

### Policy Milestones

Issue 8, 2019

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## KAM, CMA Sign MoU to promote local industries



KAM and The Capital Markets Authority (CMA) signed a Memorandum of Understanding (MoU) to promote local industries through the capital markets on Thursday, 27th June 2019.

The partnership will focus on collaborations to identify funding gaps, challenges and impediments to the manufacturing sector and recommend the best reform practices.

The agreement also sets the stage for policy formulation and product development aimed at supporting the attainment of the

Big 4 Agenda for the manufacturing sector through the capital markets industry.

KAM Chief Executive, Ms. Phyllis Wakiaga welcomed the MoU, adding that the partnership will contribute to greater collaboration and coordination between the two sectors, and ultimately, a rise in the share of the manufacturing sector's contribution to GDP growth from the current 7.7 percent to 15 percent by 2022."

The partnership will also support research and analysis, capacity building and financial inclusion.

#### SOUTH RIFT CHAPTER

KAM North Rift Chapter held a meeting with Kenya Power on 13th June 2019 on power related issues.

Among the issues discussed included bills interpretation, missing or delayed bills and machine breakdown as a result of power fluctuations

#### Way Forward

Kenya Power advised members to create a WhatsApp Group address power issues affecting industry in the Chapter.



KAM Chairman, Mr Sachen Gudka and KAM CEO, Ms Phyllis Wakiaga host Ms. Anne Mutahi, the SME Advisor in the Office of The President on impactful interventions for SMEs in industry



KAM Participates in COMESA Ministerial meetings on Industry & Infrastructure



KAM Participates in Coca Cola Beverages World Without Waste Stakeholders Meeting



KAM CEO, Ms Phyllis Wakiaga and KAM Director, Ms Ciiru Waithaka visit Gikomba market, as part of the Association's initiatives to promote Micro, Small and

#### KENYA PLASTIC ACTION PLAN

KAM engaged **Cyclos** GmbH, a leading German consultancy on waste management policies and the establishment of Extended Producer Responsibility Mechanisms (EPRs) to develop the Kenya Plastic Action Plan.

#### Way Forward

- KAM will hold engagements with plastic stakeholders in Nairobi and across KAM's regional offices in July and August 2019.
- A final Action Plan shall be launched in September 2019

#### NON-WOVEN PPP BAGS BAN

NEMA consented to settle the matter, quashing the ban notice and allowing manufacturers, importers and users on non-woven polypropylene bags and products continue to pending operating, the setting up of a KEBS standard.

#### Way Forward

 KAM will engage KEBs to fast track the development of the standard.

### KAM, EY host 2019/2020 Budget Forum



KAM, EY host 2019/2020 Budget Seminar

KAM in partnership with Ernst and Young (EY) hosted a 2019/2020 Budget Forum on 21st June 2019 in Nairobi.

The Forum, themed Kenyan Budget for Shared Growth and the Attainment of the EAC Macroeconomic Convergence Criteria, sought to:

- Analyse economy wide implications of the National budget proposals with a bias to Manufacturing Industry
- Assess budgetary wins to the Manufacturing sector under the Big Four Agenda

The Forum shed more light on tax and policy wins for a dynamic manufacturing sector in Kenya.

Some of the Association's major wins include:

- Longstanding VAT related challenges such as VAT refund formula will be amended to stop further accumulation of credits.
- The withholding VAT rate will be reduced from 6% to 2% in line with KAM 's proposal.

Policy pronouncements were also made, such as public procurement of locally manufactured goods and faster clearance of imported raw materials, among others.

KAM and EY also launched the a 2019/2020 Budget highlights Newsletter during the forum.

<u>Click here to download the Newsletter.</u>

## WE VALUE YOUR FEEDBACK

Dear Member,

Thank you for your support and partnership in advocating for competitive and sustainable manufacturing sector.

In order to best serve you, kindly share any issue(s) you are facing by clicking on the feedback form below.

#### **FEEDBACK FORM**

Thank you.

Regards, KAM Team

#### **CONTACT US**



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Kenya Association of Manufacturers



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# World Without Waste Management Forum



KAM Chair, Mr Sachen Gudka engages Coca Cola Vice President, Global Public Policy, Environmental Sustainability and Social Impact, Mr Michael Goltzman

KAM participated in the Coca Cola Kenya World Without Waste Stakeholders Meeting held on 20th June 2019.

The meeting, that was graced by various stakeholders in the PET Recycling Value Chain, aimed at addressing strategies and mechanisms to be adopted to ensure effective plastic bottle waste management.

KAM highlighted gains by industry in tackling plastic waste including the ongoing research study on the development of a Kenya Plastic Action Plan. The Action Plan is a long term policy strategy to promote a circular economy in the plastic sector.

#### TOP 2 POLICY ISSUES IN THE MEDIA

1. 2019/2018 Budget

Highlighting budget allocations to the manufacturing sector

- The Star: Implement tax rebates to reduce consumer prices- KAM
- The East African:
  Double-edged tax
  measures to grow EAC
  local industries
- Citizen TV: KAM welcomes move on pending bills

- 2. Illicit Trade: Highlighting the impact of illicit trade to industry.
  - The Standard: <u>Certainty</u> and <u>predictability</u> in <u>policies vital in</u> combating illicit trade
  - Daily Nation: Poor policies impede illicit trade war, puts consumer at risk