



ACHIEVEMENTS REPORT 2020



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01

2020 PPD Achievements



*11th Presidential Roundtable (PRT) On
The Economic Response Framework
On Covid-19 – March 20, 2020*

The KEPSA PPD department is the heartbeat of all KEPSA operations. Through the various PPD Platforms, KEPSA engages with all three arms of the Government of Kenya (Executive, Parliament, and Judiciary) to ensure that there is a favourable environment for doing business in Kenya.

To adequately engage with the Government, KEPSA is organized into various sector boards, which are the basic points of advocacy, at the sectoral level. All KEPSA members are expected to join at least one of the sector boards, more as the need may arise. The sector boards operate interdependently, working to ensure that our advocacy work is in sync with our mandate, as the apex private sector body in Kenya.

KEPSA SECTOR BOARDS	
1. Agriculture, Livestock & Fisheries	9. ICT
2. Devolution & Planning	10. Industrialization & Trade
3. East African Community	11. Lands & Physical Planning
4. Education	12. Public Finance
5. Energy & Extractives	13. Security
6. Environment, Water & Natural Resources	14. Sports, Arts & Culture
7. Gender & Youth	15. Tourism
8. Health	16. Transport & Infrastructure

The following are the various PPD Platforms:

- | | |
|---|--|
| 1. Presidential Roundtable | 6. Chief Justice Forum |
| 2. National Development Implementation and Communication Cabinet Committee (NDICCC) | 7. Regional Forums and engagements |
| 3. Ministerial Stakeholders Forums (MSFs) | 8. Development Partners Roundtable |
| 4. Parliament Speakers' Round Tables (both Senate and the National Assembly) | 9. Regular engagement with state departments and other government agencies (e.g. CBK, NEMA, KRA, KPA, KEPHIS, NMS, etc.) |
| 5. Council of Governor's | |

During the year 2020, a total of 225 Public Private Dialogue (PPD) and Sector Board engagements were held in the year; including four (4) roundtables with the newly established National Development Implementation and Communication Cabinet Committee (NDICCC), chaired by the Cabinet Secretary for Interior and Coordination of National Government, Dr. Fred Matiang'i, three (3) Presidential Roundtables, two (2) Speakers Roundtables with the Senate and National Assembly, twenty-two (22) meetings with Ministries and thirty-eight (38) meetings with various government Departments and Agencies. All these resulted in major resolutions and decisions to cushion businesses, enhance competitiveness and improve the overall ease of doing business in Kenya. In return, the private sector made major investment commitments during the Presidential Roundtable held in May 2019, many of which were actualized during the year 2020.

Summary Of PPD Engagements In 2020

PPD FORUM	NUMBER OF MEETINGS
Presidential Roundtables	3
Roundtable with the National Development Implementation and Communication Cabinet Committee	4
Speaker's Roundtables with National Assembly	1
Speaker's Roundtables with Senate	1
Ministerial Stakeholder Forums (MSFs)	22
Engagement with key state agencies	38
Sector Board Engagements	156
TOTAL	225

1.1 LEGISLATIVE AGENDA



In line with KEPSA's critical role in business, economic and political reforms, KEPSA's legislative engagement includes two Speaker's Roundtables (with National Assembly and the Senate), in addition to continued engagements with different Parliamentary Departmental Committees and County Assemblies to provide input into Bills that affect private sector.

Despite the limitations of the COVID-19 pandemic making it difficult for KEPSA to hold its annual roundtable meetings, KEPSA managed to engage on the following **laws that were enacted** during the year with KEPSA input:

- | | |
|---|--|
| i. Finance Act, No. 8 of 2020; | iv. Special Economic Zones (Amendment) Regulations 2020 (Legal Notice No. 33 of 2020); |
| ii. Tax Laws (Amendment) Act No. 2 of 2020; | v. Crops (Tea Industry) Regulations 2020 (Legal Notice No. 97 of 2020); |
| iii. Business Laws (Amendment) Act No. 1 of 2020; | vi. The County Outdoor Advertising Control Act, 2020. |

KEPSA also engaged on the following Bills that are pending enactment:

- vii. Pandemic Response and Management Bill 2020 (Senate Bills No. 6 of 2020)
- viii. The County Licensing (Uniform Procedures) Bill 2019 (Senate Bills No. 17 of 2019)
- ix. Prompt Payment Bill 2020 (Senate Bills No. 3 of 2020)
- x. The Investment Promotion Bill 2020 (Senate Bills No. 8 of 2020)
- xi. Public Finance Management (Amendment) Bill (Senate Bills No. 3 of 2019)
- xii. Start Up Bill 2020 (Senate Bill No. 16 of 2020)
- xiii. The National Aviation Management Bill 2020 (National Assembly Bill No. 18 of 2020)
- xiv. The Basic Education (Amendment) Bill, 2020 (Senate Bills No. 10 of 2020)
- xv. The County Vocational Education and Training Bill 2020 (Senate Bills No. 14 of 2020)
- xvi. The Street Vendors (Protection of Livelihood) Bill 2019 (Senate Bills No. 10 of 2019)
- xvii. The Community Health Services Bill 2020 (National Assembly Bill No. 30 of 2020)
- xviii. Breastfeeding Mothers Bill 2019 (National Assembly Bill No. 74 of 2019)
- xix. The Geologists Bill 2020 (Senate Bills No. 17 of 2020)
- xx. The Sectional Properties Bill 2019 ((National Assembly Bill No. 23 of 2019)
- xxi. Mediation Bill 2020 (National Assembly Bill No. 17 of 2020)
- xxii. The Nairobi City County Finance Bill 2020
- xxiii. Nairobi City County Trade Pop up Markets and Street Vendors Bill 2019
- xxiv. Engaged the National Assembly Committee on Finance & National Planning on the National Policy to Support Enhancement of County Governments' Own-Source Revenue
- xxv. Local Content Bill (Senate Bills No. 10 of 2018) (Bill Discontinued)

