



SECTORS' MILESTONES & UPCOMING ACTIVITIES

January 2025



Creating prosperity for the nation through sustainable industrialization

INTRODUCTION



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



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 sustainable industrialization.



- Integrity
- Teamwork
- Professionalism
- Diversity
- Inclusion

ABBREVIATIONS

PS	Principal Secretary
CMA	Cereal Millers Association
NBA	National Biosafety Authority
WTO	World Trade Organization
KSB	Kenya Sugar Board
EAC	East African Community
CET	Common External Tariff
FAEA	Food and Agriculture Export Alliance
FAO	Food and Agriculture Organization of the United Nations
MSME	Micro, Small and Medium Enterprises
NOCD	Nuts and Oil Crops Directorate
USDA	United States Department of Agriculture
WTO	World Trade Organization
KRA	Kenya Revenue Authority
NGEC	National Gender & Equality Commission
SWMA	Sustainable Waste Management Act
KEBS	Kenya Bureau of Standards
UNECA	United Nations Economic Commission for Africa
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
MECCF	Ministry of Environment Climate Change & Forestry
MFA	Ministry of Foreign Affairs
MDF	Medium Density Fiberboard
PET	Polyethylene Terephthalate
AfCFTA	Africa Continental Free Trade Area
TFTA	Tripartite Free Trade Area Agreement
COSSPP	Cost of Service Study in the supply of Petroleum Products
EPZA	Export Processing Zone Authority

FOOD & BEVERAGE SECTOR

→ KAM, CMA meet National Biosafety Authority



Engagement Details

KAM, in collaboration with Cereal Millers Association (CMA), held a meeting with the National Biosafety Authority (NBA) on 21st November 2024 to negotiate a revised fee for the millers importing wheat into the country, as a follow-up to the joint meeting convened by State Department for Industry on 12th November 2024. In the meeting, it was agreed that the NBA charges will be placed at Ksh.5,500 per 40MT capped at 120 MT and an additional charge of Ksh.10,000 for volumes above 120MT per importer. This translates into a maximum fee of Ksh 26,500 per miller importing over 120MT of wheat.

Outcome

- 1.NBA will communicate the agreed revised fees to KENTRADE for the calibration of the new wheat import fees through a separate letter.
- 2.The effective date is 1st January 2025 to allow the Authority and KENTRADE to calibrate the new fees for wheat and other commodities following the lifting of the GMO ban.

→ Consultation Forum on proposed Sugar Development Levy



Engagement Details

On 17th January 2025, Kenya Sugar Board (KSB) convened a stakeholder engagement forum on the draft Sugar Development Levy Order 2025, which proposes a 4% levy on the Cost Insurance and Freight (CIF) value of imported sugar. The forum aimed to sensitize sugar importers on the draft Order, gather their views on the proposed levy, and clarify other issues outlined in the draft Order and the Sugar Act.

Outcome

- 1.KSB to consider the proposals submitted by participants. This includes the proposal to impose the levy at a maximum rate of 1%.
- 2.KSB to hold a meeting with KRA to discuss VAT treatment of the levy and provide guidance on the same.

→ KEBS Workshop on Sugar Traceability and Labelling



Engagement Details

Kenya Bureau of Standards (KEBS) held a virtual workshop on 29th January 2025, themed 'Safeguarding the Sugar Industry through Traceability and Accurate Product Labeling'. The workshop aimed to sensitize the industry on compliance with good manufacturing practices (EAS 39:2000), highlight labeling requirements under KS EAS 38:2014 and general standards for prepackaged food products, and address stakeholder concerns from 2024 regarding sugar repackaging, traceability, and labeling.

Outcome

It was agreed that KEBS would share presentations with members and continuously engage the sector on issues related to traceability and labeling.

Upcoming Activities:

1. Meeting to discuss advocacy on the Kenya Nutrient Profile Model and Front-of-Pack Nutrition Labeling. Date and time to be communicated.

