the strategy is intended to guide national and county governments in matters related to water. It is expected to provide a long term strategic roadmap to address Water Resources Development and Management issues and Achieve balanced and sustainable water use and development across the country.
- ▶ Private sector participated as a taskforce member of the Forestry Resources Management and Logging Activities Report between March and August 2018. Among the key recommendations is the need for the development of a framework for commercialized forestry in Kenya. Commercialized Forestry will enable private sector invest in forestry to ensure sustainable production and consumption of timber products.
- ▶ Kenya Plastics Action Plan: In order to implement the Ocean plastics charter commitments, in January 2019, key players in the plastic value chain initiated a new platform, the Kenya Plastics Action Plan; a private sector-led policy and action plan aimed at enabling a circular economy for environmentally sustainable use and recycling of plastics in Kenya. The plan aims to propose a road map to a circular economy for plastics use and waste management in Kenya and identify the specific actions that the public and private sector should undertake to achieve this.

8.2. PARTNERSHIPS AND COLLABORATIONS TO DELIVER AT SCALE

In line with Indicator 17.16 and 17.17, transformational partnerships built on common goals and values among organizations are key in realization of sustainable development goals. Some of the Multi-stakeholder Partnerships' for the advancement of sustainable development goals, building experience and resourcing strategies for partnerships for the private sector are:

8.2.1. The B-Team

The B team is a coalition of transformative business leadership to catalyze a better way of doing business in Africa. The alliance of progressive business leaders seeks to empower Africans by helping create more sustainable and just economies across Africa. Through the B Team Africa, private sector is driving responsible business across Africa with specific focus on tax justice, rights and climate.

8.2.2. Partnering for Green Growth and Global Goals (P4G) platform

Partnering for Green Growth and Global Goals (P4G) platform, a global action oriented initiative currently operating in 9 countries of the world including Kenya, Ethiopia, Chile, Netherlands, Denmark, Vietnam, Colombia, Mexico and South Korea. The P4G platform develops, accelerates, and scales-up concrete public private partnerships for the implementation of sustainable development goals and the Paris Climate agreement in particular SDG2- Food Security, SDG6- Water, SDG7-Energy, SDG11 – Cities and SDG12 with a focus on Circular Economy. The National Treasury and KEPSA are the co-chair alongside the National Treasury of the Kenya. The platform also enhances capacity building, learning and sharing on Public Private Partnerships' to drive implementation of SDG's.

Since establishment of the Kenya National Platform in 2018, KEPSA has catalyzed submission of 110 public private partnerships project applications to the global P4G hub. These cutting edge green partnerships were selected from applications drawn from over 80 countries. A total of 15 partnerships' projects are implementing the P4G priority SDG'S in Kenya

Two key green projects being implemented are the sustainable special economic zones and the new plastics economy project. Through this partnership, the concept for mainstreaming sustainability in all Special Economic Zones concept was undertaken by KEPSA, the National Treasury and Systemiq. The new plastics economy project is working on creating business model for recycling for Kenya.

8.2.3. Cross-Sectorial Partnerships

All the reporting organizations' have reported that the strategic cross-sectorial partnerships between private sector, government both national and subnational, civil society, community based organizations among other key groupings, have amplified their SDG'S work. The KBL partnership with Nature Kenya, Community Forest Associations, Kenya Association of Manufacturers, KRA, National and County Governments such as Kisumu County Government, Lake Basin Development Authority has amplified the impact of their SDG programmes in areas such as fighting anti-illicit brew, youth empowerment and environmental conservation. Cross Sectorial Partnerships should thus be pursued to deliver the impact and scale of SDG interventions.

1.3. KNOWLEDGE SHARING ON SUSTAINABLE DEVELOPMENT

Private sector held knowledge sharing transfer and dissemination on sustainable development during the period as follows::

8.3.1. Private Sector Annual Conference on Sustainability:

Sustainable Inclusive Business Knowledge Centre established by KEPSA through its Foundation and the Royal Kingdom of the Netherlands to develop sustainability knowledge and facilitate sharing information on best practices of viable sustainable business models, implementation of sustainable business policies as well as creating partnerships.