xxvi. Natural Resources (Benefit Sharing) Bill (Senate Bill No. 31 of 2018) (Bill Discontinued)

xxvii. Income Tax Bill, 2018 (National Assembly Bill No. 12 of 2020) (Withdrawn)

Other draft Bills that KEPSA took part in formulating that are pending tabling in Parliament include:

- i. National Waste Management Bill 2019 and Policy approved on 28th May 2020 by Cabinet, headed to Parliament;
- ii. Memorandum for review of the Environmental Management and Coordination Act (EMCA);
- iii. Kenya Customs Agents and Freight Forwarder Bill 2020;
- iv. Paramedic Practitioners Bill 2019;

Regulations

KEPSA has engaged the office of the Attorney General on the gazettelement and operationalization of the Digital Health Regulations and Bribery Regulations.

The E-health regulations are anchored under Section 103 and 104 of the Health Act 2017 to provide for the collection, use, management and disclosure of personal health information, health service delivery through M-Health, E-learning and telemedicine, E-waste disposal, and health tourism.

Bribery Regulations are of interest to private sector as Section 9 of the Bribery Act 2016 gives both public and private entities a duty to have in place procedures for the prevention of bribery and corruption.

KEPSA has also engaged the Micro & Small Enterprises Authority on gazettelement and operationalization of its draft regulations under Section 53 and 74 of the Micro and Small Enterprises Act 2012, which regulations will cater for the procedure to be followed for MSMEs to access financing from the fund established under the Act, among other issues.

Petitions

- (i) KEPSA successfully petitioned the High Court of Kenya through MISC CIVIL APPLICATION NO. E721 OF 2020, seeking orders to allow itself and its non-listed members to employ the use technology to hold their respective AGMs during the ongoing pandemic that prohibits any public gatherings.
- (ii) In April 2020, KEPSA filed a Petition at the Senate touching on Lands Registries Administration Issues, which culminated into a tripartite meeting between KEPSA, the CS Lands & Physical Planning and the Senate Committee on Lands, Environment and Natural Resources to discuss issues affecting the Lands Registries and Digitization of Land Records & Processes. The Senate Standing committee on Lands, Environment and Natural Resources sent KEPSA its report on KEPSA's petition on the closure of Lands Registries and other administrative challenges on 28th September 2020. Key recommendations in the report include:
 1. The Lands Registry to develop a plan for phased digitization of records in the Lands Registries falling within the entire Nairobi Metropolitan Area. The plan should ensure that **no Land Registry is fully closed at any one time** and that the plan be published to all stakeholders and members of the public at least fourteen (14) days before the commencement of the phased digitization.
 2. The Cabinet Secretary Ministry of Lands and Physical Planning and county governments to **waive all penalties and fees** that would be caused by delays in the Lands Registries as a result of the digitization process.
 3. The Ministry of Lands and Physical Planning to **develop guidelines for stakeholder engagement** within three months of the tabling of the Senate Report.
 4. The Ministry of Lands and Physical Planning to **urgently address the annulment of the Land Registration (Electronic land Transaction) Regulations, 2019** so as to ensure that the Regulations are in place prior to launching the National Lands Integrated Management System (NLIMS).

Amendments to the Employment Act. 2007

The KEPSA board received an overview of possible amendments to the Employment Act 2007 with a proposal to set up an ad hoc committee from FKE, KAM, KBA, LSK etc., to come up with proposals to amend the labour laws in Kenya to comply with the Constitution of Kenya, market realities and best international practices. The board adopted the proposal and agreed to work with the mentioned BMOs to champion the exercise under the leadership of Mr. Allen Gichuhi.

Draft Bills under the BBI Report

KEPSA takes cognizance of a number of draft Bills under the Building Bridges Initiative (BBI) Taskforce report that are of interest to private sector. These include:

- i. **The Prompt Payment Bill 2020** that seeks to provide a legal framework for the prompt payment of invoices for goods and services procured by public entities and mechanisms for settling disputes over invoices.
- ii. **The Public Participation Bill 2020** that seeks to provide an effective public participation framework both at the National and County Government level.
- iii. **The Micro and Small Enterprises (Amendment) Bill 2020** that seeks to amend the Micro and Small Enterprises Act, 2012 to give youth-owned enterprises a seven-year tax break, and to establish business incubation centres across the country for the purposes of providing business advisory services, which includes access to capital and Government contracts.
- iv. **The Health Amendment Bill 2020** that seeks to amend the Health Act to establish the Health Services Commission which shall make recommendations to the national government on national policies for management of health care workers, monitor implementation of national policies for management of health care workers by county governments and set and regularly review norms and standards on health matters.

