

Executive Summary

Kenya is the largest economy in Eastern Africa. Its vibrant and diversified private sector, together with infrastructure investments and revised economic policy, has led to consistent GDP growth. Kenya and the Netherlands have a strong trade relationship. The Netherlands is the 3rd export destination for Kenya and the largest market in the EU. The economy is largely based on extractive activities of which agriculture, in particular horticulture, and mining are the most prominent. For the Netherlands horticulture and flowers stand out as the most important products coming from Kenya. The challenge Kenya's economy is facing is low value addition.

However, this economic growth is not felt by everyone. For example, Kenya has one of the largest percentage of unemployed youth in East Africa. Kenya has a huge population of people living within the Arid & Semi-Arid Areas (ASALS) and is also hosting to over half a million refugees from the region. All of such groups are marginalized, face discrimination and exclusion from political processes. The recurrent drought, as a consequence of climate change in both Kenya, Somalia and the region, is having devastating effects on small-scale farmers who rely on rain-fed agriculture as well as eroding livelihood opportunities for pastoralists and communities in ASALS and hinders their ability to bounce back and be resilient.

Our new strategy, therefore, focuses on both: **Sustainable economic growth and leaving no one behind. Both are essential to maintain the current stability of the country which is prerequisite for sustained economic growth.**

In 5 sectors that we find promising for Dutch interventions, we will **identify opportunities, enhance trade and investment, address challenges in the business climate, and support private sector development.** These sectors may cross-fertilize each other as well. These 5 sectors are:

- Agriculture: working on sustainable production of horticulture, aquaculture and dairy through Dutch innovation and knowledge transfer.
- Logistics: strengthening the Kenyan exports through cooled sea-freight.
- Energy: promoting renewable and innovative solutions for productive use and e-mobility.
- Water: improving access to water through innovative water technologies
- Life Sciences and Health: strengthening PPP- constructions to improve private health care provision in Kenya.

Interventions in these sectors should lead to inclusive sustainable economic growth, with opportunities for women and youth, creating formalized decent jobs, that promote digital, innovative and circular solutions. Crucial element will be the gateway position of Kenya to the EAC and the direct flight connection between Nairobi and Amsterdam (gateway to gateway connection) and the link with the port of Rotterdam. The Netherlands, as an important trading partner of Kenya, recognizes the importance of combatting illegal trade flows now containerized transport is growing rapidly. Organized crime is a potential threat, with Netherlands' sea- and airports being main destinations.

On stability and leaving no-one behind, we will focus on **improving abilities of communities in the ASALs in Kenya to withstand climate-related shocks by partnering with county authorities.** We will work with these authorities and within the framework of Devolution to enhance their capacities in delivery of critical sectors such as: climate resilient approaches for food and nutrition security, integrated water management and enhanced access to renewable energy. We will also work with our partners towards mitigation of natural resource-based conflicts. We are keen to leverage on Netherland's expertise from private sector, knowledge institutions and civil society, with the aim to promote sustainable solutions together with the Kenyan authorities and stakeholders.

Secondly, and critical to our approach, is to ensure that at the heart of our strategic interventions **reducing inequalities (and marginalization)** is the pathway towards ensuring a stable Kenya and region. To this end, we will seek to invest in community-based prevention interventions against radicalization and countering extremism violence, in close collaboration between Kenyan security actors, CSOs and communities. As Kenya is under continuous threat from Al Shabaab, that is rapidly transforming into a regional terrorist power with strong financial means in a highly unstable region, the country is a regional hub for intelligence and information gathering from which also the Netherlands will cater for its security interests.

NETHERLANDS OBJECTIVES AND STRATEGY FOR KENYA

VISION: KENYA AND THE NETHERLANDS WORKING TOGETHER FOR SUSTAINABLE SOLUTIONS

Kenya and the Netherlands have strong economic ties, exemplified by a large trade between the two countries (sustained surplus trade for Kenya) and a growing NL Foreign Direct Investments in Kenya. Moreover, the two economies share some key features i.e. a vibrant private sector driving development and the gateway function both countries fulfil (NL to the EU market, Kenya to the EAC market). The direct (flight) connections between Kenya and the Netherlands, connecting both gateways, allow for even greater outreach than both countries could individually have achieved. By strengthening the development of multi-modal transport options for trade with less CO2 emissions, the Netherlands will offer concrete opportunities to improve sustainability. Agriculture stands out as a sector of longstanding bilateral cooperation and a solid basis for expansion into other sectors. The Netherlands will further strengthen its (economic) cooperation with Kenya, a relationship based on mutual benefit and a mutual aim to make progress on the 2030 Agenda for Sustainable Development (2030 Agenda).