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

AUTOMOTIVE SECTOR

→ Visit by Tunisian Automotive Delegation



Engagement Details

The Automotive Sector, led by Sector Chairperson Anthony Musyoki, in partnership with GIZ Kenya, hosted a delegation from Tunisia's automotive sector for a six-day experience-sharing visit from 2nd to 7th December 2024. This initiative aimed to foster collaboration and exchange insights to unlock opportunities under the African Continental Free Trade Area (AfCFTA). The program also included visits to selected automotive companies in Kenya.

Outcome

The team agreed to further explore an exchange program in the following areas:

1. Joint training and skills development.
2. Trade and local assembly of electrical and electronic systems, chassis and body parts, engine components, textiles and leather designs, spare parts, industrial plastics, and rubber products.

→ 2025 Sector Meeting Calendar



Engagement Details

The sector meetings for 2025 have been scheduled to ensure continuous engagement and collaboration. The first meeting will take place on 21st February at 2:30 PM, followed by the second on 23rd May at 2:30 PM. The third meeting is set for 11th July at 2:30 PM, while the final meeting of the year will be held on 28th November at 2:30 PM. These sessions will provide a platform to discuss industry developments, address key challenges, and explore opportunities for growth.

Outcome

The schedule for the subsector meetings shall be shared later.


Upcoming Activities:

1. The Automotive sector meeting is scheduled to be held on 21st February 2025. The meeting details will be shared before then.

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

PHARMACEUTICAL SECTOR

→ Q4 Pharmaceutical Sector Meeting

	<p>Engagement Details</p> <p>The sector held its end-of-year meeting on 5th November 2024, where key discussions included the status of Hazardous-waste Producers Responsibility Organization of Kenya (HAPROK) formation, the Kenya Drugs Authority Bill 2022, and the proposed split of the pharmaceutical sector. Other topics addressed were the Insurance Regulatory Authority's (IRA's) insurance premium increase for pharmaceutical firms, VAT refunds, pending KEMSA payments, and ongoing engagement with PPB on revised fees.</p>	<p>Outcome</p> <p>The following key actions were agreed upon during the meeting:</p> <ol style="list-style-type: none"> 1. KAM will convene a dedicated session to review and discuss progress on the formation of HAPROK. 2. Sector leadership will support efforts to secure a meeting with IRA. 3. KAM will resend the survey tool on VAT refunds. 4. KAM will organize a follow-up meeting with the Paper Sector to discuss excise duty on cartons for the pharmaceutical industry.
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→ Pharmaceutical Sector awarded the Most Improved Sector

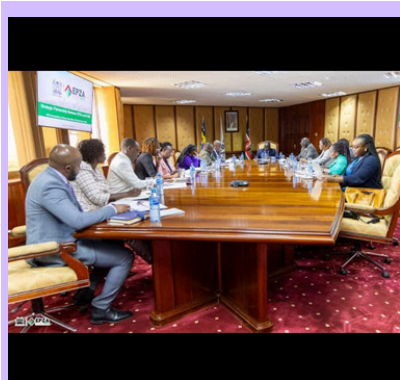
	<p>Engagement Details</p> <p>During KAM's End-of-Year Members' Dinner, the Pharmaceutical Sector was recognized with the award for Most Improved Sector in 2024. This award highlights the sector's remarkable progress, including advancements in policy engagement, industry growth, and collaborative efforts to enhance pharmaceutical manufacturing and distribution.</p>	<p>Outcome</p> <p>This achievement reinforces the sector's commitment to enhancing pharmaceutical manufacturing, streamlining regulatory processes, and strengthening Kenya's healthcare landscape. Moving forward, stakeholders will build on this momentum to drive further innovation, investment, and policy reforms.</p>
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Upcoming Activities:

