



KAM SECTORS MILESTONES AND UPCOMING ACTIVITIES

JULY 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
TTC	Trade & Tax Committee
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

→ Meeting with Sub-sector Chairs and Vice Chairs within the Food & Beverage Sector



Engagement Details

The Sub-sector Chairs and Vice Chairs within the Food & Beverage Sector held a meeting on 2nd July 2025 to discuss the way forward for the sector.

The key agenda items included:

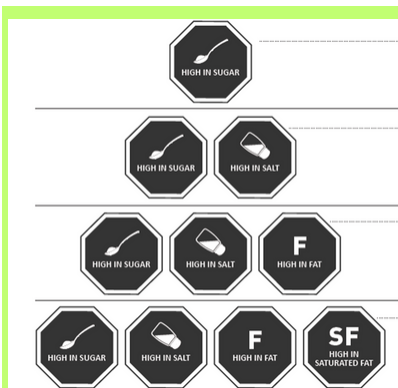
- A review of priority sector issues and the formulation of key strategies
- Agreement on the calendar of meetings and engagements

Outcome

It was agreed that:

1. Fundraising for the EGMS Study would be initiated, and invoices have since been sent to the affected companies.
2. Sub-sector meetings would be conducted ahead of the main sector meeting. Meetings for the Nutrition Foods Industry Association (NFIA), Non-Alcoholic Beverages, and Meat and Fish Products sub-sectors have already been held.

→ Meeting on Front of Pack Labelling (Kenya Nutrient Profile Model)



Engagement Details

The Food & Beverage Sector met on 10th July 2025 to discuss the contents of the Kenya Nutrient Profile Model (KNPM), which guides Front-of-Pack Labelling (FOPL).

Although the document had not yet been published by the Ministry of Health, members discussed the potential impact that an FOPL regulation, drafted without industry participation could have on both manufacturers and consumers.

Outcome

It was agreed that:

1. Relevant stakeholders would be engaged to discuss the KNPM and FOPL. In line with this, KAM submitted formal requests for engagement to the Ministry of Health and the State Department for Industry.
2. A unified manufacturing position on FOPL and KNPM would be developed. Members committed to providing scientific data, industry perspectives, and global best practices to support the formulation of a fact-based industry proposal.

→ Meeting Between Glass Manufacturers, Processors, and Users



Engagement Details

Glass manufacturers, processors, and users met on 14th July 2025 to discuss, among other issues, the local production capacity of glass bottles and containers. KAM is engaging stakeholders to assess current capacity and determine a way forward for items not yet produced locally. The goal is to incentivize local production and investment, while relieving users of excise duty on unavailable bottles and containers until they can be manufactured locally.

Outcome

It was agreed that members would submit a list of the sizes and shapes of glass bottles and containers they use for packaging, to enable consolidation and formal submission.

Upcoming Activities:

1. The Quarter Two Meeting for the Agro-processing, Food & Beverage Sector will be held on a date and time to be communicated.

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

FOOD & BEVERAGE SECTOR

→ Nutrition Foods Industry Association (NFIA) sub sector Quarter Two Meeting



Engagement Details

The Nutrition Foods Industry Association (NFIA) sub-sector held its Quarter Two Meeting on 17th July 2025. The meeting agenda included a review of the NFIA issues matrix, the draft EAC standards for follow-up formula for older infants and products for young children and an update on the status of the EAC Technical Regulations Framework.

Outcome

It was agreed that the draft EAC standards for follow-up formula for older infants and products for young children would be reviewed, and members' comments were subsequently submitted to the EAC Technical Committee Secretariat. Members would provide information on all regulations and taxes imposed on their products since 2020. The Secretariat will consolidate this information and present it chronologically in a PowerPoint slide to support engagement with key stakeholders.

→ Non- alcoholic beverage sub sector Quarter Two Meeting



Engagement Details

The Non-Alcoholic Beverages sub-sector held its Quarter Two Meeting on 23rd July 2025. The agenda included a review of the sub-sector issues matrix, an assessment of the outcomes of the EAC Gazette, and a review of the implications of the Finance Act 2025.

Outcome

It was agreed that:

1. A unified manufacturing position on FOPL and the KNPM would be developed.
2. Fundraising for the EGMS Study would proceed, with invoices already sent to affected companies.
3. Members will submit details of all regulations and taxes on their products since 2020 for consolidation by the Secretariat into a PowerPoint for stakeholder engagement.