Mission statement

The mission of the Netherlands in Kenya is to deepen and expand the mutually beneficial relationship in order to contribute to a more sustainable and inclusive economy in Kenya that can fulfil its commitment to drive the development towards achieving the 2030 Agenda and a Kenya that is safe and secure for Dutch people to do business, to travel and to live.

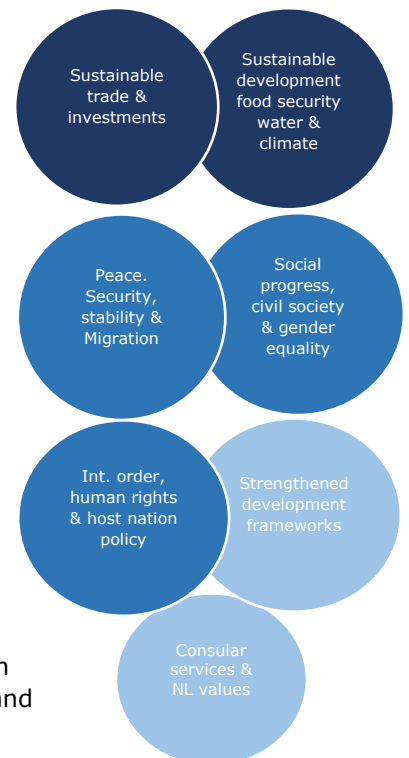
Main objective

To strengthen our mutually beneficial relationship with Kenya in a sustainable manner covering economic, developmental, security, climate and political domains.

This will be done by enhancing trade and investment and by contributing to stability and inclusivity (LNOB) through strengthening climate resilience, enhancing civic space and supporting devolution as key preconditions for Kenya's sustainable and inclusive development.

Specific objectives

1. Trade and investment between the Netherlands and Kenya strengthened and economic cooperation expanded through facilitating dedicated bilateral platforms of structural dialogue and joint partnerships for inclusive, sustainable and innovative/digital solutions in the sectors of agriculture, logistics, health, water and the energy transition.
2. Stability in Kenya improved, as shown by enhanced (climate) resilience, reduced inequality, deepened devolution, and decreased threat of radicalization and violent extremism.
3. Voices of women, youth and marginalized groups amplified, having a legal basis to serve their interests through accountability demands.
4. Accountability and transparency of public institutions improved by a strong civil society that is recognized and approached by GoK as a key partner in development.
5. Partnership with Kenya on regional stability strengthened, in upholding the multilateral system and in fulfilling its international commitments on human rights and on the hosting of refugees.
6. Cooperation with Kenya strengthened to promote climate, environment and energy action in the international arena and Kenya in its regional role on climate action supported.
7. Dutch citizens in Kenya (tourists and diaspora community) provided with efficient and timely consular services and information regarding safety and security in Kenya.



ENVISAGED STRATEGIC RESULTS AND STRATEGIC INTERVENTIONS

Development and Trade linkages

The overall expected outcome of this Strategy is a strengthened mutually beneficial relationship in a sustainable manner that covers economic, developmental, security, climate and political domains. This will be done bilaterally, within the EU strategic partnership framework and multilaterally.

Such a strengthened partnership between the two countries aims to contribute to Kenya's stability and to translate into Kenya sustainably implementing its constitution and Vision 2030, thereby becoming an inclusive and resilient upper-middle-income country that further contributes to a prosperous and stable region. This aim is derived from our mutual signing up to the Sustainable Development Goals (SDGs). Efforts in the area of public diplomacy and culture will support thematic priorities and strengthen the bilateral relationship between the Netherlands and Kenya.



Specific Objective 1: Economic relationship expanded & deepened

Trade and investment between the Netherlands and Kenya strengthened and economic cooperation expanded through facilitating dedicated bilateral platforms of structural dialogue and joint partnerships for inclusive, sustainable and innovative/digital solutions in the sectors of agriculture, logistics, health, water and the energy transition.