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

TEXTILES & APPARELS SECTOR

→ EPZ Sub-sector meets EPZA



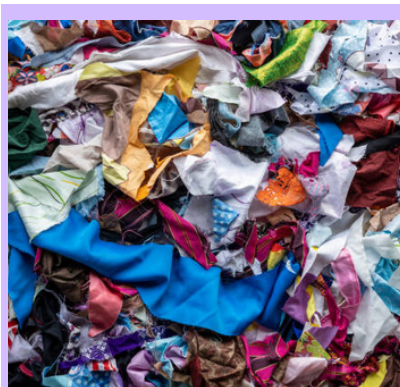
Engagement Details

On 28th January 2025, the EPZ Sub-sector met with EPZA CEO, Mr. Richard Omelu, to discuss key challenges affecting EPZ-based companies. Proposed recommendations included establishing joint advocacy forums to address industry challenges, enhancing collaborative research between KAM and EPZA, and revamping SME development at EPZA through joint initiatives, among other strategic measures.

Outcome

KAM to participate in the EPZA Standing Committee to guide on the manufacturing sector.

→ QI Local Textiles and Apparel Sub-sector Meeting



Engagement Details

On 24th January 2025, the local Textiles and Apparel Sector held its QI meeting, focusing on the Tax Amendment Act (2024) and its impact on Chapters 5407 (woven fabric made from polyester) and 6309 (second-hand clothing). The Act introduced exemptions on IDF and RDL and altered the VAT status for these chapters when imported as raw materials for textile manufacturing in Kenya, subject to the recommendation of the Cabinet Secretary for Investments, Trade, and Industry. The sector strongly objected to both proposals.

Outcome

KAM will draft a letter to the Cabinet Secretary for Investments, Trade, and Industry (MITI), requesting his intervention on the matter and seeking a meeting with the sector to address its concerns.

→ National Textiles Independent Verification Kicks Off



Engagement Details

The National Independent Verification Exercise for the Textiles and Apparel Sector has commenced. An inception meeting with the verification committee members was held on 31st January 2025, and the exercise is expected to conclude by March 2025. The verification aims to provide policy recommendations on Duty Remission Scheme (DRS) and taxation policies concerning 17 disputed tariff lines on fabrics and yarns.

Outcome

Members are required to submit their contributions as per the invoices issued to support the verification exercise.

Upcoming Activities:

1. KAM will draft a letter to the Cabinet Secretary MITI, requesting his intervention on the matter and seeking a meeting with the sector to discuss the concerns.

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

LEATHER & FOOTWEAR SECTOR

→ KAM Leadership visits Alpharama Ltd



Engagement Details

On 14th January 2025, the KAM leadership met with the Leather and Footwear Sector Chair, Mr Sambasiva Rao to discuss key challenges facing the leather sector. One of the major issues highlighted was the high cost of production, particularly the rising cost of chemicals used in tanneries. As part of the engagement, the team also visited Alpharama Ltd in Athi River to gain insights into operations and manufacturing processes within the leather value chain.

Outcome

It was agreed that KAM would include proposals to remove excise duty on chemicals used in tanneries in its domestic budget submissions.

→ Buy Kenya Build Kenya Review Meeting



Engagement Details

The Leather & Footwear Sector and Textiles & Apparel Sector members participated in a Buy Kenya Build Kenya Committee meeting held on 31st January 2025. The meeting aimed to review the progress and challenges in implementing the Presidential directive on the procurement of boots and textiles for Kenya's disciplined forces.

Outcome

Members are expected to actively participate in the upcoming review meeting, where they will provide insights, share progress updates, and contribute to discussions aimed at addressing challenges and enhancing the implementation of the Presidential directive on procurement for Kenya's disciplined forces.

Upcoming Activities:

1. KAM will include proposals to remove excise duty on chemicals used in tanneries in its domestic budget submissions.

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

BUILDING, MINING AND CONSTRUCTION SECTOR

Engagement with CS Mining on Gypsum Concerns



Engagement Details

On 22nd January 2025, the KAM Cement Sub-sector engaged the Cabinet Secretary for Mining, Hon. Ali Hassan Joho, EGH, to discuss challenges arising from the ban on gypsum mining and supply in the country. Gypsum is a critical raw material in cement manufacturing, and its unavailability could lead to operational disruptions within the industry.

