



SECTORS' MILESTONES AND UPCOMING ACTIVITIES

JUNE 2024

Building Towards Manufacturing 20by30



Kenya Association of Manufacturers



KAM_Kenya

ABOUT KAM

Established in 1959, the Kenya Association of Manufacturers (KAM) is a representative of manufacturing and value-add industries in Kenya. The Association is front and centre, driving fact-based policy advocacy towards the formation of industrial policies to strengthen and support the country's economic development. Through fact-based advocacy, KAM partners with Government and its associated agencies to ensure a dynamic and flourishing manufacturing sector in Kenya, to realize a double-digit contribution to GDP.

In this report, we highlight the significant steps we are making in our advocacy agenda featuring key engagements with stakeholders including but not limited to the national and county governments, regional trading blocs, and development partners, among others on a monthly basis.

INTRODUCTION



Our
Vision

To be a World-class Business Member Organization (BMO) that effectively delivers services to its members.



Our
Mission

To promote competitive and sustainable local manufacturing.



To transform KAM into a sustainable member-focused association delivering relevant, quality, timely and effective services to its members.



Create prosperity for the nation through industrialization.



OUR CORE
VALUES

- **Effectiveness**
- **Good Governance**
- **Innovation**
- **Professionalism**
- **Responsiveness**
- **Teamwork**

LIST OF ABBREVIATIONS

KDB	Kenya Dairy Board
KRA	Kenya Revenue Authority
EPR	Extended Producer Responsibility
SWMA	Sustainable Waste Management Act
KEBS	Kenya Bureau of Standards
MCD	Micro Craft Distilleries
AFA	Agriculture and Food Authority
EAC	East African Community
EAS	East African Standard
CET	Common External Tariff
CXS STANDARD I	Codex Standard on Labelling of Prepackaged Foods
CTH	Change in Tariff Heading
ROO	Rules of Origin
UNECA	United Nations Economic Commission for Africa
KURA	Kenya Urban Roads Authority
KIPPRA	Kenya Institute for Public Policy Research and Analysis
KLIP	Kenya Leather Industrial Park
MITI	Ministry of Investments, Trade and Industry (MITI)
NT	National Treasury
NTBs	Non-Tariff Barriers
MEACA	Ministry of East Africa Community and Affairs
KEPRO	Kenya Producers Responsibility Organization
DRS	Duty Remission Scheme
NEMA	National Environmental Management Authority
JICA	Japan International Cooperation Agency
SDI	State Department for Industry
HAPROK	Hazardous- waste Producer Responsibility Organisation of Kenya
EPROK	Electronic - waste Producer Responsibility Organisation of Kenya
MDF	Medium Density Fiberboard
PET	Polyethylene Terephthalate

I. FOOD AND BEVERAGE SECTOR

→ Tripartite meeting with KRA and Weights & Measures Directorate



Engagement Details

Micro-craft distilleries (MCDs) under KAM convened a tripartite meeting with the Kenya Revenue Authority (KRA) and the Department of Weights and Measures. The meeting aimed to follow up on the proposed alternative framework for regulating MCDs, presented during a public participation forum on the Finance Bill 2024.

Outcome

1. A joint visit to Yamaroku Ltd in Koru is scheduled for 11th - 12th July 2024, to inspect their manufacturing process.
2. Regulators will compile a report on findings from visits to MCDs, along with recommendations for the way forward.

→KAM Sugar Millers Subsector meeting



Engagement Details

On 20th June 2024, sugar millers who are members of KAM convened to appoint a new chairperson, address sector challenges, and coordinate on necessary interventions where support from the KAM Secretariat is needed.

Outcome

1. KAM intends to engage the AFA-Sugar Directorate to present the industry's position on interventions addressing challenges facing the sector.
2. Frederick Coombes from Transmara Sugar was elected as the new chair for the KAM Sugar Millers Subsector.

→Sector meeting on EAS 38 - Standard on labelling of pre-packaged foods



Engagement Details


On 25th June 2024, KAM convened a meeting to discuss a proposal to amend the standard for labeling pre-packaged foods (EAS 38). The proposal aims to change the mandatory requirement for including the date of manufacture to an optional one, aligning it with CXS STAN 1. This adjustment is intended to mitigate potential non-tariff barriers (NTBs) that could arise from differing labeling requirements.