The project has created increased awareness on sustainability and inclusiveness by engaging directly and indirectly with over 5000 Businesses, Universities (Academia), Civil Society and development organizations. It has also held four successful conferences on Sustainable and Inclusive Business, cumulatively attracting about 600 Businesses and over 1200 participants. 15 businesses have been supported to undertake a sustainability scan, assessment with an improvement plan (in collaboration with B-Corporation). More business are embracing sustainable development as a growth strategy and hence sharing their experiences and challenges through the conferences and the summits.

8.3.2. Better Business Better World Conference:

The, Business and Sustainable Development Commission hosted the Better Business Better World Conference in partnership with Safaricom, whose aim was to advocate for local businesses to embrace Sustainable Development Goals as a growth strategy. In the same year, we co-hosted the inaugural Africa edition of the Global Goals World Cup, in partnership with EIR Soccer aimed at driving awareness and action on Sustainable Development Goals.

8.3.3. The WeSustain Platform:

Is a platform is coordinated by KCIC runs for the Kenyan students for creating awareness on sustainable development goals. The initiative organized the first sustainability debate in Strathmore University. Over 85 students attended the session to share their views on sustainability issues. The theme of the debate was: “Are the Kenyan university students adequately engaged in the achievement of the SDG's? 1500 students have been recruited into the platform. Video on Education for Sustainability developed and shared on Wesustain Africa YouTube Channel, issue of Wesustain Monthly Newsletter content developed and circulated.

8.3.4. Africa Shared Value Summit:

The Third Annual Africa Shared Value Summit took place in May 2019 in Kenya and was the first in East Africa. It was a platform to discuss the evolving role of business within a rapidly changing socio economic landscape and how business can integrate shared values of inclusive, sustainable growth, and profit with purpose. Industries represented were from agriculture, healthcare, manufacturing and green energy. It was sponsored by Safaricom, Old Mutual, Enel Green Power, ABSA, KCB Bank, Kenya and the World Food Program. The business community has a collective responsibility to run sustainable businesses that growth the economy and that bring change to the lives of the people they touch was the rallying call for the summit.

8.3.5. Sustainable Development Business Conference:

The Kenya Association of Manufacturers in Collaboration with the Confederation of Danish Industries organized a two day Sustainable Development Business Conference on 21st – 22nd March 2019 as a platform for learning, sharing, knowledge and enhancing engagement through multi-stakeholder initiatives that support Sustainable Development Goals (SDG's).



Challenges & Lessons Learnt



P4G consultative seminar held on 14th February 2018 at Villa Rosa Kempinski Hotel, Nairobi

9.1. LESSONS LEARNT:

The following are lessons learnt drawing from the 2017 VNR challenges and interventions put in place:

- ▶ SDG implementation is not just a government, international organizations' or development partners mandate but that private sector also has a huge role to play, both corporate and individuals as implementers.
- ▶ Engagement of Private Sector in the VNR development process helped in designing of a much clear reporting tool that is aligned to the VNR guidelines leading to improvement of quality of reporting.
- ▶ Increasing SDG progress reporting times helps to reduce information overload and helps companies keep better cumulative trends on interventions. The 2019 Progress Report was very key in helping participating companies maintain regular data and trends.
- ▶ There should be a feedback mechanism for the process and reporting outcomes of the HPLF proceedings' in order to assist companies realize the value of their contribution to the countries voluntary review process.
- ▶ There is need to strengthen coordination and collaborations across sectors; for private sector to effectively deliver on the SDG's there's need to enhance collaboration between governments, civil society and businesses. This will avoid overlaps in resource utilization and refocus resources.
- ▶ Transformational partnerships are very important hence partnering with other entities helps implement the goals on a larger scale

9.2. CHALLENGES:

The following are challenges experienced in the report generation process and overall implementation of sustainable development in the country. They are:

- ▶ Cumulating of trends and consistency of reporting companies affect analysis of impact and progress.
- ▶ Capacity building of sustainability officers and focal point persons on the SDG's indicators and targets and reporting process.
- ▶ On overall implementation of sustainability measures in the country, are significant barriers affecting private sector contribution remain, most notably, the deep-seated financial short-termism that exists in businesses, markets and governments. Sustainability is a long term agenda and requires long term orientation in terms of planning and financing.
- ▶ Challenges facing in organic agriculture which is a key contributor to sustainability include the high cost of certification services and standards, conflicting advice on farming techniques and inadequate incentives for organic produce, poor knowledge of and lack of access to export markets and high costs of air transport. Commercial organic production is expensive, but it produces high value products and global demand is growing for such products.
- ▶ In addition, many policies, subsidies and incentives offered by governments and markets reward or encourage behaviors' and decisions that increase, rather than decrease, environmental impacts; insufficient awareness of green growth solutions across all sectors; the limited availability of innovative financing mechanisms for green and sustainable technologies, Limited technical support for the private sector, lack of information and systematic public –private and private -private sector collaboration are currently preventing more businesses from responding to the Global Goals.

There is therefore need to enhance collaboration, coordination, reporting and sustainability of SDG's frameworks and initiatives supported especially support from Government and development partners in terms of enhancing technical capacity, financing mechanism for green and sustainable solutions and provision of sustainability reporting frameworks that institutionalizes private sector engagement on sustainable development.



Impact Of Covid 19 On Private Sector In Kenya: Implications For Sustainable Development



KEPSA's Flowers Of Hope Campaign Launch – March 30, 2020

The Kenya Private Sector Alliance conducted a several surveys to assess the impact of COVID 19 on Private sector in Kenya. During the April 2020 Survey, the spread of businesses that participated in the survey was : 29% were micro, 46% small, 16% medium and 9% large enterprises.

The results showed that that a vast majority (81%) of enterprises across all sectors and company sizes have been impacted by Covid-19 with small and mid-sized companies reporting the largest impact (high to very high) at 85% and 83% respectively in comparison to 78% of micro-enterprises and 70% of large companies. In terms of sectors, tourism and education sectors are the most impacted with 95% and 93% of them reporting high to very high impact due to health-imposed closures. Beyond the enforced closures, Sports/Arts/Creative and Agriculture firms report the largest level of impact at 90% and 81% respectively. Since Agriculture is the dominant GDP-contributor sector, its plight will have a significant impact on the overall economy. Finance, health and social work and Environment/Water/Waste firms fair better than the other sectors with 47%, 50% and 56% respectively reporting high or very high impact.

All the examined sectors have been adversely affected by Covid-19 in financial losses. Agriculture, Transport, Manufacturing and Tourism, which are among the largest GDP contributors, report among the highest financial losses in real terms with Tourism and Manufacturing reporting average losses of between Kes 30million and 40million per company followed by Agriculture and Transport reporting between Kes 20-30million average losses.

58% of large companies had not laid off their workers particularly in the finance and insurance sector where 93% of the respondents reported keeping their employees. In the medium size category, 55% of firms have taken the job retention route. Only 34% reported laying off more than 50 people and the Agriculture sector was the most affected particularly horticulture due to export logistics challenges. Among the Micro and Small enterprises, 52% and 58% of the respondents respectively reported laying off workers. On the other hand, the private sector has expressed optimism on benefiting from the stimulus measures developed by government. Reduction of VAT, PAYE and corporate tax are expected to benefit the largest number of businesses, but payment of pending bills and VAT refunds remains a key issue affecting liquidity and other financial obligations.

10.1. PRIVATE SECTOR RESPONSE TO COVID 19 PANDEMIC IN KENYA

KEPSA recognizing that the key private sector role during the COVID19 crisis was to maintain jobs as per SDG8 and ensure business continuity while supporting national response in curbing the pandemic. Upon confirmation of COVID19 in the country, Private sector quickly adapted to preserve the economy and support health response, through a number of measures which include:

- ▶ Ignited the made in Kenya label: this involved reconfiguration of factories and production lines to produce personal protective equipment, Reconfigured factories and production lines for PPE (i.e. daily capacity ~1M Meters, of polypropylene) and hand sanitizer over 240K liter's ethanol. Kenya Association of Manufacturers Introduced 2 innovative ventilator models, Toyota Kenya among other innovations by our youthful innovators.
- ▶ Digitization of business operations and logistical efficiency: private sector waived fees for transacting digital platforms including Mpesa, fast tracked accreditation of 40 tele-healthcare providers, digital platform for ecommerce, educational materials, opening of fast cargo transit to Naivasha via SGR, and training of over 1000s business and SMEs on digital skills and online marketing.
- ▶ Cross Sectorial Collaboration: the aviation industry reengineered and converted passenger flights to transport fresh produce and flowers to Europe, Launched Wheels for Life initiative to ensure pregnant women have access to medical care during curfew (i.e. free medical advice, transport to facilities), cross sectorial partnerships including the Safe Hands collaboration of over 30 companies to distribute free soap, sanitizer, and face masks to vulnerable communities.