→ Meat and Fish Products Sub-sector Quarter Two Meeting



Engagement Details

The Meat and Fish Products sub-sector held its Quarter Two Meeting on 24th July 2025. The agenda included a review of the sub-sector issues matrix, an assessment of the outcomes of the EAC Gazette, a review of the implications of the Finance Act 2025, and an overview of the newly formed KAM Blue Economy sub-sector.

Outcome

It was agreed that:

- A unified manufacturing position on Front-of-Pack Labelling (FOPL) and the Kenya Nutrient Profile Model (KNPM) would be developed.
- Members would provide information on all regulations and taxes imposed on their products since 2020. The Secretariat will consolidate this information and present it chronologically in a PowerPoint slide to support engagement with key stakeholders.

Upcoming Activities:

1. A follow-up meeting on Front-of-Pack Labelling will be held.
2. The Biscuit Sub-sector Quarter Two Meeting will be held.
3. The Edible Oils Sub-sector Quarter Two Meeting will be held.
4. An inception meeting for the Honey Sub-sector will be held.

AUTOMOTIVE SECTOR

→ Automotive Sector meeting



Engagement Details

The Automotive Sector members held their quarterly meeting on 11th July 2025. The discussions covered several key issues, including sub-sector reports, the status of KS1515, and progress on the review of Legal Notices 112 and 84. Members also reviewed the status of the EAC Assembly Regulations and the ongoing review of the EAC Rules of Origin, along with the sector's position on the matter. Updates were provided on the E-mobility pitch deck and the Boda Boda Bill 2023.

Outcome

It was agreed that:

1. Advocacy would be undertaken through the Office of the Attorney General and the National Treasury to finalize amendments to Legal Notices 84 and 112.
2. A joint meeting would be arranged with the KEBS CEO and the motorcycle sub-sector to clarify the EURO IV/4 requirements and their impact on the market.

→ Meeting between Automotive Sector Members and the State Department for Industry



Engagement Details

On 25th July 2025, sector members met with PS for Industry, Hon. Lee Kinyanjui, to discuss emerging issues on KS1515. Attendees included representatives from KEBS, used vehicle importers, assemblers, and other industry players. The meeting highlighted the need to establish a clear link between vehicle age limits and emission levels, proposing that Kenya explore a trade-off during public participation, removing the age limit while introducing restrictions on commercial vehicles.

Outcome

It was agreed that:

1. KEBS to convene a Technical Committee meeting to review the public participation report, which contains over 200 comments.
2. Industry to share a fuel quality report to support adopting EURO 4 as the baseline.
3. The issue of motorcycles to be addressed in a separate meeting at KEBS.

→ Automotive Sector Members meet to review proposed NTSA regulations



Engagement Details

Sector Members met on 29th July 2025 to discuss the draft Traffic (Motor Vehicle Inspection) Rules, 2025, and the Commercial Vehicle Regulations, both of which are currently out for public review.

The inspection regulations cover:

- Inspection requirements
- Salvage vehicle classification
- Inspection standards and compliance
- Approval procedures for motor vehicle testing centers

Outcome

It was agreed that KAM will finalize the industry inputs memorandum and submit it to National Transport and Safety Authority (NTSA) for consideration.

AUTOMOTIVE SECTOR

→ Meeting of the Motorcycle Sub-Sector to discuss the Boda Boda Bill, 2023



Engagement Details

The motorcycle sub-sector members held a meeting on 28th July 2025 to discuss the draft Public Transport (Motorcycle Regulation) Bill, 2023. The Bill was first tabled and passed by the Senate, with amendments, in December 2023, and subsequently presented to the National Assembly in early 2025. The Senate's attempt to withdraw the Bill was rejected by the National Assembly. The Bill is now due for its Second Reading, pending public participation. Members were encouraged to submit their responses during the public participation process.

Outcome

KAM, in collaboration with Motorcycle Assemblers Association of Kenya (MAAK), will form a technical committee to spearhead the preparation of a joint memorandum for submission.

Upcoming Activities:

I. Automotive Sector Breakfast Meeting with Policymakers, scheduled for Thursday, 21st August 2025. Venue to be communicated.

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

PHARMACEUTICAL SECTOR

→ Q3 Pharmaceutical Sector meeting



Engagement Details

The sector met on 23rd July 2025 to discuss various issues, including the Public Procurement Amendment Bill, budget proposals, HAPROK membership, the Pharmaceutical Manufacturer Registry, excise duty and VAT refunds, and pending KEMSA payments. Other matters addressed were the list of Principal and Cabinet Secretaries, the increase in insurance premiums, the local supply of paper packaging materials, and engagement with the Veterinary Medicines Directorate (VMD).

