



KAM SECTORS MILESTONES AND UPCOMING ACTIVITIES

MAY/JUNE 2025

*Creating prosperity for the nation
through sustainable industrialization*



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Kenya Association of Manufacturers



KAM_Kenya

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
AGOA	Africa Growth Opportunity Act
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
GESI	Gender Equity and Social Inclusion

FOOD & BEVERAGE SECTOR

→ KAM Engagement with the National Assembly on the Finance Bill, 2025



Engagement Details

On 30th May 2025, KAM presented its submissions on the Finance Bill, 2025 to the National Assembly Committee on Finance and Economic Planning. Key proposals affecting the Food & Beverage sector included:

- Excise duty exemption for registered manufacturers importing white refined sugar for industrial use.
- Reduction of excise duty on spirits (undenatured extra neutral alcohol over 90% strength) from KES 500/ltr to KES 250/ltr for licensed manufacturers.

Outcome

The report was already adopted and submitted to Parliament.

→ Biscuit Sub-Sector Engagement with KEBS on Product Classification and Compliance



Engagement Details

On 7th June, a meeting was held between KEBS, KAM, and the Biscuit Sub-Sector to discuss the implementation of standards.

The main concerns centered on the classification of biscuits into four categories, which could potentially raise compliance costs for manufacturers.

Outcome

A clear categorization of biscuits was established. Manufacturers were requested to list the names of biscuits under each category, indicate which product descriptions will retain existing permit numbers, and submit new applications where new permits are required.

Additionally, each firm was asked to submit an official request for concessions on the use of existing packaging materials, specifying the quantities and the projected exhaustion period.

→ Meeting on Kenya's Tariff Offer for the US Trade Agreement - Tea Sector Focus



Engagement Details

On 16th June 2025, the KAM Tea Sector held a consultative engagement with the State Department for Trade to deliberate on Kenya's tariff offer to the United States, ahead of the upcoming trade negotiations.

The discussion focused on key tariff lines relevant to the tea industry, particularly those under Chapter 09 of the EAC Common External Tariff, which covers tea, spices, and related products.

Outcome

It was agreed that the relevant tariff lines for consideration in the upcoming negotiations would be shared with the State Department for Trade to support the development of Kenya's tariff offer to the U.S.

FOOD & BEVERAGE SECTOR

→ KAM Edible Oil Sector Engagement on Tariff Alignment for U.S. Trade Talks



Engagement Details

On 12th June 2025, the KAM Edible Oil Sector held a strategic engagement with the State Department for Trade to discuss Kenya's tariff offer to the United States, in preparation for the upcoming bilateral trade negotiations.

The meeting focused on tariff lines relevant to the edible oil industry, with particular emphasis on Chapter 15 of the EAC Common External Tariff, which covers animal and vegetable fats and oils.

Outcome

It was agreed that the relevant tariff lines proposed for consideration in the upcoming negotiations would be shared with the State Department for Trade to inform Kenya's position in the Kenya-U.S. trade discussions and ensure alignment with sector priorities.

→ Processed Food Sub-Sector Engagement on Kenya-U.S. Tariff Offer Development



Engagement Details

On 12th June 2025, the KAM Processed Food Sub-Sector held a consultative meeting with the State Department for Trade to discuss Kenya's tariff offer to the United States, ahead of the upcoming bilateral trade negotiations. The engagement focused on tariff lines critical to the processed food industry, with particular attention to Chapters 20 and 21 of the EAC Common External Tariff, which cover preparations of vegetables, fruits, nuts, and miscellaneous edible preparations.

Outcome

It was agreed that the relevant tariff lines from the sub-sector would be shared with the State Department for Trade to support the development of Kenya's tariff offer for the U.S. trade negotiations and ensure the sector's interests are adequately represented.

→ Coffee Sector Input on Kenya-U.S. Trade Tariff Offer



Engagement Details

On 16th June 2025, the KAM Coffee Sector held a strategic engagement with the State Department for Trade to provide input into Kenya's tariff offer to the United States, in preparation for the upcoming bilateral trade negotiations. The discussions focused on Chapter 09 of the EAC Common External Tariff, which covers coffee, tea, and spices; key areas of interest for the sector. The engagement aimed to ensure that the priorities and competitiveness of Kenya's coffee industry are well reflected in the proposed tariff structures.

Outcome

It was agreed that the relevant tariff lines for the coffee sector would be shared with the State Department for Trade to inform Kenya's tariff offer in the upcoming trade negotiations with the United States, ensuring that the sector's priorities, competitiveness, and export potential are effectively represented in the final proposal.

FOOD & BEVERAGE SECTOR

→ Stakeholder Validation Meeting on Sugar Verification TORs and Sector Minutes



Engagement Details

A Sugar Sub-Sector meeting was held on 18th June 2025 to finalize the minutes of the earlier meeting held on 24th April 2025 between representatives from the Ministry of Investments, Trade and Industry, industrial sugar millers, and industrial sugar users.

The meeting also aimed to finalize the draft Terms of Reference for the sugar verification exercise.