Outcomes

- Formalized bilateral platforms established for structural dialogue on strengthening economic cooperation in 5 top sectors (agriculture, logistics, life sciences & health, water and energy).
- Increased investments and bilateral trade between Kenya and the Netherlands in the 5 top sectors through an improved enabling environment and ease of doing business for Dutch companies as shown by more transparency and predictability, less costly administrative procedures and better access to finance.
- Enhanced developmental relevance of trade and investment by deepening the International Responsible Business Conduct (IRBC) activities of Dutch companies and stronger due diligence of their value chains.
- Increased contribution of Dutch interventions to innovative, digital and circular solutions and opportunities for skills development and entrepreneurship (with focus on youth and women).
- Transformation towards more resilient (sustainable and healthy) food systems promoted through Dutch expertise, innovation and technology.

Strategic Interventions

- Service delivery to (existing and new) Dutch businesses in Kenya improved through the organization of trade missions and strengthening relationships with the Netherlands Business Hub Kenya, Keninvest, strategic counties and other stakeholders.
- Good brokering between all parties, public and private, with focus on utilizing the Dutch Diamond Approach¹ as a best practice. Engaging various county governments to lead on Public Private Partnership-brokering for inclusive growth in the prioritized economic sectors.
- Opportunities will be actively explored in those sectors where the Netherlands is historically a strong partner (agriculture and water) or where Dutch solutions can be connected to the Kenyan market (health, energy, logistics). For all other sectors a more reactive approach will be applied in case of requests for assistance.
- The approaches of Combi-tracks (combination of trade and aid) and PADEO (programmatic approach to sustainable economic development) will be used to combine trade, aid and investments in a structured way. This will result in flagship programmes along various tracks (such as Cool Chain Logistics; Life Science & Health; and Sustainable Utilization of Lake Turkana). Solutions that lead to concrete market opportunities in these areas for Dutch businesses that contribute to sustainable economic growth, the creation of meaningful

¹ The Dutch Diamond Approach recognises the value addition of government, private sector, civil society and knowledge institutions working in partnership to realise development results. Within this approach the competences of partners are combined and the various goals, funds, risks and responsibilities pooled together: [Peer-Learning-Country-Report-Netherlands.pdf](https://peer-learning-country-report-netherlands.pdf) (oecd.org)

employment, the digital transition and/or climate neutral and resilient development pathways. Thus, linking trade opportunities to development cooperation leading to impact on the SDGs.

- Further strengthening of the Kenyan business climate through strategic partnerships on private sector development, particularly supporting programmes that help advance access to finance, innovation, digitalization and green transition and the Orange Knowledge Platform, assuring inclusivity and gender-equal access to services.
- Technical assistance and policy influencing on Water, Energy and Climate to GoK, private sector, and (local) finance institutions by taking a lead or active role in Development Partners Groups such as Water and on Energy and Environment/Climate.

Specific Objective 2: Stability improved & inequality reduced

Strengthened stability in Kenya, as shown by deepened devolution, enhanced (climate) resilience, reduced inequality and decreased threat of radicalization and violent extremism.

Sustainable development, food security, water & climate

Peace, Security, stability & Migration

Outcomes

- Improved climate resilience of vulnerable communities in ASAL counties by supporting locally led initiatives for building more resilient food systems and livelihoods within sustainably managed ecosystems, agreed (through Letters of Intent) and supervised at county level.
- Increased contribution of Dutch private sector, knowledge institutes and civil society to sustainable solutions in water, food security and renewable energy sectors across the development- and trade and investment portfolio, as shown by RIO markers.
- Strengthened early warning capacity of the National Drought Management Authority (NDMA) on natural resource-based conflicts and 'first aid' prevention capacity in at risk counties.
- Deepened devolution process by increased policy engagement with counties and more focused NL programmes in ASAL counties.
- Enhanced implementation of County CVE strategies through improved cooperation between civil society organizations (CSOs), communities and Kenyan security actors in achieving gender and inclusive response to peace and security threats.
- Enhanced position of the Netherlands as a credible security partner in Kenya through development of cooperation with relevant Kenyan security authorities in order to support Kenya in its role as a trustworthy and accountable pillar of stability in and for the region whilst increasing the Netherlands information position on security developments within the region.
- Strengthened cooperation in tackling international organized crime through bilateral judicial cooperation and law enforcement, with a focus on human trafficking, illicit financial flows, narcotics and money laundering.
- Reduced irregular migration through JKIA by improved capacity of immigration staff on identifying undocumented or falsely documented foreign nationals, enhancing insights on migration flows and used methods and travel routes.