Outcome

It was agreed that:

1. A letter will be sent to the National Treasury seeking clarification on the non-adoption of sector proposals.
2. A survey on outstanding payments will be conducted, followed by an urgent meeting with KRA.
3. KAM will expedite an engagement meeting with veterinary medicine manufacturers.

→ Technical meeting on Duty Remission for Cold Rooms



Engagement Details

The KAM Secretariat convened a technical meeting with all pharmaceutical members on 31st July 2025 to sensitize the sector on applications for the Duty Remission Scheme (DRS). This followed the government's provision allowing pharmaceutical companies to import inputs duty-free for clean room assembly under DRS. KAM used the meeting as a platform to educate members on the application process, covering essential guidelines and key do's and don'ts.

Outcome

1. The secretariat will prepare a frequently asked questions (FAQ) document for circulation to members.
2. Members were urged to each submit their own individual Duty Remission application by the deadline.

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

TEXTILES & APPARELS SECTOR

→ Textiles verification exercise report writing retreat

Engagement Details

Outcome



The Textiles Verification Exercise Committee held a working retreat in Naivasha from 9th to 11th July 2025 to review and finalize the draft verification report. Independent consultants presented preliminary findings, including KEBS test results, while technical committee members provided feedback and recommendations. The outcomes will guide policy development on implementing the DRS for fabrics and polypropylene yarn, and on introducing a specific duty on acrylic yarn. The committee agreed on next steps, with the final report launch expected in August 2025.

The committee is scheduled to meet in August 2025 to sign off the final report. The report will then be submitted for validation by sector members and KAM TTC, followed by official submission to the PS, State Department for Industry.

→ EU-EPA sensitization forum for EPZ enterprises

Engagement Details

Outcome



On 22nd July 2025, KAM, in collaboration with EPZA, hosted a European Union-Economic Partnership Agreement (EU-EPA) Forum in partnership with MITI and IDH. The forum was specifically tailored for EPZ-based enterprises operating in the Coast Region. Participants received insights on how to navigate and maximize the benefits of the Kenya-EU EPAs. Additionally, manufacturers shared sector-specific challenges requiring support and policy intervention.

Stakeholders committed to strengthening collaboration to address identified sector-specific challenges, with plans to develop targeted policy recommendations and support initiatives that enhance EPZ enterprises' ability to capitalize on the Kenya-EU EPA benefits.

A follow-up mechanism was also established to monitor progress and ensure ongoing dialogue among involved parties.

→ Q3 Meeting for Local Textiles & Apparel Sector

Engagement Details

Outcome



The Local Textiles and Apparel Sector held its Q3 meeting on 24th July 2025. The main agenda was to deliberate on the Finance Act 2025 and the EAC Gazette 2025. Members discussed the implications of these regulations on the textiles and apparel industry. Other matters addressed during the meeting included the development of an EPR framework for the sector, ongoing activities by IDH, and progress updates on the textiles verification exercise.

Members reviewed key regulatory changes and agreed to advance the development of an EPR framework. Updates on IDH activities and the textiles verification exercise were noted, with plans to integrate these into ongoing sector strategies.

Upcoming Activities:

I. Public Private Dialogue on AGOA to be held as from 13th August 2025 to 15th August 2025 in Naivasha.

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

LEATHER & FOOTWEAR SECTOR

→ Leather & Footwear Sector wins in the Finance Act 2025



Engagement Details

The EAC Gazette 2025 granted Duty Remission Scheme (DRS) status to chemicals used in leather processing. This policy move is expected to reduce production costs for tanneries in Kenya and, by extension, enhance competitiveness across the entire leather value chain. Other key inputs granted duty remission include tubular or bifurcated rivets, hooks, eyes, and eyelets used in the manufacture of leather products. These measures aim to support local manufacturing and value addition in the leather sector.

Outcome

Members were requested to submit their Duty Remission Scheme (DRS) application forms to KAM by the deadline to ensure eligibility for duty exemptions. This step was emphasized as vital for reducing production costs and improving competitiveness. KAM committed to supporting members throughout the application process to facilitate compliance and maximize benefits under the scheme.

→ Leather & Footwear Sector Meeting



Engagement Details

The Leather and Footwear Sector held its quarterly meeting on 3rd July 2025. The main agenda focused on the implications of the Finance Act 2025 and the EAC Gazette 2025 on the leather sector. Members also discussed customs-related challenges affecting the sector, the development of an Extended Producer Responsibility (EPR) framework, and the need to strengthen skills development and capacity building through KAM TVET department services.