Outcome

The minutes and draft Terms of Reference for the sugar verification exercise were finalized and adopted by the sub-sector.

The finalized documents will be submitted to the Ministry of Investments, Trade and Industry for review and formal adoption.

Upcoming Activities:

1. Agroprocessing, Food & Beverage Sector Q3 Meeting to be held in July 2025. Date and venue of the meeting will be communicated.
2. Food and Beverage Sector meeting scheduled for July 2025. Dates and venues of the meetings will be communicated.

For more details on the sector, please contact: earnest.chege@kam.co.ke

AUTOMOTIVE SECTOR

→ Meeting with NAMATA on proposed BRT project



Engagement Details

On 14th May 2025, members of the Automotive Sector met with representatives from Nairobi Metropolitan Area Transport Authority (NAMATA), the European Union, and GIZ to discuss the ongoing Bus Rapid Transit (BRT) project in Nairobi. The initiative, led by the Ministry of Transport with technical support from GIZ and funding from the EU and other international partners, aims to develop an integrated, efficient, and sustainable public transport system within the Nairobi Metropolitan Area. The project runs from January 2023 to December 2026.

Outcome

As part of our ongoing study, we are conducting a market assessment, and gaining a deeper understanding of the local vehicle manufacturing and assembly landscape would be highly valuable.

The consultant will be organizing dedicated sessions with various companies to better appreciate the industry landscape.

→ Consultative Meeting between Parts and Trailer Manufacturers



Engagement Details

The meeting was convened following a request from the Government for an update on the status of local content uptake among trailer assemblers and spring manufacturers.

Key issues discussed included the level of local content adoption by trailer manufacturers, challenges encountered in local sourcing, and potential approaches for collaboration, including the need for quality improvements to support increased local procurement.

Outcome

1. It was agreed that KAM will organize business-to-business meetings between spring manufacturers and trailer assemblers to facilitate pricing negotiations and agreements.
2. It was agreed that KAM will share a data collection template with both sectors to gather comprehensive information for reporting purposes.

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

AUTOMOTIVE SECTOR

Motorcycle Sub-sector elects New Chairperson



Engagement Details

Kenya Association of Manufacturers (KAM) is pleased to announce the election of Mr. George Rubiri as Chairperson of the KAM Motorcycle Subsector. Mr. Rubiri, the General Manager of Car and General Ltd, succeeds Mr. Alvin Mageto, former Director of Kibo Africa Ltd, who has served as Subsector Chair since 2021. We extend our sincere gratitude to Mr. Mageto for his tireless dedication and commitment, which led to numerous milestones during his tenure. We look forward to Mr. Rubiri's leadership in driving the subsector's continued growth and development.

Outcome

As Chairperson, Mr. Rubiri will provide strategic leadership in advancing the Motorcycle Subsector's policy advocacy agenda, strengthening stakeholder engagement, and promoting a competitive and sustainable local manufacturing environment.

Motorcycle Sub-Sector Holds its Q2 Meeting



Engagement Details

The KAM Motorcycle Sub-Sector held its Q2 meeting on 27th June 2025. Key issues discussed included a status update on Legal Notices 112 and 84, the Public Transport (Motorcycle Regulations) Bill, 2023, the status of KS 1515, the Automotive Bill, 2023, and the EAC Regulations 2024.

Members also discussed challenges related to NTSA, proposals in the Finance Bill, opportunities for local sourcing of batteries, and the leadership transition within the Sub-sector.


Outcome

1. A follow-up meeting will be held to discuss the proposed Boda Boda Industry Bill.
2. A meeting will be sought with NTSA to explore areas of collaboration.


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

PHARMACEUTICAL SECTOR

→ Strategic Engagement between HAPROK Secretariat and Pharmaceutical Sector Leadership

Engagement Details	Outcome
 <p>On 12th June 2025, the HAPROK Secretariat convened a meeting with leadership from the Pharmaceutical Sector to review progress on the establishment of HAPROK. The discussion focused on key areas, including the current status and next steps for formal registration; progress on the development of the 4-Year EPR Implementation Plan and its upcoming milestones; ongoing efforts to identify and profile relevant service providers to support EPR activities; and considerations and proposals regarding EPR fee structures specific to pharmaceutical packaging and waste.</p>	<p>It was agreed that a special meeting between the HAPROK Secretariat and pharmaceutical sector leadership will be convened to review the status of formal registration, finalize the 4-Year EPR Implementation Plan, map relevant service providers to support EPR activities, and deliberate on appropriate EPR fee structures for pharmaceutical packaging and waste.</p>

→ Regional Consultative Meeting on Strengthening the COMESA Pharmaceutical Sector

Engagement Details	Outcome
 <p>A meeting was convened by the COMESA Secretariat from 3rd - 4th June 2025 to discuss the African Development Fund (ADF)-funded project running from 2023 to 2025, which supports the COMESA Secretariat in advancing the pharmaceutical industry across the COMESA region. The initiative is financed under the "Grants" window of the ADF-15 Regional Public Goods Envelope, with an allocation of UA 5.0 million (approximately USD 6,638,900), complemented by in-kind contributions from the COMESA Secretariat.</p>	<p>It was agreed that the meeting would align the development objectives of the COMESA pharmaceutical sector with continental and regional health priorities. Member States and key stakeholders would provide input towards establishing a sustainable institutional framework for pharmaceutical sector development. Additionally, the draft Terms of Reference (TORs) and proposed organizational structure for the COMESA Pharmaceuticals Committee would be reviewed and refined.</p>

Upcoming Activities:

The Pharmaceutical sector meeting will be held on 23rd July 2025. The venue and time will be communicated.