Outcome

1. Members will be given additional time to review the proposal within their organizations. Following this review period, a follow-up meeting will be scheduled to reach a final consensus.
2. Members are encouraged to propose any additional amendments to EAS 38 that they wish to have considered.

I. FOOD AND BEVERAGE SECTOR

→ Finance Bill and EAC gazette advocacy engagements

	Engagement Details	Outcome
	<p>Finance Bill 2024: The President declined to assent to the Finance Bill 2024. Consequently, proposed taxes on essential products such as cooking oil and bread do not apply.</p> <p>EAC Gazette: The EAC Gazette was published and circulated on June 30th, 2024. Notably, import duties, including those on crude palm oil, have been introduced.</p>	<p>KAM to analyze the impact of the two updates and circulate to members for noting and prepare an advocacy plan for the sector.</p>

Upcoming Activities:

I. Agro-processing, Food & Beverages Quarterly Sector Meeting (Date and time to be communicated)

For more details on the sector, please contact: davies.nyachienga@kam.co.ke

2. AUTOMOTIVE SECTOR

→2nd EAC Automotive Sector Platform meeting



Engagement details

The EAC Partner States held the 2nd EAC Automotive Sector Platform from 29th - 30th June 2024. During the meeting, the following aspects were discussed:

1. Harmonization of vehicle age limits
2. Study on low-cost/affordable vehicles
3. Exchange visit to Germany
4. Harmonization of policies within EAC
5. Assembly Regulations
6. Establishment of an Automotive Industrial and Technology Park
7. Establishment of a motor vehicle skills program

Outcome

The EAC Secretariat will convene a meeting by September 2024 to address the following:

1. Data availability for the sector
2. Issues affecting the sector as highlighted in the June 2024 EAC Gazette Notice
3. Proposals regarding vehicle age limits
4. Development of an incentive framework
5. E-Mobility initiatives

→E-mobility incentives for the sector



Engagement Details

On 11th June 2024, the Automotive Sector met to review various proposals for e-mobility incentives. These proposals cover bicycles, motorcycles, and motor vehicles, and focus on:

1. VAT
2. Excise duty
3. Import duty
4. Tax-free importation of 100,000 EV units into the country

Outcome

The meeting agreed upon and approved various e-mobility incentives for submission to the government for consideration.

→ Finance Bill 2024 and the 30th June EAC Gazette



Engagement Details

Finance Bill 2024: The Finance Bill 2024 was not assented to by the President and as such, taxation of automotive products remains as per Finance Act 2023 on domestic taxes.

EAC Gazette: The EAC gazette was published and circulated on 30th June 2024. Kenya has once again stayed to apply import duty of 35% on all motor vehicles of tariff headings 8702, 8703 and 8704, currently attracting CET rate of 25%.

Outcome

A detailed presentation will be given during the meeting scheduled for 10th July 2024. We encourage all sector members to attend and participate.

For more details on the sector, please contact: jackson.wambua@kam.co.ke

3. LEATHER & FOOTWEAR SECTOR

→ Leather & Footwear Sector engages with KenInvest



Engagement Details

On 13th June 2024, the Leather and Footwear Sector participated in a leather forum organized by KenInvest. The forum aimed to bring together stakeholders from various sectors to discuss and strategize ways to improve the leather and leather products value chain in Kenya. The KAM Leather and Footwear Sector, represented by its Vice Chair Robert Njoka, delivered a presentation on innovation and technology in leather processing.

Outcome

KenInvest will collaborate with relevant stakeholders, including government agencies, to implement some of the proposed recommendations.

→ Leather & Footwear Roundtable on Export Levy on Raw Hides and Skin



Engagement Details

On 25th June 2024, the Leather & Footwear Sector participated in a roundtable discussion on export levies on raw hides and skins and the competitiveness of Kenyan leather, organized by KIPPRRA. The discussions provided stakeholders with an opportunity to share insights on how export levies impact the competitiveness of Kenyan leather products. These insights will contribute to a research paper that will guide future policy decisions related to the leather sector.

