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KAM engages KPA and KRC on delays and congestion at the port



Photo: Courtesy

KAM, Shippers Council of East Africa (SCEA) and Kenya Ships Agents Association (KSAA) met Kenya Ports Authority and Kenya Railways Corporation (KRC) on 22nd February 2021. The meeting focused on delays in clearance of goods and congestion at the port.

√ It is important that KPA anticipates and develops plans that involve the private sector, to address any challenges that may lead to congestion at the port in future, as a preventative measure.

The delays have led to disruptions in industry, due to shortage of raw materials and the high cost of doing business since companies are being forced to pay demurrages and storage charges.

- KPA, KRC and KRA shall enhance clearance efficiencies and accountability to safeguard cargo owners from paying unwarranted huge costs (storage charges and demurrages) that are attributed to system inefficiencies.

From the meeting, it was agreed that:

- To ensure efficient and seamless movement of cargo from the time of ship berthing to the transfer of containers to the ICDN and thereafter speedy clearance:

√ Sustainability of all efforts needs to be assured at all times.

- A monitoring team to be formed between the Government (KPA, KRC and KRA) and the private sector (KAM, SCEA, KSAA) to conduct weekly reviews of the port's performance with the objective of sustaining and enhancing operations at the ports.

WOMEN IN MANUFACTURING (WIM) REPORT DISSEMINATION FORUMS

The WIM programme continued to disseminate the report study, in Mombasa, Machakos, Kiambu, Meru, Nyeri and Nakuru Counties.

The WIM report study identifies challenges facing women in the manufacturing sector, and opportunities to increase their participation.

FINAL VALIDATION OF THE SUGAR SUB-SECTOR STRATEGY REPORT

KAM's Sugar Sub-Sector met to validate the Sub-Sector's Strategic Plan.

The strategic plan seeks to develop a comprehensive strategy document for the sector in line with government policy direction for its growth.

Way forward

- KAM to finalize and publish and launch the sub-sector strategy report.

KAM ENGAGES KPA AND KRC ON DELAYS AND CONGESTION AT THE PORT

Continued from page 1

√ The monitoring team shall meet every Thursday.

√ The meeting shall be guided by certain indicators to be set during the first session.

Alternatively, the current port committee led by Captain Ruto which holds regular meetings need to co-opt the private sector (KAM, SCEA and KSAA).

The scope of the committee

can then be expanded to cater for the agreed performance monitoring indicators.

- To sustain cargo evacuation margin, the Kenya Transport Logistics Network (KTLN), under the National Treasury, shall assist to resolve arising challenges.
- The private sector was advised to directly contact the KPA management in case their cargo gets stuck, for immediate intervention.



▲ KAM participates in the ground breaking ceremony of KWAL's new ultra-modern factory, located in Tatu City.



▲ KAM participates in the launch of Prisma iPM Switchboard by Schneider Electric.



▶ KAM, Carrefour Kenya partner to promote subcontracting and market linkages.

Draft National Building Regulations (National Building Code), 2020

The Building Code has been revised, to encourage the use of innovative designs, new materials and construction methods; to optimize on resources and enhance adherence to planning and building standards.

This Code intends to promote order and safety in construction works, and the health and safety of persons in or about construction works.

National Construction Authority (NCA) nominated KAM to the committee involved in stakeholder

consultations on the draft National Building Regulations (National Building Code), 2020. The committee supported in public participation workshops held from 16th February - 2nd March 2021, in various counties.

Way forward

- The draft National Building Regulations (National Building Code), 2020 underwent stakeholder consultations.
- KAM submitted a memo

on feedback to National Construction Authority to form a joint report from all stakeholders.

- The report developed from the stakeholder engagements shall be submitted to the Cabinet Secretary, Ministry of Transport, Infrastructure, Housing, Urban Development & Public Works and the Attorney General for publication and onward transmission to parliament for adoption.