Outcome

1. Expedite the review process for applicants seeking gypsum mining licenses.
2. Conduct regular engagements to assess compliance status.
3. Engage the Ministry of Mining to lobby for the removal of import duty on gypsum, which was mistakenly gazetted.

Manufacturers meet PS Investment



Engagement Details

On 16th December 2024, KAM held a manufacturers' breakfast meeting with the PS for Investment Promotion, Hon. Abubakar Hassan, to discuss the impact of downsizing and the closure of manufacturing operations in Kenya. Several companies, particularly from the Building, Mining, and Construction Sector, cited a challenging business environment and unstable policies as key concerns.

Outcome

A task force comprising government agencies and the private sector will be formed to review all regulations affecting manufacturers and provide recommendations.

Upcoming Activities:

1. The Building, Mining, and Construction Sector Q1 meeting is scheduled for February 2025, with the exact date and time to be communicated in due course.

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

PLASTICS AND RUBBER SECTOR

→ End Plastics Pollution International Collaborative Workshop



Engagement Details

On 26th November 2024, the Ministry of Environment, Climate Change, and Forestry and the National Environment Management Authority (NEMA) hosted a workshop on the End Plastics Pollution International Collaborative (EPPIC) initiative. The workshop focused on discussions surrounding the upstream and downstream management of plastics. EPPIC has partnered with various stakeholders to support initiatives that promote the development of material alternatives, as well as the reuse and refill of plastics.

Outcome

The EPPIC program team will review applications in January and February 2025 for proposals from Kenya that align with upstream and midstream plastic manufacturing, with a focus on refill and reuse solutions.

→ Sector meets National Parliamentary Finance Committee



Engagement Details

On 27th November, the Plastics Sector engaged the Parliamentary Finance Committee regarding the proposed introduction of a 15% excise duty on inks under the Tax Amendment laws. Members opposed the excise duty, highlighting that certain grades of ink are not manufactured locally, and specialized inks, such as those used for beer labels, are essential for production. They emphasized that the tax would increase manufacturing costs and reduce Kenya's competitiveness in the region compared to Uganda and Tanzania.

Outcome

The Committee acknowledged the industry's feedback and recognized that certain grades of ink are not available in the local market. Additionally, packaging manufacturers highlighted that global brands have retained patents on specialty inks, limiting local investment in their production.

→ KEBS Stakeholder Meeting on Non-woven Polypropylene Bags Standard



Engagement Details

On 18th December 2024, the Woven & Non-Woven Sub-Sector participated in the KEBS Kenya National Workshop Agreement (KNWA) 2884:2019 on Non-Woven Polypropylene Bags. The workshop aimed to align standards with regional developments and NEMA's proposed ban on these bags. Members advocated for a five-year implementation plan, an extension and review of the KNWA 2884:2019 standards, classification of laminated non-woven bags made from BOP and LDPE, and the promotion of a circular economy.

Outcome

KEBS committed to reviewing KNWA 2884:2019 by March 2025, conducting bag parameter testing, and engaging members in ongoing discussions on the development of the African Organization for Standardization (ARSO) and its alignment with KNWA 2884:2019. Additionally, KEBS will provide updates on the Draft EAC Single-Use Plastics Bill 2023 and the Intergovernmental Negotiating Committee (INC) on Plastic Pollution under the United Nations.