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

TEXTILES & APPARELS SECTOR

→ Textile & Apparel Sector Learning Mission to Denmark on Waste Management



Engagement Details

From 19th to 22nd May 2025, KAM, through the KAM-DI Project, participated in a Learning Mission to Denmark on implementing EPR in the Textiles and Apparel Sector. Supported by DI East Africa, DEPA, and the Royal Danish Embassy, the mission brought together stakeholders from NEMA, COG, the Ministry of Environment, textile industry experts, waste collectors, academia, and the KAM Secretariat. It focused on drawing lessons from Denmark's EPR practices in waste collection, sorting, recycling, and sustainable design to inform Kenya's local implementation.

Outcome

It was agreed that a Technical Working Group would be constituted to consolidate the insights gathered during the mission and develop a comprehensive report with actionable recommendations on managing textile waste.

→ KAM- EDUKANS Meeting on Areas of Collaboration



Engagement Details

On 29th May 2025, KAM met with Edukans Kenya, led by Country Director Ms. Mary Mugo, to explore potential areas of collaboration. Edukans expressed interest in partnering on KAM's "Wear the Green Future" initiative, which targets the Textiles and Apparel Sector with a primary focus on promoting green skills and advancing sustainability within the industry. The discussions covered key areas such as capacity building, post-consumer waste management, technology transfer, and raising awareness on sustainable practices.

Outcome

Both parties agreed to continue engagements to define a structured collaboration framework that aligns with the sector's sustainability goals.

→ National Textiles Independent Verification Exercise



Engagement Details

The National Independent Textiles Verification exercise was still ongoing, with field visits concluded in May 2025. A committee retreat to draft the report was scheduled for 25th – 27th June 2025.

Members were requested to submit the completed data tools for analysis. The draft report was to be presented to sector members for validation prior to its submission to the government for consideration.

Outcome

It was agreed that a committee retreat would be held from 25th to 27th June 2025 to draft the National Independent Textiles Verification Report, with the aim of consolidating field findings and developing actionable recommendations for sector validation and eventual submission to the government.

TEXTILES & APPARELS SECTOR

→ EPZ-Based Apparels Manufacturers Sector Meeting with CS MITI



Engagement Details

On 5th June 2025, the Cabinet Secretary for Investments, Trade and Industry, Hon. Lee Kinyanjui, and the Export Processing Zones Authority (EPZA) held a consultative meeting with EPZ-based apparel manufacturers. The key agenda was the future of the African Growth Opportunity Act (AGOA) framework beyond its scheduled expiry on 30th September 2025. Hon. Lee affirmed his commitment to engaging with U.S. counterparts to secure a business-friendly trading arrangement and to support the continued market access of Kenyan exports.

Outcome

It was agreed that a follow-up consultative meeting would be convened in July 2025 to provide updates on engagements with U.S. counterparts regarding the post-AGOA framework.

The meeting will also serve as a platform to align stakeholders on emerging developments, proposed strategies, and the way forward in safeguarding Kenya's apparel export market access.

→ Local Textiles and Apparel Sector Q2 Meeting



Engagement Details

The local Textiles and Apparel Sector held its Quarter 2 meeting on 10th June 2025. The main agenda focused on updates from the ongoing Independent Textiles Verification exercise. Members also received progress reports from the Denmark learning mission on textile waste management, along with a briefing on the sector's submission to the Finance Bill, 2025. The meeting further addressed emerging issues impacting the sector.

Outcome

It was agreed that the Quarter 3 sector meeting would be held in July 2025 to review progress on key initiatives and address any emerging issues within the Textiles and Apparel Sector.

Upcoming Activities:

I. Local Textiles & Apparel Q3 Sector Meeting to be held in July 2025. Date and venue to be communicated.

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

LEATHER & FOOTWEAR SECTOR

→ Leather Sector Submission on the Finance Bill, 2025

	Engagement Details	Outcome
	<p>During KAM's presentation to the Parliamentary Committee on 30th May 2025, Leather and Footwear Sector leaders called for the removal of excise duty on essential tanning chemicals not produced locally.</p> <p>They noted that the duty raises production costs, undermines competitiveness, and hinders value addition. Eliminating it would support local manufacturing, boost exports, and create jobs in the sector.</p>	<p>It was agreed that the updates of the meeting will be shared during the sector meeting.</p>

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

BUILDING, MINING AND CONSTRUCTION SECTOR

Engagement with CS MITI on Cement Sub-sector competitiveness

Engagement Details



On 16th May 2025, the KAM Cement Sub-Sector engaged the Cabinet Secretary for Investments, Trade, and Industry Hon. Lee Kinyanjui to discuss the business outlook, emerging opportunities, and challenges affecting the sub-sector's competitiveness. Key issues raised included the impact of the Export and Investment Promotion Levy (EIPL) on clinker, the ban on gypsum mining in the country coupled with a 25% import duty, the high cost of power, and various mining levies and royalties that have been increased or newly introduced by the Ministry of Mining.