While these Bills are still **mere proposals subject to the passing of the BBI at a referendum**, it is worth noting that their contents are similar to Bills currently before Parliament which KEPSA is engaging on even as the BBI process is running concurrently.

1.2 KEPSA SECTOR BOARDS

The Kenya Private Sector Alliance (KEPSA) is organized in various sector boards as follows:

(a) Agriculture, Livestock & Fisheries



- ▶ KEPSA in partnership with the Ministry of Agriculture, Livestock, fisheries and Cooperatives (MoALFC), the Kenya National Chamber of Commerce and Industry (KNCCI), various development partners and other stakeholders in the agriculture sector, convened the inaugural National Agriculture Summit in Kenya on February 2020 at the Safari Park Hotel, Nairobi to deliberate on the Public Private Partnership opportunities for catalysing the implementation of the Agriculture Sector Transformation and Growth Strategy.
- ▶ With inputs from KEPSA, the Agriculture Sector Network (ASNET) was officially unveiled in February 2020 and subsequently institutionalized. ASNET has so far operationalized all its organs and validated its Strategic Plan as a yardstick to govern its Rapid Results Initiative and by extension, implement its 3-year development trajectory.
- ▶ With support from KEPSA, the UN-SDG Partnership Window 2 on Food and Nutrition Security was officially launched during the February 2020 National Agriculture Summit. Towards this end, FAO in a meeting with the Ministry of Agriculture on 16th November 2020 committed to increasing UN agriculture funding to Kshs. 1 Billion to finance different sub-sectors including the blue economy and rice industry in the Lake Basin Regional Economic Community (LBREC).
- ▶ With technical backstopping from KEPSA, ASNET, in collaboration with national private sector associations from Tanzania, Rwanda, Burundi, Uganda and Southern Sudan, has formalized the establishment of the Agriculture Confederation for East Africa (ACEA) set to be the apex regional agribusiness body to accelerate inter and intra-regional agribusiness and trade in the wake of the AfCTA roll out.

- ▶ With fundraising support from KEPSA, ASNET has managed to secure grant funding from GIZ towards operational and institutional support to the ASNET secretariat. The partnership will see ASNET partner with GIZ in implementing agribusiness internship program and offering support to Agricultural Technical and Vocational Training Institutions (ATVETs).
- ▶ With fundraising support from KEPSA and in partnership with the Ministry of Agriculture, ASNET has solidified grant funding support from AGRA towards the institutionalization of the Country Agribusiness Partnership Framework (CAP-F). The grant funding will support ASNET activities and by extension support domestication of the Country Agribusiness Partnership Framework (CAP-F)-a CAADP Country initiative and partnership tool designed to support the formation of partnerships for the agricultural sector with the aims of unlocking private investment.
- ▶ Following the challenge of prevalence of high levels of Aflatoxin in cereal crops, KEPSA advocated for the development of long-term strategy to comprehensively address the challenge. Towards this end, the Ministry in collaboration with the private sector developed the Aflatoxin management strategy set to guide the sector and prescribe legislations to be adhered by the practitioners.
- ▶ With advocacy support from KEPSA, the current KEPSA Agriculture Sector Board Vice Chair, Ms. Jane Ngige, was elected as the chairperson of the Warehouse Receipt Council inaugurated on 29th July 2020 to facilitate implementation of the Warehouse Receipt System Act which was gazetted on 18th June 2019. The council is conducting an inventory of various warehouses and the government has committed funds to refurbish the warehouses.
- ▶ In partnership with FAO and the Ministry of Agriculture, ASNET members were trained on implementation of the Climate Smart Agriculture, the concept of carbon credit, carbon sequestration and climate-responsive value chains adaptation
- ▶ With inputs from KEPSA subsidy subcommittee, the Ministry launched the E-voucher system to streamline and liberalize the modalities of procurement and distribution of fertilizer and inputs with an aim of enhancing private sector participation in the procurement and supply chain
- ▶ At the onset of COVID-19 outbreak in the country, KEPSA successfully advocated for the classification of agricultural inputs and food produce as essential, commissioning of the food assessments by Counties (Food balance sheet and war-room initiative) which enhance the coping mechanism and resilience of agribusinesses.
- ▶ With inputs from members, KEPSA prepared a position paper on the need to remove Pre-Export Verification for Conformity (PvOC) requirement on seeds and other farms inputs beyond the 6-months waiver period which was subsequently granted in March 2020.
- ▶ KEPSA successfully advocated for the release of Kshs.10 billion in VAT refunds owed to the horticulture sector, which constituted to over 60% of the tax claims owed by KRA to flower export firms. The refunds significantly boosted liquidity for the horticulture and floriculture sector amid cash flow challenges caused by the COVID-19 pandemic.
- ▶ KEPSA, through the Flowers of Hope project, delivered over 3,000 bouquets of flowers to the UK as a show of solidarity and compassion to people in our flower market destinations whilst cementing market ties post COVID-19.
- ▶ In April 2020, KEPSA in partnership with the Parliament, successfully advocated for the removal of VAT introduction on agricultural inputs in the Tax Amendment Bill 2020
- ▶ With inputs from Members, KEPSA consolidated and submitted to the Government the ASNET position paper on the US-Kenya FTA negotiations
- ▶ With support from KEPSA, ASNET developed a position paper on the UK-Kenya FTA negotiations in anticipation of a possible bilateral trade deal in January 2021.