Outcome

Members gained clarity on the implications of the Finance Act 2025 and the EAC Gazette 2025 for the leather sector. Key customs challenges were identified, prompting plans to engage relevant authorities.

→ Leather Goods Sub-Sector Meeting



Engagement Details

The Leather Goods Sub-Sector held its inception meeting on 28th July 2025. The main agenda was to discuss the Duty Remission Scheme (DRS) process and the availability of eligible products under the EAC Gazette Notice 2025. Members received a detailed presentation on DRS-related issues and were guided on how to submit applications to benefit from the scheme.

Outcome

Members were urged to promptly submit their Duty Remission Scheme (DRS) application forms through KAM to ensure timely processing and access to duty exemptions. This step is critical in enabling members to reduce production costs and enhance competitiveness. KAM will continue to provide support throughout the application process to maximize sector benefits under the scheme.

Upcoming Activities:

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

BUILDING, MINING AND CONSTRUCTION SECTOR

→ Building, Mining & Construction Sector Meeting



Engagement Details

On 1st July 2025, the Building, Mining, and Construction sector held its quarterly meeting to discuss emerging issues impacting the sector, alongside updates on recent tax laws effective from July 2025.

Key legislative developments reviewed included the EAC Gazette of 30th June 2025 and the Finance Act 2025, with discussions focusing on their implications for the sector's operations and compliance requirements.

Outcome

It was agreed that the analysis of EAC and domestic taxes specific to the Building, Mining, and Construction (BMC) sector would be shared to enhance members' understanding of the tax landscape and support informed decision-making within the sector.

→ Glass Sub-sector Meeting



Engagement Details

On 14th July 2025, glass manufacturers, processors, and users held a meeting to discuss, among other issues, the local production capacity of glass bottles and construction glass.

KAM is consulting to assess the production capacity of various glass bottle sizes, after which it will deliberate on the way forward and submit a resolution to MITI. For glass processors, the industry verification process needs to be fast-tracked to enable exemption from excise duty on float glass.

Outcome

It was agreed to fast-track the verification exercise for glass processors to facilitate timely excise duty exemption.

Additionally, a follow-up meeting will be scheduled with glass manufacturers and users to discuss submissions regarding the types of glass required.

→ Launching the Blue Economy Sub-Sector



Engagement Details

On 18th July 2025, KAM held the inception meeting for the newly formed Blue Economy Sub-Sector to discuss strategic focus areas and build a vibrant sub-sector to drive strong advocacy.

Key issues discussed included the need for a favourable fiscal policy and regulatory environment, improved access to funding, and expanding membership within the sub-sector. The sub-sector also elected its leadership to steer the vision and direction going forward.

Outcome

1. Key focus areas for the sub-sector were identified and prioritized to guide its strategic direction.
2. Matt Llyoid of AVA Limited was elected as the Chair of the sub-sector, entrusted with leading its efforts and representing its interests.

Upcoming Activities:

1. Glass Processors Sub-Sector Verification Exercise.
2. Stone Coated Verification Exercise.

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

PLASTICS AND RUBBER SECTOR

→ Stakeholder Validation and Policy Discussion on PP Yarn Verification



Engagement Details

The Textiles Verification Exercise Committee held a working retreat in Naivasha to finalize the draft verification report. Preliminary findings, including KEBS test results, were presented, with feedback from technical members. The outcomes will inform policies on the DRS for fabrics and polypropylene yarn and the introduction of duty on acrylic yarn. The committee agreed on next steps, with the final report launch and sign-off meeting planned for August 2025.

Outcome

1. The report will be submitted for validation by sector members and KAM TTC, followed by official submission to the PS, State Department for Industry.
2. The validated report will guide policy recommendations for polypropylene (PP) yarn under KAM TTC arbitration between manufacturers and users.

→ KAM CEO Factory Visit to A Plus PVC Technology



Engagement Details

On 25th July 2025, the KAM CEO visited A Plus PVC Technology Company Limited, a manufacturer of PVC products including sheets, doors, windows, tarpaulins, dam liners, auto carpets, and rexins. The company also produces greenhouse covers, fumigation sheets, and PVC window assemblies for the construction sector. Key challenges highlighted were capital constraints and import competition, while the support from KAM, especially the DRS program, was acknowledged for enhancing their competitiveness.

Outcome

KAM will support PVC manufacturers in advocating for the reduction of duty remission from 10% to 0% and for implementing a specific duty rate to protect the industry from cheap and substandard imports.