Outcome

KAM to share detailed feedback on the research paper.

→ Finance Bill 2024 and the 30th June EAC Gazette



Engagement Details

EAC Gazette Notice: Kenya has been granted a one-year stay on the application of the EAC CET rate of 25%, allowing the country to apply a duty rate of 35% for items under tariff heading 4202. Additionally, Kenya has received DRS approvals for raw materials, inputs, and equipment used in the manufacture of footwear/shoes under various HS Codes.

Finance Bill 2024: The President declined to assent to the Finance Bill, that had proposed to subject leather articles under Chapter 42 and imported footwear under Chapter 64 to the Export and Import Levy (EIPL) at 20% of the customs value.

Outcome

KAM will compile a summary of the EAC Gazette Notice and distribute it to members during the Q2 Sector meeting.

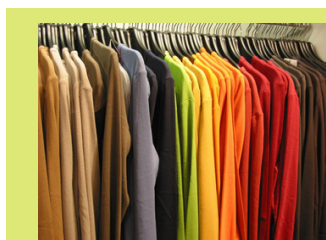
Upcoming Activities:

1. Leather & Footwear Sector meeting, date and time to be communicated.

For more details on the sector, please contact: purity.gachugu@kam.co.ke

5. TEXTILES & APPARELS SECTOR

→ Elections for Local Textiles & Apparel Sub-Sector leadership



Engagement Details

On 12th June 2024, the Local Textiles and Apparel Sub-Sector held elections. Mr. Jayesh Shah was elected as the Sector Chair, with Mr. Pravin Shah and Mr. Sagar Shah chosen as Vice Chairs.

Outcome

The new leadership will meet with the KAM Secretariat in July to schedule a comprehensive meeting for the entire Local Textiles & Apparel Sector.

→ Textiles & Apparel Sector Engages KenInvest



Engagement Details

On 13th June 2024, the Textiles & Apparel Sector participated in a forum organized by KenInvest. The event gathered industry stakeholders to discuss challenges, opportunities, share best practices, foster collaborations, and develop strategies to enhance Kenya's textile and apparel sector.

Outcome

KenInvest will work with pertinent stakeholders, including government agencies, to implement some of the recommendations.

→ Local Textiles & Apparel Sector Engagement on EPR



Engagement Details

The Local Textiles and Apparel Sector held meetings with Uptex EA on 11th June 2024, and with DI East Africa and the Best Seller Foundation on 12th June 2024. The purpose of these meetings was to explore solutions for managing industrial and post-industrial waste in compliance with Sustainable Waste Management Act 2022, which requires the sector to establish a Producer Responsibility Organization (PRO) to address environmental pollution caused by textiles and apparel.

Outcome

KAM will prepare data on waste generated by manufacturers using the HS Code approach.

→ Local Textiles & Apparel Sector Engagement on EPR



Engagement Details

Under the EAC Gazette, Kenya was granted a one-year duty remission on raw materials and inputs for the manufacture of garments and other textile made-up products, covering 18 tariff codes. Additionally, Kenya received a Stay of Application on the CET Rate, allowing the country to apply a duty rate of 25% or a specific duty of USD 0.75 per kg, whichever is higher, for various tariff codes.

Outcome

KAM will compile data on waste generated by manufacturers using the HS Code methodology.

Upcoming Activities:

1. Benchmark visit for the Textiles and Apparel Sector on sustainability at Spin Knit Ltd in Nakuru on 12th July 2024.

For more details on the sector, please contact: purity.gachugu@kam.co.ke

5. PAPER AND PAPER BOARD SECTOR

→ Q2 Sector meeting



Engagement Details

On 25th June 2024, the Paper Sector held its Q2 meeting. The subsectors presented their business performance and drafted key action points.