(b) Devolution & Planning



In the year 2020, the KEPSA Devolution and Planning Sector board had the following engagements:

- ▶ Three (3) Sector Board Meetings
- ▶ One (1) Engagement with Nairobi Senator on Nairobi County Round Table
- ▶ One (1) Senate Leadership Retreat
- ▶ One (1) Council of Governors' COVID-19 Virtual Conference
- ▶ One (1) High Level Political Forum (HPLF) of the United Nations on Sustainable Development Goals (SDGs)
- ▶ One (1) parliamentary caucus on SDGs annual dialogue

Key Achievements of the Year 2020

- ▶ Presentation of the private sector Voluntary National Reporting (VMR), complimenting Kenya's 2nd VNR progress report on implementation of Sustainable Development Goals (SDGs) during the UN High Level Political Forum
- ▶ Resolutions touching on Sector Boards advocacy made during the Council of Governors COVID-19 conference, resolved that:
- ▶ Both levels of government will institutionalize the strong intergovernmental relations exhibited during COVID- 19 period for enhanced service delivery on health and agriculture.
- ▶ That the Kenya National Bureau of Statistics and County Departments of Statistics shall generate quality usable data for evidence-based planning and budgeting.
- ▶ That both levels of government will mainstream climate change within annual budget to promote resilience.

(c) Partnership for Green Growth and Global Goals (P4G)

Engagements held in the Year

- ▶ One (1) P4G Global Partnerships Meeting
- ▶ Eight (8) GGEP projects implementation committee meetings on Green Growth consultancies issued under the Ministry of Environment and Forestry
- ▶ Two (2) P4G Board of Directors Meeting, Amb. Dennis Awori was nominated to join the P4G Board of Directors.

Key Achievements of the Year 2020

- ▶ Finalized the Greening of the third KEPSA National Business Agenda (NBA)
- ▶ Successful starts up from the 2nd Call for Proposals announced on 20th March 2020 and scale ups partnerships announced in May 2020. Kenya National Platform has a total of fifteen (15) partnerships.
- ▶ Engagement of four (4) start-up partnerships with Kenya National P4G Platform.
- ▶ Adoption of P4G Governance Structure during the Board meeting on 9th September 2020
- ▶ Signing of Memorandum of Understanding between The National Treasury and Planning, Ministry of Environment and Forestry and Kenya Government Training Institute on offering Green and Circular Economy in Kenya.

(d) East African Community



In the year 2020, the KEPSA Sector Board on the East African Community, and by extension on cross-border trade, has worked with regional bodies, and especially the East African Business Council to advocate for regional issues.

Key Achievements of the Year 2020

- ▶ Following the expiry of COMESA trade protocols in December 2019, KEPSA members have been facing challenges when importing goods with all COMESA entries and importers asked to pay requisite duties for their goods to be allowed into the Country. Against this background, KEPSA successfully advocated for the stay of application order on originating goods imported from COMESA with effect from 1st January 2021, granted by EAC secretariat vide the gazette notice No.17 of 15th September 2020.

- ▶ Successfully advocated for mutual recognition of COVID-19 certificates and restocking of testing reagents to curb trucks traffic snarl-up at border points which has significantly reduced since then
- ▶ Development and submission of EAC position paper on the EAC-UK negotiations
- ▶ Resumption of movement of cargo between Tanzania and Kenya following successful advocacy urging Minister to implement Heads of State directives on facilitating movement of cargo across borders
- ▶ A study was conducted and disseminated on the Impact of COVID -19 on Businesses and Investment in EAC and Propose Recovery Strategy to the Economies
- ▶ The Kenya- Tanzania border problem experienced in the first and second quarter of the year was resolved and resumption of free flow of produce was restored
- ▶ To avert possible shortage of maize for human and animal feeds, KEPSA successfully advocated for extension of window on importation of maize during the month of May 2020. This was done through correction of gazette notice earlier issued to accommodate correct standard's specification as regards aflatoxins and extension of import window to 31st July 2020.
- ▶ On 8th October 2020 the Cabinet approved the establishment of the EAC seamless Airspace as a progressive step towards adoption of the Open Sky policy and seamless air transport envisaged by the EAC trading bloc

(e) Education



In the year 2020, the KEPSA Education Sector Board engaged as follows;

- ▶ Three (3) sector board meetings
- ▶ Six (6) sub-sector meetings
- ▶ One (1) Ministerial Stakeholder Forum
- ▶ Two (2) engagements with Senate Standing committee on Education
- ▶ One (1) engagement with COG committee on education
- ▶ Two (2) engagements with Kenya National Qualification Authority
- ▶ Two (2) engagements with Technical Vocational Education Training Authority.