- ▶ Improvement in Ease of Doing Business: The baking sector committed to restructuring loans to cushion businesses / SMEs and individuals, we advocated for 48 hour approvals from KEBS for local manufacturing, removal of PVOC 2 on essential products (e.g. PPEs) and zero rating of key goods, including medical equipment, agricultural inputs, and imported maize and wheat. The KEPSA health sector board (Kenya HealthCare Federation (KHF) partnered with Ministry of Health to procure over 35,000 COVID 19 test kits from Roche, and opened purchase line from KEMSA. KEPSA is issuing stickers to her members who handle products listed as essential to ensure smooth business operations.

10.2. PRIVATE SECTOR CONTRIBUTION IN MANAGEMENT OF THE PANDEMIC

Private sector also actively contributed the following efforts and support in the management of the pandemic in the Country:

- ▶ Resource Mobilization : In response to the call from the government of Kenya to mobilize resources to combat the corona virus situation, KEPSA mobilized its members who have made significant contribution to COVID19 in providing funds for the COVID19 fund, provision of water, soap and tanks and hand washing stations, distribution of essential supplies to the most vulnerable in the society, provision of thermal guns, umbrellas to the Police, ventilators, sanitizers, masks, PPEs, education e-learning platforms, telecommunication support, advertising and communications, mattresses, digital commerce program, digital resources and training, food donations through KEPSA women in partnership with Dr. Manu Chandaria and our members in Mombasa and other counties, market renovation starting with Uhuru market among others.

- **Communications and Business Support:** KEPSA set up a 24-Hour call center with a toll-free number 1196 to provide information to all business sectors and industries, set up a digital engagement portal to enable sharing of information and information links from various businesses, to match local manufacturer, SMES and consumers ensure supply chain continuity and availability of critical inputs and provide information on COVID-19 (www.covid-19.co.ke). Over 3000 calls have been received and responded to at the call center.
- **Spurring solutions and economic bright spots:** during this period, KEPSA has hosted weekly webinars (every Thursday) bringing together different leaders to engage on topical subjects to spur solutions. These include CBK Governor Dr. Patrick Njoroge on Bright spots in the Financial Markets to spur businesses and jobs during the Covid-19 pandemic, PS for ICT Mr. Jerome Ochieng on E-Commerce and Digital Solutions to spur Businesses and jobs, among others.
- **Flowers of Hope and market sustainability:** in collaboration with our members we launched the Flowers of Hope project at Kenyatta and Mbagathi Hospital and to international market to spread message of hope and compassion as well as maintain the existing markets and attracting new markets. Flowers and masks have been distributed to over 10 hospitals and 3 UK hospitals with donations worth Ksh 3 Million.
- **Wheels of life:** KEPSA in partnership with our members, KHF, Bolt and initiative launched an initiative to assist expectant mothers to access hospitals during curfew. Over 300 mothers have benefitted from this initiative.



Conclusion

Though momentum for implementation of SDG's is taking shape, there remains a lot ahead, in order to realize the transformation envisioned in the SDG's. There is need to enhance engagement at national and county level to identify the priority issues / challenges and possible solutions for targeted interventions. There is need to strengthen measurement and systematic trends on SDG's implementation by private sector as well mobilization to increase the number of private sector entities reporting their progress including SMES in the implementation and monitoring of SDG's in Kenya.

DISCLAIMER

The information provided in this report was informed by input from KEPSA members and secondary sources of private sector companies who have publicly shared information on their initiatives'. The assertions and conclusions are therefore based on information availed at the time of writing this report and does not provide conclusive data nor can KEPSA provide any assurance on them.

Private Sector

2nd Voluntary Progress Report

ON IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT GOALS IN KENYA

2018-2019

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