→ KAM Engages the Association of Kenya Insurers (AKI) on insurance premiums



Engagement Details

On 10th July 2025, Kenya Association of Manufacturers (KAM) engaged the Association of Kenya Insurers (AKI) to address the sustained rise in insurance premiums faced by manufacturers, particularly for fire risks, machinery breakdown, and industrial all risks. KAM also presented progress and challenges related to the implementation of the local marine insurance directive issued by the Insurance Regulatory Authority.

Outcome

KAM and AKI have agreed to jointly develop a matrix of issues and recommendations to be submitted to the IRA for consideration. This collaboration aims to ensure that manufacturers' concerns are effectively addressed and to advocate for a more supportive and predictable insurance environment.

Upcoming Activities:

1. NEMA Sensitization Forum on the newly gazetted environmental regulations scheduled for 1st August 2025.
2. Pipes and fittings manufacturers meeting to be held in August 2025 (date and time to be confirmed).
3. Polyvinyl Chloride (PVC) manufacturers meeting scheduled for 19th August 2025.

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

METAL AND ALLIED SECTOR

→ Aluminium Sub-Sector quarterly meeting



Engagement Details

On 15th July 2025, the KAM Aluminium Sub-Sector held its quarterly meeting to discuss emerging issues affecting the sub-sector and to review updates on various tax policies. Notable issues discussed included the Extended Producer Responsibility Regulation, the introduction of excise duty on aluminium products, and changes in scrap metal dealing regulations.

Outcome

It was agreed that:

1. A meeting will be held with the Kenya Extended Producer Responsibility Organization (KEPRO) to discuss compliance with the Extended Producer Responsibility (EPR) regulations.
2. The analysis of the various tax policy changes will be shared.

→ Factory visit to Heavy Engineering Limited



Engagement Details

On 23rd July 2025, KAM conducted a factory visit to Heavy Engineering Limited to appreciate the investments made in the production of hydropower equipment and to document the impact of incentives granted, particularly in relation to their competitiveness in exports.

Outcome

It was agreed that KAM will document the impact of the incentives on the production of hydropower equipment, to demonstrate how these measures have enhanced the sector's competitiveness and supported growth in export markets.

→ Aluminium Sub-sector engagement with KEPRO



Engagement Details

On 28th July 2025, the KAM Aluminium Sub-sector engaged the Kenya Extended Producer Responsibility Organization (KEPRO) to discuss compliance with, and sensitization on, the EPR regulations and their impact on the sub-sector. The sub-sector remains committed to enhancing compliance with regulatory requirements to promote sustainable business practices.

Outcome

Aluminium Sub-Sector members to ensure full compliance with the Extended Producer Responsibility (EPR) regulations to avoid being flagged by regulators, thereby safeguarding business continuity and maintaining a positive industry reputation.

Upcoming Activities:

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

SALT SUB-SECTOR

→ Courtesy visit to the Kilifi County Executive Committee Member for Trade



Engagement Details

On 2nd July 2025, the Sector Officer and KAM TVET Officer paid a courtesy call to Kilifi County Executive Committee Member (CECM) for Trade, Mr. Raymond Ngala, to invite the County to the KAM Changamka Shopping Festival - Coast Edition and discuss the recently gazetted Water Use Act of 2025. The team highlighted its impact on the salt industry and sought the County's support in advocating for a review of the newly introduced seawater levy.

Outcome

It was agreed that the CECM would coordinate a meeting between the Salt Sub-Sector members and the Kilifi County leadership to discuss the seawater levy and present the matter to the Council of Governors.

→ Salt Sub-sector engages Magarini Deputy County Commissioner and Sub county security



Engagement Details

On 3rd July 2025, the Sector Officer, accompanied by representatives from Krystalline Salt and Malindi Salt, engaged the Magarini Deputy County Commissioner (DCC), Mr. Patrick Musango, together with the Magarini security team and the National Environment Management Authority (NEMA), regarding squatters obstructing the Kambi ya Waya drainage. The meeting discussed possible measures to evict illegal salt harvesters and squatters blocking the drainage area, which has been causing flooding within the company's ponds.

Outcome

The team conducted a site visit and agreed on a joint strategy to be implemented to ensure the blocked drainage area at Kambi ya Waya is reopened. This coordinated approach will help restore proper water flow, mitigate flooding within the company's ponds, and safeguard the salt production process from further disruptions.

→ Salt Sub-sector engages the National Land Commissioner of Kilifi



Engagement Details

On 4th July 2025, the Salt Sub-Sector members paid a courtesy call to the National Land Commission (NLC) Kilifi Office. They engaged the NLC Kilifi County Coordinator, Madam Umi Kugula, in discussions on the recently concluded hearings on historical land injustices involving the sector. Some members had finalized and submitted their responses to the cases filed against the salt companies.