Strategic Interventions:

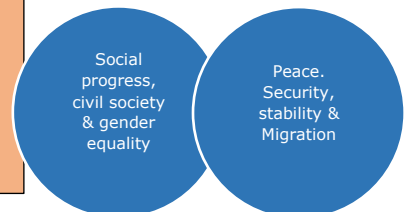
- Establish implementation strategies to create more resilient (local) food systems and livelihoods that are locally led and evidence-based and apply a Diamond Approach that can be sustained by local partners (localisation).
- Apply and promote integrated water, food security and energy approaches in order to improve climate resilience and to achieve inclusive and sustainable socio-economic development in the ASALs, contribute to Kenya's fulfilment of its Nationally Determined Contribution (NDC) commitment and mitigate natural resource-based conflicts.
- Align strategically with GoK (at all levels) and development partners on shared climate, water, food security and renewable energy priorities and processes.
- Conduct pro-active (and gender-sensitive) climate diplomacy and dialogues with GoK (at all levels) and development partners, with a strong focus on climate adaptation and resilience of women, youth and vulnerable communities, including refugees and host communities.
- Contribute to enhanced access to public and private finance for climate, water and renewable energy, through innovative finance solutions, as well as providing support to the development of a water sector finance strategy.

- Make optimal use of existing instruments (development, trade & investment, LNV) for private sector development and deploy Dutch knowledge and expertise relevant for identified economic potential in the ASALs.
- Ensuring Dutch trade and investment and development programmes contribute to sustainability by systematically and consistently designing programmes in such a way that whenever possible they qualify for application of Rio-markers, which are used to measure Dutch climate and biodiversity related spending.
- Facilitating cooperation in preventing and countering violent extremism (P/CVE) between security sector actors, civil society and communities through bilateral programmes and joint-donor initiatives to strengthen oversight by Independent Policing Oversight Authority (IPOA) and Kenya National Commission on Human Rights (KHNCHR) to safeguard the protection of human rights and promote an active cooperation with CSO's.
- Specific focus on capacity and capability building by education & training activities enhancing the effectiveness of Kenya's contributions to peacekeeping solutions for the region via combined exercises, military peacekeeping intelligence, gender and international humanitarian law.
- Maintaining good working relationships and sharing of information with international and local law enforcement agencies in the upstream disruption of cross-border crime, specifically in human trafficking, illicit financial flows, narcotics and money laundering.
- Ensuring that the increased connection (and flow of goods and persons) between Mombasa and Rotterdam or JKIA and Schiphol Amsterdam does not lead to a rise in international crime (specifically drug transports between the two gateways) through maintaining good working relationships to facilitate air transport between JKIA and Schiphol Amsterdam by training airline staff and immigration services and increasing their capacity with respect to information sharing.

Specific Objective 3 & 4: Civic space enhanced & and voices of marginalized groups amplified

Voices of marginalized groups are amplified and they have power to serve their interests by accountability demands.

Accountability and transparency of public institutions is improved by a strong civil society that is recognized by GoK as a key partner in development.



Outcomes

- Strengthened representation and increased meaningful participation of marginalized groups (with focus on women and youth) to make their voices heard and to serve their interests by accountability demands in political decision-making (county and national level), the labour force, conflict resolution and peacebuilding structures.
- Improved enabling environment for civil society through the approval of (a modified) Public Benefits Organizations (PBO) Act of 2013, including a regular consultation of CSOs by the GoK.
- Enhanced safety of civil society, for example (environmental) activists and (women) human rights defenders, through annually reduced threats from (security) state actors as shown by CSO register of enforced disappearances and killings and CIVIC monitor (for tracking civic space).