Outcome

Subsector leaders will collaborate with members to undertake specific advocacy on key issues affecting their businesses, including engagements with:

1. KEBS - Tissue Subsector
2. KEWOPA and PS Gender - Diapers and Sanitary Towels Subsector
3. PS Industry - Bags, Sacks, and Corrugators Subsector

→ Media engagement for the paper sector



Engagement Details

Bags and sacks manufacturers conducted various media engagements to highlight the impact of taxes on Kenya's paper sector, specifically leading to the closure of sections of bags and sacks manufacturing.

The aim of these engagements was to advocate for the removal of the Export and Investment Promotion Levy (EIPL) on kraft paper and kraftliner.

Outcome

The Finance Bill 2024 had proposed the removal of the EIPL on paper. However, with the withdrawal of the Bill, the levy will remain in effect in accordance with the Finance Act 2023.

→ Emerging issues on Finance Bill and EAC Gazette



Tax Head

Finance Bill 2024: The Finance Bill 2024 was not assented to by the President. Therefore, the taxation of paper products remains governed by the Finance Act 2023, including the Export and Investment Promotion Levy (EIPL).

EAC Gazette: The EAC Gazette was published and circulated on 30th June 2024. Paper products have been granted a stay of application, allowing a 35% import duty to remain in effect.

Outcome

KAM to analyze the impact and circulate to members for noting and prepare advocacy plan for the sector.

Upcoming Activities:

1. On 12th July 2024, a dissemination workshop will be held to present the paper verification results to all sector players. All sector players, including paper millers, corrugators, and manufacturers of sacks and bags, are invited to attend. Further details will be shared with members.
2. Meeting to discuss impact of the EAC Gazette on the sector to be held once date is agreed upon within the month of July.

For more details on the sector, please contact: davies.mwasame@kam.co.ke

6. CHEMICAL & ALLIED SECTOR

→ Sensitization on Hazardous Waste Producer Responsibility of Kenya (HAPROK)



Engagement Details

On 19th June 2024, KAM conducted a member sensitization session on the extended producer responsibility for the Chemical Sector. Members were specifically informed about the role of the Hazardous Waste Producer Responsibility of Kenya (HAPROK).

Outcome

Members were informed on the need to join such platforms and the legal provisions that anchor the extended producer responsibility.

→ Emerging Issues on Finance Bill and EAC Gazette



Tax Head

Finance Bill 2024: The Finance Bill 2024 was not assented to by the President. Therefore, taxation of paper products, including excise duty on resins, remains governed by the Finance Act 2023.

EAC Gazette: The EAC Gazette was published and circulated on June 30th, 2024, affecting products such as inputs for the manufacture of mosquito repellents.

Outcome

KAM will analyze the impact, circulate it to members for their attention, and prepare an advocacy plan for the sector.

→ Trade and Tax Committee arbitration on soap nodules



Engagement Details

The KAM Trade and Tax Committee (TTC) convened to discuss the import duty on soap nodules used in cosmetics production. Cosmetic manufacturers sought duty remission to reduce manufacturing costs, a proposal opposed by soap nodule manufacturers.


Outcome

The TTC reviewed submissions from both parties and observed that soap nodules are locally produced in adequate quantities as an intermediate product. Therefore, they should be subject to a duty rate of 25%, aligning with the third band of the EAC CET for intermediate goods.


For more details on the sector, please contact: davies.mwasame@kam.co.ke

7. METAL AND ALLIED SECTOR


→ Report on joint industry verification visit to Heavy Engineering Ltd

Engagement Details	Outcome
 <p>In June 2024, KAM, KEBS, KRA, National Treasury, MITI, and MEACA completed a joint industry verification report for Heavy Engineering Limited, conducted on 19th April 2024. The report documented the team's findings and recommendations, which will be presented for consideration during the Duty Remission Committee meeting.</p>	<p>The National DRS Committee adopted the verification report and approved the recommendations outlined therein.</p>

→ Engagement with CS MITI on the Finance Bill 2024

Engagement Details	Outcome
 <p>On 6th June 2024, the KAM Metal and Allied Sector participated in a meeting with Rebecca Miano, EGH, Cabinet Secretary for the Ministry of Investment, Trade, and Industry (MITI) to discuss the implications of proposed taxes in the Finance Bill 2024. These include proposals affecting the Steel Sector, such as the Export and Investment Promotion Levy (EIPL), IDF, and others.</p>	<p>The Ministry to align to what the manufacturing sector had proposed.</p>