Outcome

The ready reports were submitted to the Kilifi NLC office for onward transmission to the Nairobi office. The County Coordinator committed to coordinating a meeting between the sector and the commissioners once all pending reports have been submitted, to facilitate further engagement on the historical land injustices cases.

SALT SUB-SECTOR

→ Salt Sub-sector holds Salt Belt Multi-Stakeholders Forum



Engagement Details

On 8th July 2025, the Salt Sub-Sector held the Salt Belt Multi-Stakeholders Forum in Gongoni, chaired by Magarini Deputy County Commissioner Mr. Patrick Musango. The forum brought together government agencies, county departments, political leaders, civil society organizations, community-based organizations, local leaders, and community representatives to address issues affecting community-company relations and foster a favorable business environment.

Outcome

An action matrix was developed, assigning specific responsibilities to each government agency to ensure that the issues raised during the forum are effectively addressed. This structured approach aims to foster accountability, promote timely follow-up, and strengthen collaboration between stakeholders, ultimately creating a more favorable business and community environment along the salt belt.

→ Salt Sub-sector Participation in the KAM Changamka Coast Edition



Engagement Details

On 10th and 11th July 2025, the Salt Sub-Sector Officer supported and participated in the 5th Edition of the KAM Changamka Festival - Coast Edition, held at Oshwal Grounds, Mombasa. The event was officially opened by Mombasa County Governor, His Excellency Abdullswamad Shariff Nassir, alongside the KAM Coast Chapter Chair, Abdallah Athman, KAM Chief Executive, Tobias Alando, and other key stakeholders. It brought together over 66 exhibitors.

Outcome

The event provided a platform for the local manufacturing sector to leverage the domestic market as a springboard into external markets, with over 66 exhibitors showcasing their Made in Kenya products to shoppers, thereby promoting local industry visibility and market growth.

→ Member visit to Malindi Salt Works



Engagement Details

On 17th July 2025, the Salt Sub-sector officers visited Malindi Salt Works and engaged with the company's management.

The meeting discussed and agreed on areas where the company required support, including compliance with EPR regulations, planning the CSR catchment area meeting, and addressing pending community and squatter engagements for both sites.

Outcome

The meeting identified key areas where the company required support and set dates for joint engagements. This ensures coordinated action between the Salt Sub-Sector and the company, fostering compliance, strengthening community relations, and advancing planned CSR initiatives.

SALT SUB-SECTOR

→ The Salt Sub-sector holds Malindi Salt CSR Catchment Area Meeting



Engagement Details

On 24th July 2025, the salt sub-sector held the Malindi CSR Catchment Area Meeting at Malindi Salt Works. The meeting brought together CSR members from both the Malindi Salt and Solar catchment areas, along with company representatives. It served to introduce the new CSR members to the company, discuss proposed community CSR projects, and plan upcoming engagements where the company will require CSR support.

Outcome

The new CSR members were formally introduced to the company, fostering stronger relationships and mutual understanding. Plans for joint engagements were agreed upon to ensure better coordination and alignment in implementing community projects.

→ Salt Sub-sector attended the annual dialogue on mangrove conservation



Engagement Details

On 25th July 2025, the Salt Sub-sector Officer attended the annual dialogue on mangrove conservation at Mnarani Club, Kilifi. The event, a build-up to the International Day for the Conservation of the Mangrove Ecosystem, brought together stakeholders to discuss strategies for securing the future of mangroves in Kenya. Mangroves are vital to coastal ecosystems and saltworks operations, underscoring the need for joint conservation and protection efforts.

Outcome

The dialogue highlighted Kenya's progress in mangrove conservation, showcasing advances in scientific research, community engagement, restoration practices, and partnerships. It concluded with a call to accelerate conservation and management efforts to safeguard livelihoods and contribute to national and global sustainability goals.

→ Salt Sub-sector participates during the International Day of Mangrove Conversation



Engagement Details

On 26th July 2025, the salt sub-sector attended and participated in the International Day for the Conservation of the Mangrove Ecosystem celebrations held at Mida Creek, Gede Forest, Kilifi County. The event, officiated by the Cabinet Secretary for the Ministry of Environment, Climate Change, and Forestry, Dr. Deborah Mlongo Barasa, brought together dignitaries and stakeholders involved in mangrove conservation. It aimed to promote public-private partnerships in safeguarding Kenya's coastal ecosystems.