Key Achievements of the Year 2020

- ▶ KICD through its website has since provided content for online learning for the national curriculum and radio lessons have been made available for free. Some schools have successfully managed to shift to online learning. There has also been an increase in content producers.
- ▶ KPSA launched an e-learning program called 'Masomo lendelee, Linda Mwalimu' program to help 2.4 million students in basic education.
- ▶ The Committee submitted to the Cabinet Secretary recommendations the best national response for the sector amidst COVID-19. The committee was re-constituted in September to consider and propose new dates for re-opening and propose modalities of who opens first; and how best to recover the lost time.
- ▶ We have since seen the physical resumption of Learning for Grade 4, Class 8 and Form 4 students from October 12th.
- ▶ International curriculum students were allowed to physically sit their October-November exam series.
- ▶ International students studying in Kenya arrived without any hurdles and reported and resumed physical learning in the re-opened schools.
- ▶ Members engaged the Ministry of Education during a stakeholders' conference on July 30th. The meeting focused on the effects of re-opening TVET institutions, Teacher Training Colleges, and Universities; with special focus on protocols to be adopted to prepare trainers before re-opening. Following this engagement;
 - i. TVET institutions were allowed to undertake new admissions online and colleges started implementing the various Learning Management Systems.
 - ii. Inspection of colleges on the set SOPs and further partial re-opening of the subsector with TVET trainers reporting back to institutions from 28th September 2020.
 - iii. KASNEB revised its rules to allow for flexible exams; moving exams from twice a year to four times a year. Meaning students will attain their qualifications in shorter periods.
- ▶ The Taskforce on enhancing access, relevance, transition, equity, and quality for effective curriculum reforms in June compiled all forms of data on Kenyan educational institutions from Early Childhood Centres (ECD) to University; all details can now be accessed from a database domiciled at MoE. KEPSA is represented on the task force.
- ▶ On the 13th October Kenya was admitted into the World Skills International as the 84th Member. KEPSA though the sub-sector sits in the program steering committee that worked on Kenya's bid. World Skills is an effective mechanism for the development of professional education and access to leading technologies in the field of Production of Service. World Skills measure excellence and encourage many of the young ones to turn their passions into professions.
- ▶ KEPSA was appointed to the technical committee on establishing OdEL for TVETs. The initiative by UNESCO is to assist in bridging the digital divide and promote online education both in public and private institutions. KTTTC is the home of the OdEL platform and the KNEC curricula continue to be realigned for the platform. Training for TVETs across counties was done.



Education Ministerial Stakeholders Forum – February 19, 2020

(f) Energy and Extractives



In the year 2020, the KEPSA Energy and Extractives Sector Board engaged as follows;

- ▶ Twelve (12) Sector Board Meetings
- ▶ Two (2) Sub-Sector Meetings
- ▶ Four (4) Petroleum and Mining Ministerial Stakeholders Forums
- ▶ One (1) Energy Ministerial Stakeholders Forum
- ▶ One (1) engagement with the State Department of Petroleum
- ▶ Two (2) engagements with National Assembly
- ▶ Three (3) engagements with State Agencies

Key Achievements of the Year 2020

- ▶ The government has set up different committees for the development of different regulations to operationalize the Petroleum and Energy Act 2019.
- ▶ The Kenya Bio-Energy Strategy (2020-2022) was launched this year. The strategy is meant to promote sustainable production, distribution and utilization of bioenergy as a clean source of energy.
- ▶ Development of the Gender Policy by the Ministry of Energy with the aim of achieving gender equality and equity within the energy sector in Kenya.
- ▶ Formation of the Joint Working Groups with the Ministry of Petroleum and Mining to come with solutions on the issues facing the mining sector in Kenya.
- ▶ Gazettement of the Community Development Agreement Committees for the Mining Sector.

(g) Environment, Water and Natural Resources



Engagements held in the Year

- ▶ 3 sector board meetings
- ▶ 1 sector board leaders meeting
- ▶ 1 engagement with Principal Secretary - Ministry of Environment and Forestry
- ▶ 4 private sector consultations on Extended Producer Responsibility Regulations

State Departments & Agencies

- ▶ 4 engagements with Climate Change Directorate (CCD), stakeholders' workshop on the Conference of Parties 26 resolutions, national validation of Green House Gas Emissions Inventory, private sector workshop on review of Kenya's Nationally Determined Contribution and first progress report of the National Climate Change Action Plan II, 2018 – 2022.
- ▶ KEPSA consultation with the Ministry of Environment and Forestry Taskforce on the Draft Forest Policy
- ▶ KEPSA consultation with multiagency team on mapping verification and valuation of all mature and over-mature forest plantations.