Upcoming Activities:

1. Plastics and Rubber Sector Vice- chair nominations & elections to be held in February 2025.
2. Rubber Sub-sector Vice- chair nominations & elections to be held in February 2025

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

METAL AND ALLIED SECTOR

Engagement with KEBS on Substandard Steel Products in the Market



Engagement Details

On 16th December 2024, KAM Metal and Allied Sector met with the KEBS MD, Ms Esther Ngari, to discuss existence and impact of substandard materials in the market. It was noted that the existence of substandard goods in the market has led to unfair competition in the country and end consumers not getting the value of their money. It was therefore necessary to address the matter.

Outcome

1. KEBS to enhance their surveillance with more strategic approaches, including targeted approaches.
2. Have a follow up meeting to discuss additional initiatives that can be adopted to address the challenge of substandard goods in the country.
3. General public to be sensitized on the existence of substandard products and how to differentiate them.

Sector meets PS Investment



Engagement Details

On 16th December 2024, KAM engaged with PS for Investment Promotion, Hon Abubakar Hassan, in a manufacturers breakfast meeting to discuss the impact of manufacturing sector downsizing/closure of their operation in Kenya. Among the companies listed are players within the Metal and Allied who cited the harsh business environment and unstable policies as the challenge.

Outcome

A task force consisting of government agencies and private sector to be formed to review all the regulation impacting the manufacturers and come up with recommendation.

Engagement with PS Industry and KEBS MD on Ribbed Bars Standards



Engagement Details

On 27th January 2025, the KAM Metal and Allied Sector engaged the PS for Industry, Dr. Juma Mukhwana, and KEBS Managing Director, Ms. Esther Ngari, to discuss the findings of the surveillance report on ribbed bars for reinforced concrete. The report revealed low levels of compliance, raising concerns given the critical role of these materials in the construction sector, especially as the government implements the Affordable Housing Project.

Outcome

1. KEBS to review the quality assurance strategy to identify and address any gaps.
2. KEBS to enforce the sale of ribbed bars based on mass per meter to curb the issue of substandard products.

Upcoming Activities:

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

SALT SUB-SECTOR

→ Kanagoni Community Engagement Forum on Land Matters



Engagement Details

On 5th December 2024, the Salt Sub-sector held a Community Engagement Forum at Kanagoni. The forum, chaired by the Magarini Deputy County Commissioner, was attended by community members and government representatives, including the Sub-county security team. It aimed to sensitize the community and squatters on land matters, with a notice issued for squatters to vacate the land designated for salt production.

Outcome

Squatters residing on Kensalt's Kanagoni land were specifically notified to relocate to facilitate the company's expansion plans.

Salt Belt Multi Stakeholders Forum



Engagement Details

On 10th December 2024, the Salt Sub-sector held its second Salt Belt Multi-Stakeholder Forum at Gongoni CDF Hall. Chaired by the Magarini Deputy County Commissioner, the forum brought together county and national government agencies, Community Based Organizations (CBOs), political leaders, and community representatives. The meeting reviewed progress on key actions from the previous forum, including boundary marking, access road openings, squatter engagements, and fishing landing sites.

Outcome

1. Government agencies provided updates on the actions they had undertaken as previously assigned.
2. It was agreed that any unrepresented government office would be contacted to provide updates on pending actions.

Tana Salt Community Engagement Forum on Land Matters



Engagement Details

On 17th December 2024, the sector officer joined Kensalt Company for the Tana Salt Community Engagement and Sensitization Forum on land matters. The forum, chaired by the area Chief and Sub-County Administrator, was attended by community members and government representatives, including the sub-county security team.

Outcome

Squatters occupying the company land were sensitized on land matters and given a three-month notice to vacate to facilitate company expansion.

Upcoming Activities:

- Gongoni Catchment Area Meeting is scheduled for 25th February 2025. Time and location to be communicated.
- Field Visit to Kanagoni/Tana Expansion Areas scheduled for 20th February 2025. Time and location to be communicated.

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

SALT SUB-SECTOR

→ Kensalt School Scholarship Program



Engagement Details

On 22nd January 2025, Salt Sub-sector officers supported Kensalt during the issuance of scholarship cheques to needy students. The event, chaired by the area Chief and Education Officer, was attended by parents and other community leaders. Sponsored students received their school cheques during the ceremony.