Outcome

The salt companies contributed to the purchase of 10,000 mangrove tree seedlings planted during the celebrations, making an invaluable investment in the long-term conservation and restoration of this vital coastal ecosystem.

Upcoming Activities:

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

ENERGY, ELECTRICAL AND ELECTRONICS SECTOR

→ Engagement with Multi Agency Team on lubricants verification



Engagement Details

On 17th July 2025, KAM participated in a KRA-led Multi-Agency Team, comprising KEBS and EPRA, to finalize the lubricants verification report in line with the National Treasury directive halting the DRS for base oils. The team inspected 17 lubricant blending plants under the Duty Remission Scheme to assess potential abuse of the scheme and tax evasion. The verification exercise confirmed industry compliance with DRS regulations and standards, while also identifying gaps within the sector that require targeted interventions.

Outcome

The verification team submitted the report to the KRA Commissioner General for forwarding to the CS, National Treasury. They further recommended lifting the suspension of the DRS for base oils and proposed sensitization and capacity-building initiatives for the industry to address the identified gaps.

→ Energy, Electrical, and Electronics Quarter two meeting



Engagement Details

On 30th July 2025, KAM held the Energy Sector Q2 meeting to review the status and progress of advocacy issues. Members highlighted key challenges, including rising illicit trade, substandard imports, excise duty, tariff disputes with KRA, and taxation of inputs and raw materials. Lubricant manufacturers emphasized the need to fast-track the reinstatement of the DRS for base oils and the registration of new applicants to the scheme.

Outcome

The KAM Secretariat will guide members in developing proposals on specific duty and the imposition of excise duty on imported finished products. The Secretariat will also convene a capacity-building workshop for cable manufacturers on illicit trade, counterfeits, intellectual property rights, and policy advocacy with government Ministries, Departments, and Agencies (MDAs).

→ Petroleum, Oil, Gas, and Lubricants Meeting on DRS for Base Oils



Engagement Details

On 29th July 2025, the KAM Petroleum, Oil, Gas & Lubricants Sub-Sector held a meeting to discuss the lubricants verification and the status of reinstating the DRS for base oils. Lubricant manufacturers noted that new applicants were not gazetted in the recent EAC Gazette, registered applicants have not been allowed to clear imports, and the industry faces challenges including high demurrage costs, import duties, and regional competitiveness from imports.

Outcome

It was agreed that the sector will meet with the National Treasury to fast-track lifting the halted Duty Remission Scheme (DRS) for base oils and release the blending verification report. KAM will initiate policy collaboration discussions with the Petroleum Institute of East Africa (PIEA) leadership and request MITI to petition for the DRS reinstatement. KAM also plans to meet EPRA on licensing and verification implementation and will write to KRA to seek duty refunds paid during the suspension.

Upcoming Activities:

1. Cable Manufacturers Capacity Building and Policy Advocacy Workshop to be held in August. Date and venue to be communicated.
2. Engagement with SDI & National Treasury on the status of Electronics Regulations

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

PAPER AND PAPER BOARD SECTOR

→ Meeting with Ministry of Agriculture



Engagement Details

On 1st July 2025, the KAM Secretariat held a meeting with the Ministry of Agriculture at Kilimo House to discuss the impact of the Finance Act on Kenya's exports. A key issue highlighted was the introduction of excise duty on kraft liner, which poses significant challenges to the competitiveness of local exporters and the broader manufacturing sector.

Outcome

It was agreed that a joint position between packaging manufacturers and exporters would be finalized. The Ministry will then convene a joint meeting to review the issues and escalate them for necessary intervention.

→ Paper Sector Meeting on the Impact of Finance Act



Engagement Details

On 9th July 2025, a meeting was held between the paper sector and KAM leadership to develop an advocacy strategy in support of the paper sector, with a key focus on the removal of excise duty imposed on kraftliner.

On 27th July 2025, KAM published an opinion piece in the Business Daily newspaper highlighting the impact of the Finance Act on packaging.

Outcome

It was agreed that an advocacy roadmap would be developed, encompassing media engagements, government consultations, and joint meetings with key packaging users such as tea growers, the Flower Council, and avocado exporters. Joint meetings with these packaging users were held, culminating in the finalization of a draft position in preparation for engagement with the Ministry of Agriculture.

→ Tissue Sub-sector meeting



Engagement Details

On 11th July 2025, the tissue subsector convened to address the detrimental impact of cheap, substandard imports on local manufacturing. Members expressed concern over the lack of responsiveness from KEBS and KRA despite repeated complaints, highlighting the urgent need for stronger enforcement to protect the industry.

