



TERMS OF REFERENCE FOR A CONSULTANT TO UNDERTAKE A REGULATORY FRAMEWORK STUDY FOR THE KENYA ASSOCIATION OF MANUFACTURERS (KAM)

1. About KAM

Kenya Association of Manufacturers (KAM) is a Business Membership Organization established in 1959 to unite industrialists and serve as a common voice for manufacturing and other value add sectors in Kenya. KAM has over 1,300 members grouped into 14 industrial sectors and spread across the country.

The Association provides an essential link for cooperation, dialogue, understanding with the government, promoting trade and investment, upholding standards, and representing the views and concerns of its members to the relevant authorities at country, national and EAC region.

2. Background

Legal, regulatory and institutional frameworks are important determinants of a country's level of competitiveness. Whilst effective regulation is important for the proper functioning of businesses, especially where there are many micro, small or medium-size enterprises (MSMEs), regulations can become burdensome and hinder enterprise growth. Numerous Regulations that are duplicative are a hinder to the growth and development of an economy. Additionally, they are difficult to administer and to comply with, especially when similar regulations are administered by more than one agency.

To address persistent regulatory challenges impacting the manufacturing industry, KAM seeks to engage a consultant to conduct a study on the legal, regulatory, and institutional framework that affects manufacturers across Kenya. This study aims to provide insights into the existing regulatory landscape, identify challenges, and propose reforms that will enhance the ease of doing business and ensure compliance with regional agreements like the African Continental Free Trade Area (AfCFTA).

3. Objectives of the Study

The overall objective of the study is to assess and review the current legal, regulatory, and institutional frameworks governing the manufacturing sector in Kenya, with a focus on identifying:

- Overlapping regulatory roles and mandates among institutions.
- Regulatory barriers to competitiveness.

- Gaps and inconsistencies in county and national regulations.
- Impact of these regulations on businesses' ability to participate in AfCFTA and other regional trade agreements.
- Practical recommendations to streamline and reform these regulations to improve efficiency, reduce costs, and enhance Kenya's position in regional trade.

4. Scope of Work

The Consultant is expected to:

- Literature Review:** Review previous studies conducted on the regulatory environment for manufacturing in Kenya, including KAM's previous Regulatory Audit Survey, the Ease of Doing Business Reports, and relevant legislative instruments.
- Regulatory Analysis:** Map out all regulatory institutions, their mandates, and the roles they play in the manufacturing sector. This should include licensing, compliance, taxation, import/export requirements, and AfCFTA-related regulations.
- Data Collection:** Gather both primary and secondary data from manufacturers, regulatory agencies, and stakeholders across various sectors (Chemical and Allied, Metal and Allied, Food and Beverage, Pharmaceuticals, etc.) and regions in Kenya.
 - Focus group discussions with KAM members, sector leaders, and regulatory bodies.
 - Collect county-specific data to assess regulatory discrepancies across different regions.
- Challenges Identification:** Identify areas where regulations are duplicative, contradictory, or cause significant delays and cost implications for manufacturers.
- Recommendations:** Develop actionable recommendations for regulatory reforms aimed at:
 - Reducing the cost of compliance for businesses.
 - Harmonizing national and county regulations.
 - Streamlining procedures for permits and licenses.
 - Enhancing Kenya's competitiveness in the context of AfCFTA and other regional agreements.
- Stakeholder Engagement:** Facilitate validation workshops with key stakeholders, including manufacturers, county officials, and regulatory agencies, to validate findings and recommendations.

5. Deliverables

The Consultant shall provide the following deliverables:

- Inception Report:** Methodology, work plan, and timelines submitted within
- First Draft (Literature Review & Regulatory Mapping):** Initial analysis based on primary and secondary data, submitted.
- Draft Interim Report:** Findings from select county discussions, highlighting key issues.

- d) **Draft Final Report:** Comprehensive report with all findings and recommendations.
- e) **Final Report & Validation:** Final revised report, incorporating feedback from a validation workshop.
- f) **Presentation:** PowerPoint presentation of key findings during the final debriefing.

6. Consultants' Qualifications

The Consultant should possess the following qualifications:

- Advanced degree in Law, Economics, Public Policy, or related fields.
- At least 10 years of experience in regulatory audits, legal analysis, or policy reform, with a focus on the business environment.
- Extensive knowledge of the Kenyan manufacturing sector and regulatory frameworks at both national and county levels.
- Proven experience in engaging stakeholders across public and private sectors.
- Familiarity with regional trade agreements, particularly AfCFTA, and their regulatory implications for manufacturing.
- Excellent communication and report-writing skills.

7. Duration of the Assignment

The assignment is expected to be completed within **Forty-Five (45) days** from the date of signing the contract.

8. Submission Requirements

Interested consultants should submit the following:

- A technical proposal outlining the approach and methodology for undertaking the assignment, including a detailed work plan.
- A financial proposal indicating the cost of the study.
- CVs of the lead consultant and key team members, highlighting relevant experience.
- Sample reports from similar assignments undertaken previously.

9. Reporting and Supervision

The Consultant will report directly to the Head of Policy, Research, and Advocacy at KAM. Regular updates will be required to ensure the timely execution of the assignment.

10. Application for consultancy

Interested consultants or entities are requested to submit technical and financial proposals to procurement@kam.co.ke by Friday 11th October 2024 stating, "KAM REGULATORY STUDY"

11. Technical proposal

- a) Description of the individual or the firm's qualifications.
- b) Copy of Company Certificate of incorporation.

- c) CR12 Certificate
- d) Tax Compliance Certificate (Valid).
- e) Statutory KRA PIN and VAT certificate copies.
- f) Brief description of Understanding of the requirements for service, including assumptions.
- g) Proposed approach and methodology.
- h) Proposed team structure.
- i) Proposed project team members.
- j) Executive brief of relevant similar projects undertaken in the past two (2) years.

12. Financial proposal

- a) A summary of the price
- b) The period of its validity

Curriculum Vitae and two recommendations (For a firm should contain CVs for all Consultants involved in the Consultancy)

13. KAM Physical address: KAM Procurement
Kenya Association of Manufacturers
5th Floor, KAM House
Mwanzi Road, Opposite Westgate Mall
P.O Box 30225 -00100
Nairobi

14. Payment terms (provisions)

Kenya Association of Manufactures policy is to pay for contractual services based on the performance of contractual services rendered.

15. Evaluation of proposals

- A two-stage procedure will be utilized in evaluating the proposals, with an evaluation of the technical component being completed prior to any price component. Scores will be awarded for the technical proposal.
- The price component proposal will be opened only for those firms/ institutions whose technical component meets the requirements for the assignment, as indicated by a score of more than 70%.

Please note only successful candidates will be contacted