Constitutional Amendment Bill 2020 (Building Bridges)

The Constitution of Kenya (Amendment) Bill 2020 (Building Bridges Initiative) was introduced in the National Assembly and County Assemblies. The Amendment Bill is currently being subjected to public feedback.

The proposed reforms to the Constitution 2010, originates from the views of citizens expressed through the Building Bridges Initiative (the BBI) collected across the country.

The objectives of the Bill were to:

- Amend the Constitution of Kenya to address issues arising from its implementation, specifically the need to resolve issues of divisive

elections and promote gender equity in governance.

- Strengthen the structure of devolution and increase resource allocation to the counties; broaden mechanisms for all the people of Kenya to benefit from economic growth.
- Harmonize certain roles and functions of the bicameral legislature.
- Fortify national ethos by specifying the responsibilities of citizens; and strengthen accountability on public resources and the fight against corruption.

Proposed reforms to the Constitution 2010, originates from the views of citizens expressed through the Building Bridges Initiative (the BBI) collected across the country.

Way forward

- Manufacturers have shared their feedback on the Bill.

ANALYSIS OF 2021 DRAFT BUDGET POLICY STATEMENT

KAM submitted comments on the draft 2021 Budget Policy Statement to the Principal Secretary of The National Treasury.

In the comments, the Association gave proposals on prudent fiscal management and priority pro-growth policy measures for economic recovery

Way forward

- KAM shall monitor incorporation of the feedback.

KAM, MINISTRY OF ENVIRONMENT AND FORESTRY LAUNCH MULTISECTORAL COMMITTEE ON SOUND CHEMICAL MANAGEMENT

KAM co-hosted the launch of the Multisectoral Committee on Sound Chemical Management, in partnership with the Ministry of Environment and Forestry, on 15th February 2021.

The Committee seeks to address cross-cutting issues on chemicals management.

KAM shall continue spearheading responsible care on chemicals management and call on more Members to join the initiative.

KAM hosts IDF & RDL Sensitization Workshop

KAM held a successful sensitization workshop on Import Declaration Fees (IDF) and Railway Development Levy (RDL).

During the forum, Kenya Revenue Authority (KRA) and Ministry of Industrialization, Trade and Enterprise Development made presentations on the preferential IDF & RDL rates for approved manufacturers, as well as the approval process.

IDF and RDL are government fees and levy collected pursuant to the provisions of the Miscellaneous Fees and Act No 29 of 2016 and amended vide Finance Act 2019 and 2020.

KRA uploads into their system raw materials and intermediate

products that are used to manufacture a product.

Way forward

- Manufacturers with additional raw materials or those that are yet to be approved are encouraged to apply for the reduced IDF & reduced rates through KAM.
- Only raw materials and intermediate products that are used in the manufacture of a product shall be uploaded by KRA. Finished products will not be uploaded.
- Only approved manufacturers will enjoy the preferential treatment.

Automotive sector meets on EAC Assembly & Manufacturing Regulations

KAM's Automotive Sector met to validate the sector's position/inputs on the draft East African Community (EAC) Assembly and Manufacturing Regulations. The sector's position/inputs were shared with the Ministry of EAC and the National Treasury for consideration and onward submission to the EAC Secretariat.

Way forward

- KAM shall monitor and inform members to participate in a regional validation workshop to be convened by EAC Secretariat. The Secretary-General was in the country, to discuss the status of implementation of the trade agreement.

Research to map out the waste collectors and recyclers in Kenya

KAM partnered with the Ministry of Environment and Forestry and National Environmental Management Authority (NEMA) to conduct research to map out waste management stakeholders (collectors and recyclers) in Kenya.

The study aimed to understand the context and legal framework review, map waste collectors and recyclers along various waste streams and metadata on attributes such as the workforce size and the

cost of licenses. Recommendations were developed, based on the study findings.

KAM met NEMA to review the report and give feedback on the draft ahead of the stakeholder validation meeting.

Way forward

- KAM shall finalize and publish the report.