→ Emerging issues on EAC Gazette

Engagement Details	Outcome
 <p>EAC Gazette: The EAC Gazette published and circulated on 30th June 2024, impacts various products, including extended stays on finished aluminum products, wire products, angles, sections, and LPG cylinders, among others.</p>	<p>KAM will assess the impact, share the findings with members for their consideration, and develop an advocacy plan for the sector.</p>

Upcoming Activities:

1. Metal and Allied sector Quarter 2 meeting to be communicated in July 2024.

For more details on the sector, please contact: dominic.mutai@kam.co.ke

8. TIMBER AND FURNITURE SECTOR

→ KAM engages CS Environment, Forestry and Climate Change



Engagement Details

On 13th June 2024, KAM engaged the CS Ministry of Environment, Forestry and Climate Change, Soipan Tuya on the Manufacturing Priority Agenda, 2024. Key issues discussed included government support towards commercial forestry. The meeting was attended by KAM leadership and the Timber Sector Chairperson.

Outcome

1. The CS suggested scheduling a follow-up meeting with the Timber Sector to address sector-specific issues like green fiscal incentives and tree planting initiatives.
2. Details regarding the meeting will be communicated once a date is confirmed by the CS.

→ Trade and Tax Committee arbitration on MDF and Particle Boards



Engagement Details

The KAM Trade and Tax Committee (TTC) met to discuss the import duty on MDF and Particle Boards. Furniture manufacturers proposed removing the 35% duty on these materials, which was opposed by board manufacturers. After reviewing submissions from both parties, the TTC concluded that MDF and particle boards are intermediate products, aligning them with the EAC CET 3rd band classification.

Outcome

The TTC recommended reclassifying MDF and particle boards under the EAC CET 4-band structure, specifically placing them in the third band with a 25% duty rate. Additionally, the Committee proposed allowing manufacturers of door skins using boards narrower than 5mm to apply for duty remission if the reclassification does not proceed.

→ Emerging Issues on Finance Bill 2024 and EAC Gazette



Tax Head

Finance Bill 2024: The Finance Bill 2024 was not assented to by the President, thus maintaining the taxation of paper products under the Finance Act 2023, including Excise Duty on laminates.

EAC Gazette: Regarding the EAC Gazette published on 30th June 2024, it stated that certain products such as MDF and particle boards will continue to be subjected to a specific duty rate of 35%.

Outcome

KAM will assess the impact, share findings with members for review, and develop an advocacy plan for the sector.

For more details on the sector, please contact: davies.mwasame@kam.co.ke

9. BUILDING, MINING AND CONSTRUCTION SECTOR

→ Cement Sub-Sector Elections



Engagement Details

On 6th June 2024, the KAM Cement Sub-Sector held an election for the sub-sector leadership. This came after the serving term of the existing leadership came to an end and as per the KAM governance structure, the new leadership should be put in place.

Outcome

- I. Incoming Leadership:
 - a. Cement Sub-sector Chair elected - Mr. Mohit Kapoor.
 - b. Cement Sub-sector Vice Chair elected - Mr. Lokesh Kumar.

→ KAM Engagement with CS Environment



Engagement Details

On 13th June 2024, the KAM Building, Mining and Construction Sector engaged the Cabinet Secretary for Environment, Climate Change and Forestry, Soipan Tuya to discuss the impact of the proposed taxes in the Finance Bill 2024. Among the proposals discussed are the excise duty on coal and the eco levy on plastic packaging materials.

Outcome

- I. KAM proposed:
 - a. The imposition of eco levy on imported finished plastic packaging materials, and,
 - b. The removal of the proposed excise duty on coal.

→ Emerging Issues on EAC Gazette



Engagement Details

EAC Gazette: The EAC Gazette was published and circulated on 30th June 2024. Certain products, such as ceramic tiles and window putty, will maintain a duty rate of 35%. Additionally, the Sector celebrated a new victory: the reinstatement of duty remission for inputs used in manufacturing stone-coated roofing tiles.