Nairobi Metropolitan Services (NMS)

- ▶ 1 engagement with the Nairobi Metropolitan Services Directorate of Environment Water and Sanitation
- ▶ Fortnight meetings with Nairobi Metropolitan Services Circular Economy Committee on piloting of the Sustainable Waste Management Action Plan.
- ▶ Weekly Nairobi County Organic Waste pilot working meetings

Other Engagements

- ▶ Private sector workshop on mapping of climate investments landscape in Kenya, by National Treasury and KCIC
- ▶ UNEP-KEPSA collaboration on clean captive installations for industrial clients
- ▶ 2 workshops under the National Treasury and Planning on development of Green Fiscal Incentives Policy

Climate Business Information Network – Kenya

- ▶ 2 capacity building workshops of private sector on climate change adaptation
- ▶ 2 awareness creation webinars on building back better through climate-smart agriculture and global trends on private sector engagement in climate change adaptation

Key Achievements of the Year 2020:

- ▶ Approval of the Sustainable Waste Management Bill and Policy by the National Development Implementation and Communication Cabinet Committee (NDICCC).
- ▶ Nairobi County Sustainable Waste Management Action Plan completed with KEPSA input.
- ▶ Development of the Public Private Partnership Framework for Organic Waste Management.
- ▶ Classification of Bamboo as a scheduled crop under the Crops Act (No. 16 of 2013) to foster commercialization of bamboo as part of the Greening Campaign.
- ▶ Finalization of the guidelines on the ban of single use plastics in protected areas with KEPSA contribution as a member of the technical committee. The ban came into effect on 4th June 2020.

- ▶ Submission and consideration of Waste Collection and Recycling Protocols for the Governments Business Protocols Guidelines for COVID-19.
- ▶ Finalization and private sector engagement in the development of the Extended Producer Responsibility Regulations.
- ▶ Review and increase of Kenya's ambition of the Nationally Determined Contribution (NDC) target from 30% to 32% abatement of GHG emissions relative to the "business as usual" scenario of 143 metric tons of carbon dioxide emissions.
- ▶ The National Climate Change Action Plan 2018 – 2022 was approved by the President on 28th May 2020.
- ▶ NEMA went live on E-citizen and clients can now make payments of licenses/permits without having to walk to bank and back to NEMA offices for receipts.
- ▶ Sector Board input to the Environment Chapter of the USA-FTA Agreement.
- ▶ Operationalization of the Climate Business Information Network Kenya as one stop shop for private sector engagement in climate change adaptation.
- ▶ Capacity building of private sector on building resilience by mainstreaming climate change in business models and value chain.
- ▶ Capacity building of private sector in enhancing adaptation and resilience of agricultural food systems in Kenya.

Partnership for New Plastics Economy in Kenya

Engagements held in the Year:

- ▶ 2 circular economy community of learning workshop.
- ▶ 2 Implementing Partners Meeting.
- ▶ 1 circular economy dialogue series on pillars of circular economy

Key Achievements of the Year 2020:

- ▶ Piloting of segregation of waste at source at Nyayo Estate in 50 courts. A total of 1,648 kilograms of plastics including (988kgs of PET) segregated at source by the residents.
- ▶ Training of project partners in green and circular economy by the Copenhagen University
- ▶ Milestone on production of local filament from PET Waste on 26th August 2020.

(h) Gender and Youth



In the year 2020, the Gender and Youth Sector Board engaged as follows;

- ▶ 11 Sector Board and 10 Sub Sector Board meetings
- ▶ 3 engagements with the Ministry of Public Service and Gender
 - ~ 1 National Gender Sector Working Group Meeting
 - ~ 2 Socio Economic Empowerment and Financial Inclusion Gender Sector Working Group Meeting
- ▶ 1 engagement with the State Department for Youth
 - ~ Observation of the National Youth week culminating in the International Youth Day
- ▶ 2 engagements with Presidential Policy & Strategy Unit
 - ~ Discussion on Gender in Employment & Labour Market in Kenya: Analysis of the Barriers and Opportunities for Young Women and Men
 - ~ Launch of Generation Unlimited
- ▶ 1 engagement with the National Gender and Equality Commission
 - ~ Forum on opportunities for greater engagement of youth in the development agenda during and after COVID-19.
 - ~ child pregnancies in Kenya in the context of COVID-19.