- The Association shall integrate a georeferenced map of identified stakeholders on its website, linking them spatially to enable efficient management of recyclable waste, as part of efforts towards achieving circular economy goals under the extended producer responsibility.

KAM, KEBS PVoC Verification visit to Paper & Paperboard Sector players

KAM and KEBS conducted verification mission to Members under the Paper and Paperboard Sector.

The mission sought to ascertain production process and quality controls put in place by manufactures and pre-verification

of conformity (PVoC).

The companies that were visited include Allpack Industries, Printpak Industries, English Press and Kimfay Industries Limited.

KEBS verified controls put in place by manufacturers to ensure quality

compliance on manufactured products, based on customer specifications.

Way forward

- KAM shall monitor and inform the sector on the outcome of the verification mission.

Breast Milk Substitute (Regulations and Control Act 2012), Regulations 2020

KAM's Non-Alcoholic Beverage Sub-Sector and Nutrition Industry Association met Water Bottlers Association and Cereal Millers Association to validate the industry's comments on the Breast Milk Substitute (Regulations and Control Act 2012), Regulations 2020.

The World Trade Organization (WTO), through the Committee on

Technical Barriers to Trade, had issued a notification on December 22nd, 2020 referenced G/TBT/N/KEN/1044 in accordance with Article 10.6 for stakeholders' comments on the draft regulations.

Way forward

- KAM is following up on the memo shared with Ministry of Industrialization, Trade

& Enterprise Development, Ministry of Health, National Assembly Committee on Delegated Legislation, Kenya Bureau of Standards (KEBS) and Ministry of EAC and Regional Development.

- Members will be informed to participate in the engagement with relevant government agencies.

WE VALUE YOUR FEEDBACK

Dear Member,

KAM is committed to improving service delivery, through continuous policy advocacy.

To help us serve you better, we have developed the Member Satisfaction Survey, to review our performance during the year, and understand your expectations for 2021.

Kindly click on the link below to participate. Your feedback will be treated with utmost confidentiality.

FEEDBACK FORM

Thank you.

Regards,

KAM Team

CONTACT US



15 Mwanzi Road,
Westlands, Opp.
Westgate Shopping Mall



www.kam.co.ke



info@kam.co.ke



@kam_kenya



Kenya Association of
Manufacturers



Kenya Association of
Manufacturers

KAM holds first 2021 Anti-Illicit Trade Subcommittee meeting

Kenya Association of Manufacturers (KAM) hosted the first Anti-Illicit Trade Committee on 4th February 2021.

During the meeting, Anti-Counterfeit Authority (ACA) re-sensitized members on the proposed 2019 Intellectual Property Rights (IPR) recordation regulations that were gazetted in 2020.

The proposed recordation regulations seek to enhance seamless enforcement against counterfeit products, through the mandatory recordation of all imported goods with the exemption of raw materials meant for manufacturing or value addition.

The sub-committee also set its priorities for the year which will ensure sustainability in the fight against various forms of illicit trade.

ACA re-sensitized members on the proposed 2019 Intellectual Property Rights (IPR) recordation regulations that were gazetted in 2020.

The Anti-Illicit Trade Subcommittee shall hold meetings on a quarterly basis.

TOP POLICY ISSUE IN THE MEDIA

State of the Economy: Highlighting the status of the manufacturing and the economy at large.

- **KTN News:** [Trading Bell: Manufacturing Agenda](#)
- **The Standard:** [Ray of hope as economy awakens from Covid slumber](#)
- **KTN News:** [The high cost of living](#)

Trade, Transport and Logistics: Highlighting the high costs at the port and in cargo railage.

- **The Star:** [Yard extension, SGR volumes boost cargo handling at Mombasa Port](#)
- **The Star:** [Kenya's global trade value falls to Sh2.2tr on Covid-19 effects](#)
- **The Star:** [Manufacturing key in Kenya's post-Covid trade, says report](#)