Outcome

It was agreed that protest letters be written to KEBS and KRA to expedite action. Following the letters, KEBS has responded by raiding various brands, with a report pending. Meanwhile, KRA has scheduled a meeting with members to discuss the issue further.

Upcoming Activities:

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

CHEMICAL AND ALLIED SECTOR

→ Quarter two Sector Meeting



Engagement Details

On 4th July 2025, the KAM Chemical Sector held its Quarter Two meeting to review the FY2025/26 budget outcomes. Key discussions focused on the recently published EAC Gazette of 30th June 2025 and the Finance Act 2025, assessing their implications on the chemical industry and outlining strategies to address emerging challenges.

Outcome

It was noted that while most sector proposals were not approved, the cosmetics subsector welcomed the successful removal of excise duty on cosmetics. Proposals that were not adopted, such as duty remission for fabric used by mattress manufacturers, were identified for follow-up in post-budget engagements.

→ Multi-stakeholder Workshop on Regulation of Cosmetics



Engagement Details

The Cosmetics Sub-sector agreed to host a multi-stakeholder workshop to discuss the regulation of cosmetics. Key stakeholders will include KEBS, the Pharmacy and Poisons Board (PPB), the Ministry of Investment, Trade & Industry, the Anti-Counterfeit Authority, KRA, and the National Treasury. This collaborative forum aims to strengthen regulatory frameworks and address industry challenges comprehensively.

Outcome

It was agreed that the subsector would contribute to the sector kitty to support the workshop. KAM also committed to reaching out to international partners for additional funding. Invoices have been sent to members to facilitate these contributions.

→ Engagement with HAPROK



Engagement Details

During the Quarter Two Chemical Sector meeting, the Hazardous-waste Producer Responsibility Organization Kenya (HAPROK) was invited to make a presentation. It was noted that NEMA is currently implementing the Extended Producer Responsibility (EPR) Regulations, which require local manufacturers and importers to register with NEMA and join a relevant Producer Responsibility Organization (PRO).

Outcome

Members were requested to register with NEMA and contact HAPROK for membership to ensure compliance with the regulations. Meanwhile, the application of a Kshs. 150 fee per imported finished packaging item remains unclear, and further guidance from NEMA is awaited.

Upcoming Activities:

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

TIMBER AND FUNIRTURE SECTOR

→ Rehabilitation of 10,000 ha of degraded forests



Engagement Details

On 12th July 2025, KAM joined the Kenya Forest Service (KFS) to plant 10,000 trees at Castle Forest Station in Kirinyaga. The exercise was funded by Synresins Limited in support of the ongoing initiative to contribute to the government's goal of planting 15 billion trees by 2032. Sukuma Twende Trust is currently the leading contributor, having adopted 40 hectares in Uplands Forest Station in May 2025.

Outcome

This initiative brings the total acreage adopted under KAM's tree-planting initiative to 110 hectares, demonstrating the sector's strong commitment to environmental sustainability. Manufacturers are further encouraged to support this government-led campaign through their Corporate Social Responsibility (CSR) efforts, reinforcing the collective impact of industry participation in Kenya's ambitious goal to plant 15 billion trees by 2032.

→ KAM Secretariat visits Comply Industries and Biashara Masters in Nakuru



Engagement Details

On 10th July 2025, the KAM Secretariat conducted site visits to Comply Industries and Biashara Masters in Nakuru. These visits form part of KAM's ongoing commitment to engage directly with manufacturers, gain deeper insights into their operations, and identify key challenges affecting members to better tailor support and advocacy efforts.

Outcome

Comply Industries and Biashara Masters reaffirmed their strong commitment to KAM and openly identified specific areas where they require further support. This feedback will enable KAM to tailor its advocacy and capacity-building initiatives more effectively, ensuring that member needs are addressed and the manufacturing sector continues to thrive.

→ Launch of the Industrial Wood Sector Vision 2050



Engagement Details

On 29th July 2025, KAM Timber Sector leadership joined the State Department of Forestry to launch the Kenya Industrial Wood Sector Vision 2050. The vision prioritizes fast-tracking concessions and licensing, a move that will incentivize private sector involvement in public forest rehabilitation.

Outcome

The vision was launched, and KAM will seek a roundtable meeting with the PS of the State Department of Forestry to discuss key issues and explore areas for support.

Additionally, the Ministry launched the REDD+ registry on 28th July 2025, with KAM in attendance. Members interested in carbon markets are encouraged to engage with KAM for further involvement.

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