Strategic Interventions:

- Political dialogue and (gender) diplomacy, partnerships and joint initiatives with the GoK, civil society, like-minded missions and the EU to advance civic space in Kenya, include the voices of women, youth and marginalized groups in policy dialogue and promote the meaningful participation of marginalized groups in decision-making structures in the counties and at the national level.
- Movement building and strengthening civil society through funding to local CSOs using central and decentral instruments. Attention to digital civic space through diplomatic efforts and digital safety trainings for partners and to ensure implementation of Gender based violent (GBV) laws and policies.
- Broker and connect Dutch and local CSOs for networking and mutual capacity strengthening.
- Diplomatic efforts to support an amended and agreed upon PBO Act to be approved and gazetted, strengthening the legal framework for CSOs.

- Support establishment of dialogue platforms between CSO and GoK in line with PBO-act and in close collaboration with other development partners.

Specific Objective 5 & 6: Cooperation on regional stability, multilateralism & climate action strengthened

Strengthened partnership with Kenya on regional stability, in upholding the multilateral system and in fulfilling its international commitments on human rights and on the hosting of refugees.

Increasing cooperation with Kenya to promote climate and energy action in the international arena and to support Kenya in its regional role on climate action.

Int. order,
human rights
& host nation
policy

Strengthened
development
frameworks

Outcomes

- Consolidated refugee policy and implementation to achieve social economic integration/inclusion as laid down in Kenya’s Comprehensive Refugee Response Framework (CRRF), including access to basic services, jobs and livelihoods.
- Strengthened Kenya National Commission on Human Rights (KNCHR) in its watchdog role in the area of human rights and in enhancing Kenya’s compliance with national, regional and international instruments relating to human rights.
- Strengthened (multilateral) partnerships in promoting human rights-based approaches, climate and energy action and enhanced access to climate finance for adaptation.
- Enhanced UNEPs role as the authoritative voice on the environment on mutual priority issues, including plastic pollution, pollution science, water and adaptation and energy.
- More effective cooperation and coordination with development partners, including UN agencies and through the Team Europe Initiatives (TEIs) to support the achievement sustainable and inclusive development in Kenya.

Strategic Interventions

- Leading and positioning strategic refugee issues as priority items for discussion in policy coordination forums (Refugee Donor Group (RDG) and Development Partners Group (DPG) with GoK.
- Pushing for implementation of the CRRF and emphasizing the responsibility of GoK as a regional leader in assisting those in need in the region.
- Strengthening the implementation of governance policies through strategic cooperation with partners operating on the nexus of human rights, accountability and rule of law, further amplifying their work through diplomatic action.
- Political dialogue and diplomacy, demarches and outreach with strong focus on climate adaptation, integrated approaches and energy, including through supporting the champion roles of Kenya on Climate Adaptation and Energy in the international arena.
- Participation in and collaboration with local and international climate, water and energy finance institutions to accelerate climate adaptation and mitigation actions.
- Political dialogue and diplomacy, partnerships and joint initiatives with like-minded missions, including the EU (through e.g. TEIs) and UN agencies.

Specific Objective 7: Dutch nationals, businesses assisted and supported.

Dutch citizens in Kenia are provided with client oriented consular services and information regarding safety and security in Kenya. Business community is supported in realizing their ambitions.

Consular
services & NL
values

Outcomes

- Increased client satisfaction of the Consular Services provided.
- Strengthened network for security and consular support within the Dutch community in Kenya.
- Reduced waiting times for visa applications to maximum two weeks by 2024.

Strategic Interventions

- Information position of the embassy regarding safety and security in Kenya improved through strategic partnership with security information providers, local police, KK security and others.

- Strengthening of the network of security focal points (Dutch citizens who reside in Kenya) through regular information sharing, joint analysis of safety issues and in the dissemination of information regarding safety measures to the Dutch community in Kenya.
- Increase membership of Orange Carpet Services by 100% in order to support business & trade relationships.

CROSS-CUTTING THEMES: YOUTH, GENDER, CLIMATE AND CONFLICT SENSITIVITY

The 2030 Agenda (focusing on people, planet, prosperity, peace and partnerships) is the guiding framework for this MACS. Gender, climate and conflict sensitivity are integral part of this framework. The outcomes of the MACS contribute to all SDGs and its related targets. LNOB is basically covering gender, climate change and conflict sensitivity as these are exactly the issues in which exclusion plays a major role. But equally in economics and stability, exclusion is the cause of discrimination, inequality, poverty and vulnerability. It will be necessary to go beyond minimizing negative impacts (sensitivity/Do No Harm) and aim for gender transformative approach to unequal norms and power relations. LNOB is an ambition to do exactly that: in addition to secure inclusive and sustainable policies, to look at who are then still left behind and focus on bringing those groups on board in the development process as well. This is the recognition that transformation cannot come from policies defined at the top of the society but need to be accompanied by bottom-up intervention to help those excluded to start benefitting from policies.