Outcome

MITI committed to reviewing the Export and Investment Promotion Levy (EIPL) policy on clinker, recognizing it as a key raw material for cement production. This followed confirmation from cement manufacturers that they had no objections to the levy.

MITI will engage the Ministry of Mining and convene a tripartite meeting to address the mining-related challenges impacting the cement industry.

KAM Construction Glass Sub-Sector Meeting

Engagement Details



On 21st May 2025, the KAM Glass Sub-Sector held a meeting to deliberate on its position regarding the excise duty imposed on float glass under tariff line 7005.

The discussion followed the introduction of the excise duty in April 2025, subsequent amendments, and further proposed changes outlined in the Finance Bill, 2025.

Outcome

It was agreed that the excise duty on float glass is punitive to glass processors and, therefore, should not be applicable to them.

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

BUILDING, MINING AND CONSTRUCTION SECTOR

→ Consultative Meeting Between KAM Glass Industry and State Department for Industry

Engagement Details



On 19th June 2025, KAM's Glass Industry engaged the State Department for Industry to discuss the policy environment affecting the glass sector. Key discussion points included the competitiveness of the sub-sectors, particularly in relation to taxation, the regulatory landscape, the high cost of power, and the availability of incentives for expansion. The meeting brought together representatives from the construction glass industry, the automotive glass sector, pharmaceutical glass, and glass packaging sub-sectors.

Outcome

The following was agreed:

1. Taxation on raw materials affecting the glass industry will be addressed to enhance sector competitiveness.
2. The State Department for Industry will convene a follow-up meeting with large power consumers to finalize the White Paper on energy costs.
3. Efforts will be made to review and streamline the regulatory environment impacting the manufacturing sector.

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

PLASTICS AND RUBBER SECTOR

→ Circular Economy and EPR Implementation Sensitization Webinar



Engagement Details

On 6th May 2025, KAM, in collaboration with the Ministry of Environment and NEMA, held a sensitization webinar on the implementation of the circular economy and Extended Producer Responsibility (EPR).

During the session, manufacturers raised concerns regarding the need for clarity on per-item fees, the list of exempted products, and the exemption of raw materials, among other issues.

Outcome

It was agreed that the Ministry of Environment and NEMA would convene a consultative workshop with manufacturers to discuss and align on the areas of concern and agree on a clear way forward for implementation.

→ Pipe Manufacturers Sub-sector Inception Meeting



Engagement Details

On 22nd May 2025, pipe manufacturers held their inception meeting to discuss industry challenges related to the implementation and enforcement of standards by KEBS, as well as the importation of substandard pipes, which has made locally manufactured products less competitive in the Kenyan market. Manufacturers also proposed the introduction of a 10% excise duty on finished pipes, a specific duty rate per metre, and the formation of a dedicated sub-sector under KAM to strengthen policy advocacy.

Outcome

The KAM Secretariat will share a feedback template with members to capture KEBS-related challenges, as well as proposals for a specific duty rate and excise duty.

Additionally, the Secretariat will provide guidance on the formation of a sub-sector and the process for leadership nominations.

→ B2B Engagement Meeting between Ink and Packaging Manufacturers



Engagement Details

On 13th May 2025, the KAM ink and packaging manufacturers held a meeting to discuss and adopt an industry position on the 15% excise duty on inks.

Manufacturers noted that whilst the proposed excise duty is meant to spur local ink manufacturing, it negatively increases the cost of production within the packaging industry due to unavailability. Local packaging manufacturers noted that they source more than 75% of their inks locally.

Outcome

Manufacturers signed a joint position proposing for the removal of excise duty on printing inks to support local packaging manufacturers.

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

PLASTICS AND RUBBER SECTOR

→ B2B engagement on local sourcing for PE Films with Diaper Sub-sector



Engagement Details

On 14th May 2025, diaper manufacturers held a meeting to discuss the progress and status of B2B engagements aimed at supporting local sourcing of PE films from Taraji Moja Limited. Sector members expressed appreciation for the quality of the local manufacturers' products and the impressive turnaround time. They also reiterated their commitment to supporting local industries involved in the production of quality raw materials.

Outcome

Diaper manufacturers committed to supporting the local PE film manufacturer by sourcing the material locally.

→ Plastics Sector Research Study Meeting with Consultants



Engagement Details

On 21st May 2025, the Plastics and Rubber Sector leadership held a meeting with two pre-qualified consultants to discuss their understanding of the assignment's objectives and scope of work.