Outcome

39 needy secondary school students received full-year school fees under the company's scholarship program, with the remaining 42 students set to receive their payments at a later date.

Salt Sub-sector engages Marereni Chief and Assistant Chief



Engagement Details

On 24th January 2025, the Salt Sub-sector held a meeting with the Marereni Chief and Assistant Chief at their office in Marereni. The meeting reviewed the activities of 2024 and planned community engagements for 2025. Discussions also covered pending community activities, including squatter engagements and support for the company within the catchment areas. Additionally, the meeting addressed the restructuring of the CSR committee and the support required from the chiefs in organizing community barazas.

Outcome

The meeting reviewed community and squatter engagements on Krystalline Salt land for 2024 and planned the way forward for future squatter engagements. It was agreed that the next engagement with squatters and community barazas to restructure the CSR committee would be scheduled.

Meeting with Community Based Organizations on Seawater Charges



Engagement Details

On 27th January 2025, the sector officer, together with a representative from Krystalline Salt, met with community opinion leaders to discuss a petition against the Water Resources Authority (WRA) regarding charges for seawater used in salt production. Community CBOs and opinion leaders convened to deliberate on the petition and seek support from the salt sub-sector on the matter.

Outcome

The leaders planned to engage their community representatives, including the two area MCAs, Coast MPs, the Senator, and the Women Representative, to seek their support in addressing WRA's charges on seawater for salt production.

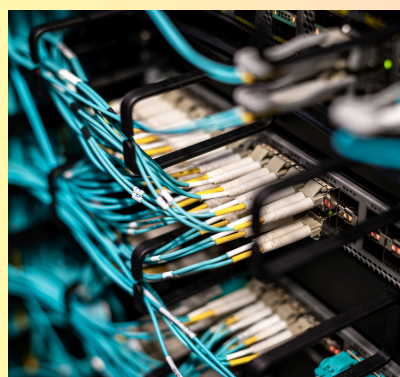
Upcoming Activities:

- Gongoni Catchment Area Meeting is scheduled for 25th February 2025. Time and location to be communicated.
- Field Visit to Kanagoni/Tana Expansion Areas scheduled for 20th February 2025. Time and location to be communicated.

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

ENERGY, ELECTRICAL AND ELECTRONICS SECTOR

→ Engagement with Cable Sub-sector on AfCFTA



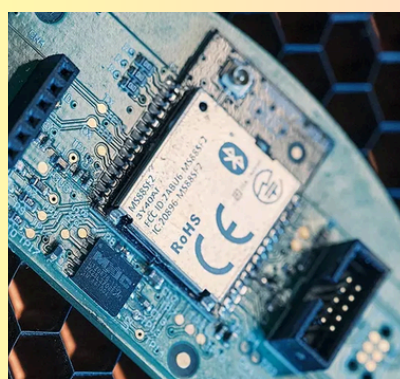
Engagement Details

On 4th November 2024, KAM engaged Cable Connect Limited and Masai Cables Limited on the African Continental Free Trade Area (AfCFTA) and the Tripartite Free Trade Area (TFTA). The discussions, held as part of the 'Delivering AfCFTA for the Kenyan Private Sector' industrial visits, focused on opportunities for expanded market access and reduced trade barriers for manufacturers to export across the continent. Additionally, key challenges faced by the cable sector were identified.

Outcome

Manufacturers highlighted key challenges in accessing export markets in Africa and expressed optimism about the trade liberalization opportunities presented by AfCFTA.

→ Cable Manufacturers engages State Department for Industry



Engagement Details

On 7th November 2024, the Cable Sub-sector engaged the State Department for Industry (SDI) to address key challenges, including substandard imports, misdeclaration, illicit trade, high power costs, pending bills under last-mile projects, unfair competition from imported low-voltage cables in government projects, and high taxation on raw materials.