Key Achievements of the Year 2020

- ▶ KEPSA through the Sector Board hosted the 2nd Supplier Diversity Summit virtually on 14th October 2020. The Summit aimed at accelerating advocacy for greater supplier diversification for increased market linkages for more women, youth and PWD – owned enterprises within the public sector, private sector, and development agency supply chains. It further sought to fast track economic integration of diverse suppliers in the supply chain to support their growth despite the COVID-19 pandemic.
- ▶ The Gender and Youth Sector Board provided Private Sector's perspective in the development of the Country's position paper on the review and appraisal of the implementation of the Beijing Declaration and Platform for Action that was to be presented at the 64th Session of the Commission on the Status of Women at the United Nations Headquarters, New York in March 2020. This was however suspended due to COVID-19.
- ▶ The Sector Board has been instrumental in the process of development and implementation of the MSMEs recovery, resilience and catalysing growth during and post COVID-19 program in partnership with the Mastercard Foundation. The intervention seeks to provide business financing facility that targets women and youth members of KEPSA with interest free loans ranging between Kshs. 100,000 – Kshs. 1,500,000; study on socio-economic impact of COVID-19 on women led and owned MSMEs that will inform decision making and advocacy initiatives, Training and mentorship towards building the capacity of MSMEs in mitigating the impact of COVID-19 for recovery and resilience and development of the Private Sector Gender Policy to enhance the capacity of private sector in championing youth and gender mainstreaming and inform policy across the sectors.
- ▶ Additionally, through partnership with Embassy of Ireland, women and youth MSMEs are benefitting from facemasks to mitigate COVID-19.
- ▶ KEPSA in partnership with Kenya Institute of Management (KIM), the Nairobi Securities Exchange (NSE) and New Faces New Voices (NFNV) are conducting a study on Board Diversity and Inclusion among the listed and private companies that will inform advocacy agenda on board diversity and inclusion.
- ▶ As knowledge partners with New Faces New Voices – Kenya and Stitching Women Win, the sector advanced the agenda on “Resilience of Women's Economic Rights in Light of COVID-19” through sessions on Quality and Targeted Healthcare Systems Incorporating Gender Based Violence Services, Sustainable Employment and Entrepreneurship and Inclusive Governance and Decision Making.
- ▶ KEPSA entered into a partnership with Educate Global (EG), a private equity manager focused on impact investments in mid-sized businesses in the Food, Health and Education sectors, to support women-owned enterprises and build the resilience of value chains in the essential industries.

(i) Health



In the year 2020, the KEPSA Health Sector Board, operating under the auspices of the Kenya Healthcare Federation (KHF) engaged as follows;

- ▶ Held 5 general members' meetings, 12 committee meetings and weekly virtual Covid-19 response meetings held between March and September 2020
- ▶ Engagement with 7 County Governments (Nairobi, Machakos, Nyeri, Uasin Gishu, Kiambu, Pwani and Kakamega)
- ▶ 2 engagements with the Senate
 - ~ Senate Ad Hoc Committee on the Covid-19 Situation in Kenya
 - ~ Senate Standing Committee on Health
- ▶ 1 Ministerial Stakeholder Forum (MSF)
- ▶ Held a virtual AGM 6th August 2020
- ▶ The Health Sector Round up on 10th Dec 2020

Key Achievements of the Year 2020

- ▶ Resources Mobilization: In response to government call, KEPSA mobilized its members to contribute resources towards combating the COVID-19 pandemic. Significant contributions made include provision of water, soap and disinfectants, water tanks and hand washing stations, thermal guns, ventilators, sanitizers, PPEs, mattresses, umbrellas to the Police, e-learning platforms and training, digital resources, telecommunication support, advertising and communications. Over 30 companies collaborated under a Safe Hands Initiative to distribute the free soap, sanitizer, and face masks to vulnerable communities. KEPSA, in conjunction with KHF, mobilized the private sector to deploy resources to combat COVID-19, providing a suite of donations worth of Kshs. 16 million. KHF partnered with Ministry of Health (MoH) to procure over 35,000 COVID-19 test kits from Roche, and opened purchase line from KEMSA.

- ▶ During COVID-19, access to information and linkages for business has been crucial to ensure business continuity. Towards this end, KEPSA established an online information portal <http://covid-19.ke> and a 24-hour Call Centre accessible to all through #1196. The Call Centre was linked with Ministry of Health (MoH) Hotline #719 and over time expanded to offer other free services such as reporting of Non-compliance to Government directives where 3,514 reports have been received so far and directed to NPS, “Men in Silence” for male mental and gender-based violence issues where 1,730 consultations have been received thus far.
- ▶ **Launched the Wheels for Life initiative** in partnership with KHF, Ministry of Health and other stakeholders in April 2020 to provide transport for pregnancy-related emergencies during curfew hours. The initiative continues to serve a growing number of women (3,789) cases handled so far and the program has been expanded to Uasin Gishu, Kiambu, Machakos, Nyeri, and Nakuru.
- ▶ **Tele Medical Services:** In a bid to ensure continuity for provision of other healthcare services, over 40 telehealth providers have been registered, mobile platforms have also been developed to enable patients' access medical services while limiting person to person contact as per the protocols. The private sector has developed Digital Healthcare Regulations to provide legal framework to Institutionalize tele – medical health services to allow faster and easier data collection for informed decision making. These are since awaiting endorsement and publication by the government.
- ▶ **Training of Health Care Workers:** The private sector trained over 3000 healthcare workers and over 30 hotel staff to enhance capacity of healthcare workers in handling and management of COVID-19 cases and patients. An additional 2000 healthcare workers were also mobilized and channelled towards COVID-19 response.
- ▶ **Advocacy:** Private sector engagement engaged with the Ministry of Health and the Senate to advocate for various areas that require government intervention such as corruption at KEMSA, NHIF payments and accreditation, and Digital Health Regulations. Further the engagement with KEBS resulted to speeding up supplier validation process for both local manufacturers and other suppliers and the local in country production stepped up innovation and increased production of PPEs to enhance availability and affordable PPEs. Additionally, Private Sector compiled and availed the list local manufacturers of PPEs, suppliers, quality, specifications and quotes on the KHF Website and encouraged Group pooling resources for PPEs procurement.
- ▶ **Return to work protocols:** Private Sector contributed to the finalization of the return to work and school protocols to provide guidance for mitigating COVID-19 during the reopening of the sectors.
- ▶ Kenya Healthcare Federation partnered with SPARC to conduct an engagement with payers and providers in the Kenyan Private Health Sector to collate challenges and proposed solution to inform joint actions that will eventually inform policy.
- ▶ Essential Service pass for use during the Curfew Hours - KHF also during the COVID-19 pandemic in partnership with M-TIBA were authorized to print for its members and relevant partners Essential Service pass for use during the Curfew Hours. This was a big success and KHF members from all kind of diverse essential service background were able to move around freely during curfew hours and penetrate healthcare services to the counties during the intercounty lockdown.