Outcome

KAM will analyze the impact, share the findings with members for review, and develop an advocacy plan for the sector.

Upcoming Activities:

- I. Cement Subsector meeting to be held on 19th July 2024 at 3:00 pm.

For more details on the sector, please contact: dominic.mutai@kam.co.ke

10. PLASTIC AND RUBBER SECTOR

→ Plastics & Rubber Sector meets CS Environment on Finance Bill 2024



Engagement Details

On 13th June 2024, the Plastics and Rubber Sector met with Hon. Soipan Tuya, Cabinet Secretary of the Ministry of Environment, Climate Change, and Forestry. The meeting discussed objections to the eco levy in the Finance Bill 2024, citing concerns about double taxation with the Extended Producer Responsibility under the Sustainable Waste Management Act, 2022. The Sector also proposed applying the eco levy to imported finished plastics packaging materials and reintroducing VAT exemptions for recycling plant and machinery.

Outcome

The Cabinet Secretary committed to supporting EPR schemes, accelerating regulatory finalization, and collaborating with manufacturers on sustainability initiatives to mitigate climate change impacts.

→ KEBS convenes Plastics Technical Committee on home compostable standards



Engagement Details

On 13th June 2024, KEBS convened the Plastics Technical Committee (TC 50) meeting to discuss draft compostable standards aimed at guiding the transition from plastic to non-plastic bags for waste collection.

Outcome

The draft CD-CHEM135:2024 Home Compostable Standards integrated feedback from members. KEBS plans to hold a follow-up meeting in July to finalize the standards.

→ PET sub-sector meeting to discuss on media strategy



Engagement Details

On 19th June 2024, the PET Sub-sector convened to develop a media strategy. The strategy aims to highlight local, regional, and global policies influencing the PET industry, as well as private sector achievements in sustainable plastics management in Kenya.

Outcome

KAM to review and guide on the development of a media strategy for PET.

Upcoming Activities:

I. Plastics & Rubber Sector Q2 meeting to be held on 30th July 2024.

For more details on the sector, please contact: fred.migwi@kam.co.ke

II. SALT SUB-SECTOR

→ Salt Sub-sector holds a dispute resolution meeting for Krystalline Salt land



Engagement Details

On 5th June 2024, the salt sub-sector conducted an Alternative Dispute Resolution meeting at the sector liaison office to address the land conflict between Krystalline Salt Ltd and Johnson Panja Kilifi. Attendees included parents of students sponsored by the company and local opinion leaders. The meeting acknowledged the company's use of alternative dispute resolution methods in resolving Mr. Panja's land dispute.

Outcome

It was agreed that the company will resume bursary payments only upon the resolution of the malicious damage to its property. Additionally, there was consensus that the police should play a more proactive role in investigating and ensuring suspects are brought to justice in court.

→ Salt sub sector members visit to Kensalt Company



Engagement Details

On 6th June 2024, the salt sub-sector officers conducted a membership visit to Kensalt Company Ltd. During the meeting with the Company General Manager, they discussed areas needing support, including community engagement forums at the new company site in Kanagoni, meetings with local political leaders, and boundary identification and marking for the Kanagoni site.

Outcome

The meeting scheduled community forums within the company's catchment area, along with planned environmental compliance initiatives to be implemented.

→ Salt sub-sector holds a community engagement forum at Kanagoni



Engagement Details

On 12th June 2024, the Salt sub sector held a community engagement forum at Kurawa Kanagoni Primary school. The forum created awareness to the community on land laws and the requirement for company boundary identification and marking. The forum was Chaired by Magarini Deputy County Commissioner, Peter Thiong'o and attended by various government agencies dealing with land matters.

Outcome

The Community requested the land surveyor to show the area maps to help clear any doubt on land ownership. Similarly, the meeting agreed for a follow up forum where area leaders and opinion leaders will forge a way forward on the boundary marking process.