Outcome

It was agreed that the consultant would share a detailed presentation outlining their understanding of the objectives and scope of work for the research study.

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

METAL AND ALLIED SECTOR

→ B2B Engagement Meeting between Ink and Packaging Manufacturers



Engagement Details

On 13th May 2025, KAM ink and packaging manufacturers held a meeting to discuss and adopt an industry position on the proposed 15% excise duty on inks. Manufacturers noted that while the duty is intended to promote local ink production, it would negatively impact the packaging industry by increasing production costs due to limited availability.

Local packaging manufacturers highlighted that over 75% of their inks are already sourced locally.

Outcome

Manufacturers signed a joint position paper advocating for the removal of excise duty on printing inks to support the competitiveness of local packaging manufacturers.

→ Engagement with CS MITI on Steel Sector Competitiveness



Engagement Details

On 16th May 2025, the KAM Steel Sector met with the Cabinet Secretary for Investments, Trade and Industry, Hon. Lee Kinyanjui, to discuss the sector's outlook and competitiveness. Key concerns included the Export and Investment Promotion Levy (EIPL) on billets and wire rods, substandard products, the impact of IDF and RDL on raw materials, Scrap Metal Council regulations, and high power costs.

Outcome

It was agreed that the Ministry of Investments, Trade and Industry (MITI) would consider reducing the Export and Investment Promotion Levy (EIPL) to a lower rate of 5%, or removing it entirely, in line with the majority request from industry players. Additionally, the Ministry would address scrap metal-related concerns in coordination with the relevant agency.

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

METAL AND ALLIED SECTOR

→ Consultative meeting on Kenya US tariff offer for the Metal and Allied Sector



Engagement Details

On 13th June 2025, the KAM Metal and Allied Sector engaged the State Department for Trade to discuss Kenya's tariff offer to the United States in preparation for the upcoming trade negotiations. Chapter headings 72, 73, and 76 of the EAC Tariff Book were among those reviewed. The meeting also addressed Section 232 of the U.S. Trade Expansion Act of 1962, which imposes a 25% tariff on all steel and aluminium exports to the U.S., as a key trade barrier requiring resolution.

Outcome

Tariff lines relevant to Chapters 72, 73, and 76 were shared with the State Department for Trade to inform Kenya's tariff offer and ensure that the interests of the Metal and Allied Sector are adequately represented in the upcoming Kenya–U.S. trade negotiations.

Q2 Metal and Allied Sector Meeting



Engagement Details

On 26th June 2025, the KAM Metal and Allied Sector held its Quarter 2 meeting to discuss emerging issues affecting the sector, review engagements conducted during the quarter, and identify priority areas moving forward. Key agenda items included the recent KEBS workshop with the steel industry, suspension of scrap metal licenses, the upcoming Kenya–U.S. trade negotiations, planned sector verifications, and proposed government tax policies.

Outcome

It was agreed that KAM would monitor the outcomes of the Finance Act 2025 and the EAC Gazette, and follow up on the specific action items identified by the sector.

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

SALT SUB-SECTOR

→ Salt Sub-sector Courtesy Call to Kenya Forest Services Kilifi County



Engagement Details

On 6th May 2025, members of the Salt Sub-Sector paid a courtesy call to the Kenya Forest Service (KFS) in Kilifi County. During the visit, the sector held a meeting with the new County Forest Conservator, Mr. Ruwa Kalama, to discuss ongoing activities and challenges arising from various stakeholders operating in the mangrove areas adjacent to company-owned land. It was noted that KFS has allocated sections of the mangrove forest to organizations such as Eden Restoration, KOBEC, Earthlungs, and the Community Forest Association (CFA) under the "Adopt a Forest" program for mangrove conservation.

Outcome

It was agreed that a follow-up meeting would be held at the salt works with all stakeholders operating in the area to enhance coordination and address ongoing challenges.

→ Salt Sub-sector Quarter I CSR Feedback Meeting



Engagement Details

On 8th May 2025, the sector held its 1st Quarter CSR Feedback Meeting.

The session brought together Corporate Social Responsibility representatives from all salt catchment areas to share community feedback reports.

Outcome

The meeting introduced the new CSR members to their roles and responsibilities and outlined upcoming community engagement activities.

→ Engagement Meeting with Tana Delta Security Team and Leaders



Engagement Details

On 9th May 2025, the Salt Sub-Sector Officer, together with a representative from Kensalt, held an engagement meeting with the Tana Delta security team and local leaders. The meeting was led by the Area Assistant County Commissioner, Mr. Fredrick Mwirigi, and the Deputy Sub-County Administrator, Mr. Said Said. Discussions focused on security concerns within the Kensalt Kanagoni area, including issues related to squatters occupying the land.

Outcome

The meeting agreed to hold two barazas to engage the two villages that have not vacated the company's land and to issue them with a final notice.

