

Sector Newsletter

Building, Mining and Construction

The Building, Mining & Construction sector is a key player in the realization of the Big Four Agenda

The Big Four Agenda, Pillar Four (Affordable Housing) depends on the building & construction sector alongside other sectors such as timber & furniture, finance, steel.

However, the sector has been facing serious challenges that the government needs to address to ensure that it fully contributes to the realization of the affordable housing pillar under big four agenda.

High electricity costs due to increased prices



The value chain from generation to transmission and distribution needs to be reviewed with each component and costs. In addition, the Time of Use (TOU) tariff framework as an incentive for off peak users, needs to be reviewed as it has been neglected by the new Tariff Structure.

Double taxation



For instance the mining levy by National Government and CESS by the county government has negatively affected the sector, specifically the quarrying and mining sub-sectors.

To solve this, the sector is banking on the County Governments (Revenue raising) Bill 2018 to be passed and more importantly enforced.

Illicit Trade



The sector recommends reinforcement and capacity building of Standards and Regulatory Bodies.

Further, the government should continue with the Multi - Agency TaskForce and provide required resources for the full realization of its potential.

Further, the sector feels that some policies do not support the affordable housing drive as they don't support innovative building technology.

The government should therefore engage all relevant stakeholders in the construction industry to ensure that all policies are put in place through consultation.