Outcome

SDI committed to convening a multi-stakeholder meeting with key agencies, support tax reduction on manufacturing inputs, facilitate industry localization discussions with the Housing Department, and coordinate a joint industry visit to assess investments and capacities.

→ Sector elects Chairperson



Engagement Details

On 11th November 2024, the Energy, Electrical, and Electronics Sector held elections to appoint new leadership following the completion of the previous term.

Outcome

Mr. Genesio Mugo was elected as the Sector Chair for a two-year term. He committed to advancing the sector's agenda and emphasized the need to strengthen sub-sectors to drive policy advocacy through the KAM Secretariat.

Upcoming Activities:

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

ENERGY, ELECTRICAL AND ELECTRONICS SECTOR

→ Cable Manufacturers appoint new Sub-sector Chair



Engagement Details

On 5th December, the KAM Secretariat called for nominations for the Cable Manufacturers Sub-Sector Chair, and on 29th January 2025, Mr. Paul Muigai, Managing Director and Chief Executive of East African Cables Limited, was elected to the position.

Outcome

Mr. Muigai the incoming Chair, expressed his commitment to driving industry growth and development by championing the adoption of technology, eradicating illicit trade and counterfeits, ensuring adherence to standards, and mobilizing the industry for policy advocacy.

→ Petroleum, Oil, Gas & Lubricants Sub-sector appoints new Chair



Engagement Details

On 5th December, the KAM Secretariat called for nominations for the Chair of the Cable Manufacturers sub-sector.

Subsequently, on 28th January 2025, the KAM Petroleum, Oil, Lubricants & Gas Sub-sector held an election, electing Mr. Thomas Abade, Customer Service, Supply, and Distribution Manager at OLA Energy Kenya Limited, as the new Chair.

Outcome

Mr. Abade committed to leveraging his two decades of experience to address industry challenges, including illicit trade, counterfeits, substandard products, and regulatory implementation. He emphasized the need for collaboration with government MDAs and urged members to support industry growth through the Association.

→ Electricals, Switches, Boards & Consoles appoints Sub-sector Chair



Engagement Details

On 5th December 2025, the KAM Secretariat called for nominations for the Chair of the Electricals, Switches, Boards & Consoles Sub-sector. The election was held on 29th January 2025, where Mr. David Odhiambo, Head of Organization Development at Nationwide Electricals Limited, was elected as the Chair.

Outcome

Mr. David Odhiambo was elected as the Sub-sector Chair for a two-year term. He outlined his aspirations for the Sub-sector, including fostering the policy agenda through the KAM Secretariat and government MDAs, increasing investments and product diversification, and mobilizing members to drive sector growth.

Upcoming Activities:

1. Cable manufacturers' tripartite meeting with SDI, KEBS, and ACA scheduled for February 2025. Date and time will be communicated.
2. Energy, Electrical & Electronics Sector Leadership Strategy meeting to be held in February 2025. Date and time to be communicated.

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

PAPER AND PAPER BOARD SECTOR

→ Meeting with PS Investment



Engagement Details

On 17th December 2024, the Paper Sector participated in a meeting with the PS for Investment Promotion, Abubakar Hassan Abubakar alongside other sectors, to discuss the factors contributing to business closures in the country. Representatives from the Paper Sector highlighted the impact of the export levy and high import duty on kraft paper. They also emphasized the need to promote the use of paper for packaging as a more environmentally friendly alternative.

Outcome

The PS acknowledged the significance of the issues and committed to addressing them, starting with the removal of the Export Investment and Promotion Levy (EIPL).

→ Diaper Sub-sector meets Industrialization Secretary



Engagement Details

On 21st January 2025, the Diaper and Sanitary Towels Sub-sector held a meeting with the Industrialization Secretary from the State Department of Industry. The discussion focused on the implementation of Extended Producer Responsibility (EPR) fees on imported diapers, as introduced through the EPR Regulations 2024.