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

SALT SUB-SECTOR

→ Stakeholder Meeting on Encroachment and Mangrove Conservation in Marereni



Engagement Details

On 13th May 2025, the Sector Officer, accompanied by a Krystalline Salt representative, held a meeting with the Marereni Assistant Chief.

Also present were the KFS Forester, the CFA Chairman, the BMU Chairman, and a village elder. The meeting addressed the construction of structures on Krystalline Salt land along the mangrove areas and agreed on a way forward for affected families.

Outcome

The following was agreed upon:

1. The Area Assistant Chief will follow up with the family claiming ownership to obtain a copy of the title deed for verification.
2. Kenya Forest Service will take the lead in evicting fishermen from the area to protect the mangrove zones.

→ Stakeholder Dialogue on Squatter Relocation and Expansion Plans



Engagement Details

On 14th May 2025, the Sector Officer, supported by a KenSalt representative and Tarsha leaders, held two community barazas at Hurara and Tana villages.

The meetings brought together CSR members from the Gongoni catchment area and community members to reinforce a notice issued three months earlier, requesting them to vacate company land to allow for planned expansion activities.

Outcome

The meeting issued a 21-day notice for the squatters to vacate the company's land.

→ The Salt Sub-sector Members Quarter 2 Meeting



Engagement Details

On 15th May 2025, the Salt Sub-Sector held its Quarter 2 meeting virtually.

Chaired by Madam Hasmita, the session focused on reviewing all pending sector issues and outlining planned actions for each.

The meeting also reviewed and updated the sector's advocacy priorities within the Salt Sub-Sector Action Matrix.

Outcome

The meeting updated the Sector Action Matrix to guide follow-up actions and ensure focused, coordinated efforts in addressing priority issues affecting the salt sub-sector.

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

SALT SUB-SECTOR

→ Gongoni CSR Catchment Area Meeting



Engagement Details

On 4th June 2025, the Sector Officer, accompanied by a Krystalline Salt representative, held a CSR catchment area meeting in Gongoni.

The meeting brought together CSR members from the area and introduced new members to the company. It also addressed emerging issues along the company's land and established a way forward for members to support ongoing efforts.

Outcome

The meeting agreed that CSR members within the catchment area would support the company in addressing community issues to foster positive relations.

Areas requiring support and pending CSR projects were also identified.

→ Salt Sub-sector Courtesy Call to Magarini DCC



Engagement Details

On 4th June 2025, Sub-Sector paid a courtesy call to the Magarini Deputy County Commissioner, Mr. Patrick Mshango.

The meeting focused on addressing pending squatter issues and security matters on company land to facilitate planned expansion activities.

Outcome

The meeting agreed to organize a community baraza at Mbuyuni and to follow up with the security team on the progress of ongoing security matters.

→ Salt Sub-Sector Participation in NLC Hearings on Historical Land Injustices



Engagement Details

From 9th to 12th June 2025, the Salt Sub-Sector Officer attended and participated in the National Land Commission (NLC) hearings on historical land injustices affecting all salt companies and the surrounding communities. The Commission invited all affected individuals and respondents to the physical hearings. Most claims heard by Panel 2 concerned land occupied by salt companies, while the other panel addressed unrelated claims. Each claim touching on the respective companies was presented and responded to where necessary.

Outcome

It was agreed to allow 21 days for each company to prepare a written response to all claims filed. All salt companies listened to the claims affecting them and provided responses where necessary.

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

SALT SUB-SECTOR

→ Kanagoni CSR Catchment Area Engagement Meeting



Engagement Details

On 5th June 2025, the Sector Officer, accompanied by a Kensalt representative, held a CSR catchment area meeting in Kanagoni.

The meeting brought together CSR members from both Kilifi and Tana River counties, introduced new members to the company, reviewed submitted CSR project proposals, and discussed emerging issues along company land, agreeing on a way forward for member support.

Outcome

It was agreed that CSR members within the catchment area would work closely with the company to address community issues and foster positive relations.

Pending CSR projects were also reviewed and prioritized for follow-up.

→ Salt Sub-Sector Community Leaders Engagement



Engagement Details

On 19th June 2025, the Salt Sub-Sector Officer, accompanied by a representative from Krystalline Salt, held an engagement meeting with community opinion leaders and leaders of Community-Based Organizations (CBOs). The meeting focused on a community petition against the Water Resources Authority (WRA) regarding the proposed sea water charge. It also served as a planning session to strategize on engaging political leaders to seek their support in addressing the WRA-related concerns.

Outcome

It was agreed that a community meeting would be organized with the Kilifi North Member of Parliament to seek support in escalating the matter to Parliament.

→ Planning Meeting on Community Dialogue Forums for Garithe & Ngomeni



Engagement Details

On 26th June 2025, the Salt Sub-Sector Officer attended and held a CSR catchment area meeting in Ngomeni with the Assistant Chief to discuss the restructuring of the CSR committee. Given the vastness of Ngomeni, it was agreed that two CSR representatives would be required from the villages bordering Krystalline Salt and Kensalt Ltd. The meeting deliberated extensively and agreed to select two representatives each from Kasimani A and B, Mwaeba A, Garithe A and B, as well as Ngomeni B3, A1, and C2 villages.