For gender a more practical agenda will be formulated in line with the Dutch Feminist Foreign Policy, which is to be finalized and launched in 2023 which is in line with Kenya's strong policies and legal framework on gender equality and mainstreaming. Changing conflict dynamics, peacebuilding and climate change(adaptation) and resilience building are explicit goals of this MACS as elaborated above.

WAYS IN WHICH THE NETHERLANDS DEEPENS ITS EFFORTS IN KENYA

POSITIONING - NETHERLAND'S COMPARATIVE ADVANTAGE

The strategic partnership between the Netherlands and Kenya is multidimensional and should be built on our mutual strengths, capacities and on trust. Both countries are rule-based societies aiming for rule-based interactions between states, and both countries are strong advocates of multilateralism. The Netherlands is a major export destination for Kenyan (horticultural) products, resulting in a positive trade balance for Kenya with the Netherlands. The Netherlands is also a main foreign investor in Kenya through, amongst others, the Dutch Entrepreneurial Development Bank (FMO). In terms of economic characteristics, both countries are considered gateways to large economic markets (EAC and EU). Additionally, around 200 companies with close ties to the Netherlands are active in Kenya and many have their regional office in Nairobi. The Netherlands is a global leader in agriculture, which can benefit Kenya since agriculture is its dominant sector. Value addition in agriculture is another strength of the Netherlands that can benefit Kenya. Other strengths include our global leadership in logistics (which is a major challenge for Kenya), water management (again a major challenge for Kenya), and ICT and innovation (huge potential for Kenya's tech-savvy population and relatively high internet penetration).

In terms of climate action, the Netherlands and Kenya are likeminded and can partner on the international scene. The Netherlands is a trusted development partner for Kenya, with a strong history in supporting human rights and social justice movements. As such, the Netherlands is a strong supporter of Kenya's endeavours to deepen its democracy, strengthen implementation of its 2010 Constitution and safeguard civic space. The recently announced Feminist Foreign Policy (to be finalized and launched in 2023) and the launch of the Youth At Heart Strategy² in 2020 provide a strong framework within which we can strengthen our efforts on gender equality and youth participation. The Embassy's Youth Advisory Board will help strengthen young people's voice and perspective in programming, implementation and monitoring. To increasingly address root causes of the exclusion of young people's voices, the Embassy will, where possible, foster intergenerational dialogues.

² [Youth at Heart | Youthatheart](#)

There are also strong links between Kenya and Dutch Civil Society Organisations and particular initiatives. With this strategy, the Netherlands will continue working with strategic partnerships between Netherlands and Kenyan civil society.

WORKING WITHIN THE EU AND WITH INTERNATIONAL PARTNERS

In many ways, the Netherlands will operate in the context of the EU. This MACS aligns with the EU development cooperation program and the country strategy of the UN in Kenya. As a development partner, the Netherlands joins hands with the EU for Team Europe Initiatives on the Green Deal and Digitalization. Co-financing with EU is also practiced, and political demarches are often organized in an EU setting. The Netherlands fully participates in the EU strategic dialogue with Kenya. On consular matters, close cooperation takes place with Schengen partners. The Netherlands co-finances programs with UN and World Bank and is in close contact with both institutions.

In 2023-2024, the Netherlands co-chairs the Development Partners Group (DPG), with the World Bank (and from spring 2023 with the UN resident Coordinator). DPG is the platform for dialogue between the GoK and Development Partners. In that capacity, the Netherlands will set the agenda for this dialogue jointly with the new government of Kenya. This position is of great significance for the development agenda of the Netherlands. As for the economic portfolio, the outcomes aimed for include the establishment of platforms for bilateral dialogue, allowing for regular dialogue on the main priority sectors. In all of these platforms for dialogue and diplomacy, the Netherlands will position itself as an equal partner, searching for joined solutions and building on achievements and new priorities of the GoK. Sector working groups (SWGs) on water, refugees and circular economy are co-led by the Netherlands and will feed into the DPG dialogue forum.