II. SALT SUB-SECTOR

→ Salt Sub-sector participates in Small Claims Court Users' Sensitization Forum

Engagement Details



On 14th June 2024, members of the salt sub-sector attended and participated in the Coastal Region Small Claims Court Users' Sensitization Forum held in Malindi. The training gathered various business organizations and private sector groups to raise awareness about the operations of the small claims court and promote its utilization.

Outcome

The participants agreed to utilize the services of the small claims court to reduce the number of pending cases in the mainstream court, thereby addressing delays in rulings.

→ Salt sub sector engages Muyu Wa Kae land squatters

Engagement Details



On 21st June 2024, sector officers, along with the Krystalline Salt Zone Manager, the Magarini DCC, and Marereni Council of Elders, engaged with Muyu Wa Kae squatters. After identifying and marking the boundaries of the company's Marereni land, 71 squatters were identified. The forum then worked with the squatters in the Muyu Wa Kae area to prepare them for vacating the land to accommodate the company's expansion plans.

Outcome

The squatters requested some time to internally consult with family members and prepare a proposal to present to the company for consideration.

→ The salt sub sector holds Sector Quarter two meeting

Engagement Details



On 24th June 2024, members of the Salt Sub-sector held their second quarter sector meeting virtually. All sector members, along with two legal consultants, attended the meeting. Discussions included sector administrative and policy issues, including the renewal of the KAM/Salt Sub-sector service agreement.

Outcome

1. The meeting received updates on sector court cases, including legal advice on challenges related to the Mining Act, 2016.
2. Members also reached a consensus on several review areas within the KAM sector service agreement.

Upcoming Activities:

1. Salt Subsector meeting with Kilifi County revenue enforcement team, confirmed dates will be communicated.
2. Boundary identification and marking for Kensalt Kanagoni area scheduled for July 2024.

For more details on the sector, please contact: anne.murithi@kam.co.ke

12. ENERGY, ELECTRICAL AND ELECTRONICS SECTOR

→ KAM and MITI visit Sun King to discuss incentives for electronics assemblers



Engagement Details

On 12th June 2024, KAM and MITI collaborated to review the electronics regulatory framework in Kenya and discuss fiscal incentives for mobile phone and television assemblers. KAM confirmed duty remission for mobile phone assemblers.

Outcome

MITI agreed to fast track the finalization of developed draft Electronics Regulations and recommend Sun King to be recognized as electronics assemblers/manufacturers.

→ KAM supports implementation of circular economy in Kenya



Engagement Details

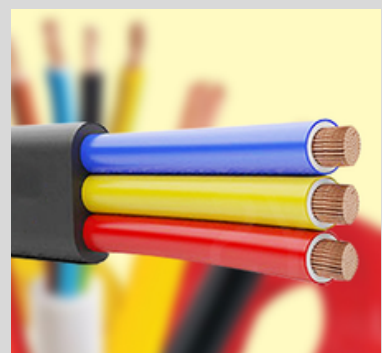
KAM, HAPROK, PAKPRO, and KEPRO collaborated with Community Based Organizations (CBOs) to implement Environmental Restoration Orders (EROs) issued by NEMA to manufacturers and producers.

These EROs require action from manufacturers and producers whose products are found in the environment, based on the "polluter pays" principle.

Outcome

NEMA acknowledged the efforts of PROs and encouraged producers/manufacturers to offer incentives that attract waste collectors and recyclers to effectively manage their waste, aligning with the circular economy approach to post-consumer waste management.

→ KAM Cable sub-sector meeting on Finace Bill 2024



Engagement Details

On 9th June 2024, the KAM Cable Sub-sector convened a meeting to discuss the implications of Finance Bill 2024, particularly the eco-levy on plastics packaging materials in chapter 39. Members were informed that the levy would not apply to raw materials. KAM proposed introducing the levy on imported finished packaging products entering the Kenyan market. Members emphasized the importance of implementing competitiveness measures in the industry to counter imports.

Outcome

The Cable Sub-sector proposed an increase in excise duty for imported finished cables and conductors, citing sufficient local capacity. This measure aims to maintain competitiveness for local cable manufacturers in the domestic market.

For more details on the sector, please contact: fred.migwi@kam.co.ke.

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