Outcome

It was agreed that two community barazas would be held; one at Garithe B and another at Ngomeni Social Hall.

The dates for these engagements will be confirmed in due course.

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

ENERGY, ELECTRICAL AND ELECTRONICS SECTOR

→ Petroleum Sub-sector Meeting on Duty Remission, White Oil Ruling & Industry Verification

Engagement Details



On 28th May 2025, the KAM Petroleum and Lubricants Sub-Sector held a meeting to discuss proposals by the Petroleum Institute of East Africa (PIEA) to halt the issuance of DRS for base oils, the Kenya Revenue Authority (KRA)'s tariff classification and ruling on white oil (HS Code: 2710.19.57), and the proposed industry-wide verification exercise. Manufacturers in the lubricants industry expressed strong objection to the proposed halt of DRS issuance, citing concerns that it would increase the cost of locally manufactured lubricants and reduce their competitiveness against imports.

Outcome

The following outcomes were agreed:

1. The KAM Secretariat, in collaboration with PIEA, will write to the Cabinet Secretary for the National Treasury to oppose the proposal to halt DRS issuance for base oils.
2. The KAM Secretariat will formally write to KRA to object to the contents and guidance provided in their report, which restricts the clearance of white oil under HS Code 2710.19.57 to cosmetics manufacturers only.

→ Engagement with KRA on White Oil Verification visits

Engagement Details



On 7th May 2025, KAM and KRA conducted a verification visit to Optimum Lubricants Limited following a dispute over the tariff classification of white oil.

During the visit, Optimum Lubricants demonstrated the use of white oil in the production of food-grade lubricants, which are essential in the food processing industry, particularly for products exported to Europe. It was further noted that white oil has multiple applications depending on the purity of the grade.

Outcome

The following outcomes were agreed:

1. Manufacturers submitted samples of both finished products and white oil to the KRA verification team.
2. KRA will issue a formal ruling on the tariff classification of white oil (Technical Grade).

Petroleum Sector Engagement on Kenya's Tariff Offer to the U.S.

Engagement Details



On 13th June 2025, the KAM Petroleum Sector engaged the State Department for Trade to discuss Kenya's tariff offer to the United States in preparation for the upcoming trade negotiations.

The discussions focused on tariff lines under Chapter 27 of the EAC Tariff Book.

Outcome

Tariff lines proposed for inclusion in Kenya's offer to the United States were shared with the State Department for Trade, ensuring that the Petroleum Sector's priorities are considered in the upcoming trade negotiations.

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

PAPER AND PAPER BOARD SECTOR

→ B2B Engagement on Local Sourcing of PE Film



Engagement Details

On 14th May 2025, a meeting was held by the Diaper Sub-Sector to discuss key issues affecting the industry, including the local sourcing of polythene film (PE).

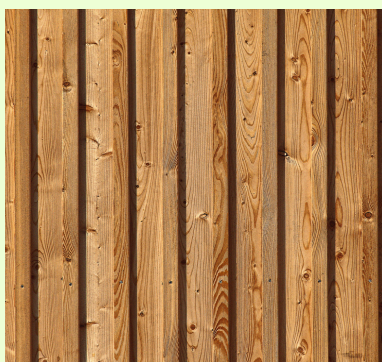
The meeting also addressed the Finance Bill, 2025 and the ongoing legal case concerning EPR fees.

Outcome

The following key resolutions were made:

1. KAM will propose the exemption of VAT on all inputs used in the manufacture of diapers and sanitary towels.
2. KAM will provide the Diaper Sub-Sector with updates on the progress of the EPR case.
3. Members committed to promoting local sourcing of PE film. Those who had not yet sourced locally were connected to the manufacturer for business-to-business engagement.

→ Paper & Paper Board Sector Quarter Two Meeting



Engagement Details

On 21st May 2025, the Paper Sector held its Quarter 2 meeting to discuss key issues affecting the industry, including the Finance Bill, 2025.

Members noted with concern that the sector's key proposals had not been included in the Bill.

Instead, the Bill proposed VAT exemption only for packaging used for tea and coffee.

Outcome

It was agreed that the Paper Sector's proposals would be incorporated into KAM's official submission to Parliament on the Finance Bill, 2025.

The proposals were duly submitted, with representation from the sector present to reinforce their position.

→ KAM Printing Sub-Sector Engagement and Facility Visits with the Principal Secretary



Engagement Details

On 27th and 30th May 2025, KAM conducted joint visits to companies within the KAM Printing Sub-Sector.

The Principal Secretary for State Department for Investment Promotion, Ministry of Investments, Abubakar Hassan Abubakar, CBS visited Ramco Printing, English Press, Twiga Stationers, and Economic Industries. The purpose of the visits was to appreciate the level of local investment in printing and book manufacturing.

Outcome

Sector members contributed over 4,000 exercise books and pre-cooked porridge flour for government distribution to learners in Lamu.