HARNESSING NL COMPARATIVE ADVANTAGE TO DEEPEN DUTCH EFFORTS IN KENYA

The mutually beneficial economic cooperation between the Netherlands and Kenya will be strengthened through creating more trade and investment opportunities for Dutch business (thereby increasing the earning capacity of Dutch private sector) in an inclusive and sustainable way. The Netherlands will furthermore strengthen linkages between trade and development cooperation, i.e. by increasing the developmental relevance of trade and investment to enable Dutch companies to contribute to Kenya's Vision 2030; creating opportunities for trade and investment for Dutch companies in the development cooperation portfolio (in particular for the 5 top sectors for NL); expanding development efforts in the ASALs to support deepening of devolution and stability, while also opening new trade and investment opportunities for Dutch companies; improving access to EU and EAC markets for Kenyan and Dutch exports respectively; and linking Kenyan (tech) start-ups with Dutch companies to create win-win scenarios (jobs for Kenyan youth and business opportunities for Dutch tech companies).

Inclusivity, environmental sustainability and digitalization are central in strengthening the linkages between trade and development. As IOB recommended (see chapter 1), strengthening the linkages between trade and development requires improved coordination and careful fine-tuning of Dutch interventions (central and delegated) in both fields (trade policy and development cooperation policy). Stability is crucial for Kenya's economic development and for the economic cooperation and trade with the Netherlands. In turn, both development cooperation and trade, with the right configuration, can contribute to greater stability in Kenya. Our trade relation with Kenya can make a positive contribution to Kenya's sustainable development and stability, if there is greater adherence to IRBC of Dutch companies in Kenya and due diligence of their value chains is strengthened. In terms of development cooperation, ensuring instability-prone counties (ASALs) and marginalized groups are not left behind will have a positive effect on sustainable and inclusive development of Kenya and contribute to greater stability. The image on the right illustrates the interaction between the three policy fields which the Netherlands seeks to realize in Kenya.



As Kenya embarks on further growth, in particular through value addition in the current, largely extractive economy, innovation, skills and new technologies will be of utmost importance. Higher production volumes through value addition may also spark off higher rates of pollution, emissions and degrading biodiversity. Kenya is well equipped for innovation and new technologies as its spread of internet and use of digital solutions has well advanced compared to regional peers. A challenge

will be to increase access to energy and the capacity of the national grid to cater for future economic growth while at least maintaining or increasing the current high share of renewable energy for electricity generation (87%). Interventions will focus on (investments for) electricity generation (from renewables) and productive use of renewable energy (e.g. solar solutions for agriculture). Cost reduction through digitalization (e-health, e-transport, e-justice, e-certification) has been part of the cooperation already and will be further stimulated. A high-profile fast track program on agri-logistics is aiming to bring down drastically greenhouse gas emissions for those perishable products that will shipped by sea instead of by air. In development interventions in ASAL counties, climate resilience and adaptation are -and will be- leading concepts for Dutch programs, especially in agriculture and water management.

INTEGRATED DEVELOPMENT APPROACHES TO LEAVE NO ONE BEHIND

Development in Kenya is uneven and not inclusive. The ASAL counties are relatively left behind, unstable and conflict prone. Besides these areas many groups are also at risk of being left behind. Where inclusion in regular policy domains is no longer sufficient to bring excluded groups on board, bottom-up approaches based on integrated development approaches around water, food security and renewable energy will be followed to bridge gaps with more developed regions in the count(r)y.

The integrated approach to water, food and nutrition security and energy/climate resilience requires a strategic mix of activities, implementing channels and institutions to work with. As this approach is innovative, bilateral programmes aim to provide proof of concept. Central to the approach is building capacity of county governments, the Water Resources Authority and CSOs and facilitating private sector (e.g. agri-sector) to engage in the more challenging ASALs by providing technical assistance on climate smart solutions. Co-financing arrangements and partnerships are sought with UN, EU and WB to link the county level work to national policy dialogue and to create leverage for scaling up. Political dialogue and working with CSOs aims to promote inter-county collaboration, particularly on water resources management and conflict prevention.