



Ministerie van Buitenlandse Zaken

Overview of Dutch Multinational Investments in Kenya



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Outline of Presentation

1. Traditional Development Cooperation to the New Aid for Trade Agenda
2. Current and Emerging Trends in Dutch Investments in Kenya
3. Facilitative Instruments to Support Dutch Investments
4. Suggested Issues for Discussion



Traditional Development Cooperation to the New Aid for Trade Agenda - 1

Linchpin in Communication With:

- foreign governments
- **business world**
- international organisations

Coordinating and implementing Dutch Foreign Policy through:

- Ministry headquarters in The Hague
- The missions abroad – embassies, consulates, permanent representations



Traditional Development Cooperation to the New Aid for Trade Agenda - 2

- Netherlands as a **public investor** rather than a donor
- **Nexus** between development cooperation, Dutch Learning Institutions and the Private Sector
- Focus on **investing public funds** with the aim of **leveraging private investments**



Traditional Development Cooperation to the New Aid for Trade Agenda - 3

Economy, Agriculture and Trade

- Long-term trade relationship Kenya – the Netherlands
- Cooperation and joint interests: Kenya Airways – KLM, flower industry
- Major challenges for economic growth
 - Security situation
 - Corruption
 - Infrastructure



Current and Emerging Trends in Dutch Investments in Kenya

As of end of June 2014, there were more than 150 Dutch businesses are active in Kenya of which many have local representation

Dutch multinationals





Dutch Flower Companies



**flora
holland**



Other Dutch companies

Construction port Mombasa / airport Nairobi





But emergence of other sectors of focus

Renewable Energy, Financial Services, Medical Equipment Supply, Logistics



ubbank





Facilitative Instruments to Support Dutch Investments

(a) Economic Diplomacy - 1



- Negotiating with Kenyan government (treaties and fair fiscal incentive regime)
- Strengthening the Netherlands' competitive position
- Informing 150 Dutch businesses in Kenya
- Handling trade requests



Facilitative Instruments to Support Dutch Investments (b) Business Instruments - 2

- Large Multinationals - ORET>ORIO>emerging DRIVE (From 2015)
- PSI>DGGF
 - ✓ Track 1 - NL SME financing abroad
 - ✓ Track 2 - Financing of local SMEs through Intermediary Funds
 - ✓ Tractor 3 - Export Financing and Insurance - Atradius



Facilitative Instruments to Support Dutch Investments

(c) Bilateral Funds - 3

- In 2011 the embassy spent € 13 million on development cooperation
- 2014 Total expenditure Embassy € 26 million

3 themes in Multi-Annual Strategic Plan 2012-2015:

A. Security and the Rule of Law

B. Water

C. Food security

□ The New CSR is an overarching requirement for beneficiaries

Additional sectors being explored for 2015:

- Urban Planning
- Renewable Energy
- Maritime Infrastructure/ Logistics



Facilitative Instruments to Support Dutch Investments (c) Bilateral Funds - 4

C. Food security & Private Sector Development

- Higher production and incomes for agribusinesses in 4 agro-food value chains: Horticulture, seed potatoes, dairy, fisheries
- Expanded financial inclusion of small market oriented farmers
- Improved business climate in Kenya and better regional market integration
- Livelihoods strengthened in ASAL areas





Suggested Issues for Discussion

1. Adequacy of new Sectors in terms of generating employment?
2. Optimal mix of new support instruments in light of needs of private sector?
3. How best to incorporate the new CSR into Dutch operations abroad?



For additional comments, suggestions

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