The Principal Secretary committed to support the industry by restricting the importation of exercise books and facilitating access to raw materials for local printers.

Upcoming Activities:

The Finance Bill, 2025 was signed into law by H.E. Hon. William Samoei Ruto, PhD, CGH, on 26th June 2025. Once the Act is officially circulated, the sector will convene to analyze the outcomes and identify key wins. The meeting date will be communicated in due course.

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

CHEMICAL AND ALLIED SECTOR

→ KRA Engagement with Cosmetics and Lubricants Sub-Sectors on White Oil Classification



Engagement Details

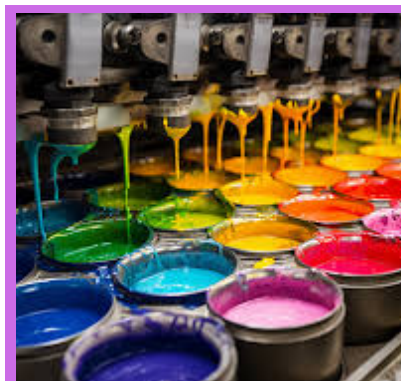
The Cosmetics and Lubricants sub-sectors held a series of engagements with the Kenya Revenue Authority (KRA) to discuss the classification of white oil (technical grade).

A joint verification exercise was conducted to assess the importation and use of white oil in the manufacturing of cosmetics and lubricants.

Outcome

It was agreed that the Cosmetics Sub-Sector would be permitted to import white oil under tariff code 2710.19.57 at a duty rate of 0%.

→ B2B engagements between ink manufacturers and users on excise duty



Engagement Details

On 13th May 2025, KAM convened a Business-to-Business (B2B) meeting between local ink manufacturers and ink users to discuss the impact of excise duty imposed on imported inks. Stakeholders noted that the introduction of excise duty does not effectively support local ink manufacturing. In particular, the application of excise duty on raw materials used in ink production has increased production costs, making local manufacturing more expensive and less competitive.

Outcome

The following outcomes were agreed upon:

1. A joint position was developed, signed, and submitted to Parliament by stakeholders.
2. The position recommended the removal of excise duty on imported inks.
3. It also called for the exemption of raw materials used in the manufacture of inks from excise duty.

→ Tripartite Engagement on Cosmetics Regulations



Engagement Details

On 29th May 2025, a tripartite meeting was held between the Pharmacy and Poisons Board (PPB), Kenya Bureau of Standards (KEBS), and Kenya Association of Manufacturers (KAM) at the State Department for Industry.

The meeting focused on the regulation of cosmetics and the proposed amendment of the PPB Act.

Outcome

The meeting noted the need for a workshop to deliberate on the various regulatory aspects of cosmetics.

It was therefore agreed that a workshop would be held in July to facilitate these discussions.

In the meantime, the State Department suspended the progress of the Bill in Parliament until consensus is reached among stakeholders.

CHEMICAL AND ALLIED SECTOR

→ U.S. Trade Discussions on Cosmetics, Personal Care and Hygiene



Engagement Details

On 13th June 2025, the KAM Petroleum Sector engaged the State Department for Trade to discuss Kenya's tariff offer to the U.S. for consideration in the upcoming trade negotiations.

The discussions focused on tariff lines under Chapter 27 of the EAC Tariff Book.

Outcome

The sector had no additional tariff lines to propose beyond those already submitted for consideration.

Upcoming Activities:

The Finance Bill 2025 was signed into law by H.E. Hon. William Samoei Ruto, PhD, CGH, on 26th June 2025. Once the Act is officially circulated, the sector will convene to analyze the outcomes and identify key wins. The meeting date will be communicated in due course.

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

TIMBER AND FUNIRTURE SECTOR

→ Timber Sector Quarter 2 Meeting



Engagement Details

The sector held its Quarter 2 meeting on 23rd May 2025, with discussions primarily focused on the Finance Bill 2025.

Members reviewed the proposed fiscal measures and deliberated on their potential impact on sector operations, competitiveness, and overall business sustainability.

Outcome

The sector agreed to submit its proposals to Parliament through KAM's official feedback on the Finance Bill 2025.

The following key proposals were included:

1. The removal of excise duty on PVC edge banding and laminates.
2. The allowance of tax deductibility for contributions made by manufacturers towards tree planting activities.

→ Sector engages in Tree Planting Exercise in Kiambu



Engagement Details

On 9th May 2025, the timber sector leadership; accompanied by the Sukuma Twende Trust, the Kenya Forest Service (KFS) Chief Conservator, and the KAM CEO, Tobias Alando led a tree planting exercise at Uplands Forest Station.

The activity was funded through contributions from Sukuma Twende Trust, Woodtex Kenya, CKL Africa, and Osho Chemicals.

Outcome

A total of 51,000 trees were planted at Uplands Forest Station.

KAM has requested the Kenya Forest Service (KFS) to allow the use of the shamba system to ensure proper management and maintenance of the trees.

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



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Creating Prosperity for the Nation through Sustainable Industrialization