Outcome

The Industrialization Secretary noted that certain aspects of the regulations required clarification, particularly the definition of 'item' which was preventing NEMA from implementing the regulations. He committed to engaging with NEMA Director General to align on the necessary amendments.

→ Tissue Sub-sector meets Weights and Measures Department



Engagement Details

On 13th December 2024, the Tissue Subsector held a meeting with the Weights and Measures Department to address conflicting standards between KEBS and Weights and Measures. Members specifically raised concerns about the ongoing withdrawal of products from shelves by Weights and Measures.

Outcome

It was agreed that Weights and Measures would withdraw the seizure notices issued to manufacturers and convene a bilateral meeting with KEBS to align on the standards for tissue products.

Upcoming Activities:

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

CHEMICAL AND ALLIED SECTOR

→ Meeting with PS Investment



Engagement Details

On 17th December 2024, the Cosmetics Sub-sector joined other sectors in a meeting with the PS Investment Promotion to discuss the reasons behind business closures in the country. The Cosmetics Subsector representatives highlighted the impact of excise duty and other stringent regulatory frameworks, including the proposed transfer of cosmetics regulation to the Pharmacy and Poisons Board.

Outcome

The PS noted that the issues were significant and promised to address them, starting with the removal of the Export Investment and Promotion Levy (EIPL).

→ KAM TTC Arbitration Meeting on Taxes on Imported Foam Scrap



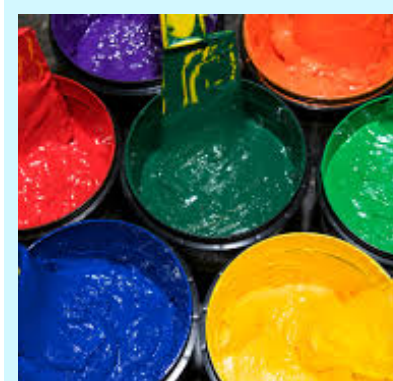
Engagement Details

On 13th November 2024, Trade and Tax Committee held an arbitration meeting to provide guidance on the taxation of imported foam scrap. The meeting included virgin foam manufacturers and rebonded foam manufacturers.

Outcome

It was agreed that a 10% duty on foam scrap would remain in effect until a verification study is conducted to assess the sector's capacity.

→ Engagement with National Assembly on Local Production of Printing Ink



Engagement Details

On 28th November 2024, KAM, together with sector leaders, submitted a memorandum to the National Assembly, proposing measures to support local ink manufacturing while ensuring competitiveness for manufacturers that use ink as an input.

Outcome

The National Assembly agreed to consider the submission during their deliberations.

Upcoming Activities:

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

TIMBER AND FUNIROUTE SECTOR

→ Timber Sector elects Chairperson and Vice Chairperson



Engagement Details

The sector held elections on 21st November 2024. Mr. Kaberia, the founder of Decagon Sawmills, was elected as the Chairperson, while Mr. Shilan, the CEO of Furniture International, was elected as the Vice Chairperson.

Outcome

The newly elected leadership assumed office immediately, committing to advancing the sector's growth by addressing key industry challenges, fostering policy advocacy, and strengthening collaboration with stakeholders to enhance competitiveness and sustainability.

→ Sector Engagement with the Malaysian Timber Council



Engagement Details

On 20th November 2025, the Timber Sector leadership held a strategic engagement with the Malaysia Timber Council (MTC) to explore opportunities for collaboration. The discussions focused on knowledge sharing, market linkages, and potential partnerships to enhance the growth and competitiveness of Kenya's timber industry.

Outcome

The MTC agreed to supply sample products from Malaysia for testing and display by the Kenyan timber sector. This initiative marks the initial step toward fostering partnerships between the two countries.

Upcoming Activities:

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



This KAM Sectors report is a monthly publication of

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Creating Prosperity for the Nation through Sustainable Industrialization