(j) Information, Communications and Technology (ICT)



In the year 2020, the KEPSA ICT Sector Board engaged as follows:

- ▶ Nine (9) Sector Board Meetings
- ▶ One (1) Engagement with Nairobi Senator on The Start-up Bill 2020
- ▶ One (1) Engagement with Kenya Revenue Authority (KRA) on Digital Service Tax
- ▶ One (1) Engagement with Communication Authority of Kenya (CAK) on CA type approvals.
- ▶ One (1) Engagement with Kenya HealthCare Federation (KHF) ICT Committee on Digital Health Regulations.
- ▶ One (1) Engagement with Kenya Institute of Curriculum Development on the development and adoption of high-quality, accessible Kenyan online digital education content
- ▶ E-commerce and Telco's companies were issued with essential service stickers to enable them to continue service delivery during curfew hours.
- ▶ On the Digital Economy Blueprint taskforce, KEPSA was accorded 10 slots by the Ministry of ICT to which members were nominated to sit and represent KEPSA under the various subcommittees.
- ▶ The Sector Board also submitted input towards the Digital Economy Blueprint document that seeks to leverage the internet, mobile, and other technologies to grow Kenya's vibrant Digital Economy and ensure its optimal contribution to the national development, socio-economic growth, employment, and public welfare.
- ▶ The ICT Sector Board met with Senator Sakaja on the proposed Start-up Bill 2020 which aims to acknowledge start-ups in Kenya that occupy the technology space innovation hubs and incentivize and de-risk investors that are keen on investing in Kenya and setting up a fund to aid investing in start-ups.
- ▶ The Sector Board held a webinar on 5G and emerging trends which was framed through a PESTEL perspective where the discussion focused on Political, Economic, Social, Technological, Environmental, and Legal implications of emerging technology in the Kenyan Context.
- ▶ Recommendations made by the ICT Sector Board on the CA type approval process were reviewed and adopted by the Communications Authority of Kenya.

Key Achievements of the Year 2020

- ▶ The ICT Sector Board was nominated by the Ministry of ICT to sit in the selection panel for suitable candidates for appointment as members of the Communications and Multimedia Appeals Tribunal.
- ▶ The ICT Sector Board developed a KEPSA COVID-19 portal <http://covid-19.ke> to help businesses get responses on business and health matters for workers, strengthen supply chains, business initiatives, and economic mitigation.

(k) Industrialization and Trade



In the year 2020, the KEPSA Industrialization and Trade Sector Board, operating under the auspices of the Kenya Association of Manufacturers (KAM) engaged as follows:

- ▶ Two (2) Sector Board meetings
- ▶ Four (4) Sub-Sector Board meetings
- ▶ Two (2) engagements with KRA
- ▶ Two (2) engagement with NMS
- ▶ One (1) meeting with Kenya Railways
- ▶ One (1) Meeting with National Treasury
- ▶ One (1) meeting with the National Assembly - Departmental Committee on Trade, Industry, and Cooperatives.

Key Achievements of the Year 2020

- ▶ KEPSA an engagement meeting on 6th March 2020 chaired by the PS, State department of industrialization with representation from KRA, KEBS, KAM, KEPSA and State department team. The purpose of the meeting was to vet applications for exemption for bona-fide manufacturers for importation of industrial spare parts for machinery of Chapters 84 and 85 of the EAC Common External Tariff.
- ▶ Facilitated the engagement with Ministry of Industry, Trade and Cooperatives to enable continuity of operations past curfew hours amidst the COVID-19 period by providing a list of essential goods manufacturers.
- ▶ Assisted the Ministry of Trade and Industry in the development of the Standard Operation Procedures for the full reopening of the Industrialization and Manufacturing sector.
- ▶ Assisted KEBS in formulating the standards of locally manufacturing PPE, woven masks, ventilator design, gumboots to assist in the fight of the Corona pandemic.
- ▶ The incorporation of the “Buy Kenya, Build Kenya” concept on the performance contracts, helping grow the manufacturing sector due to the increased purchase of locally produced goods and services by both the Public and Private sectors.
- ▶ The sector was part of the joint committee on the Kenya- UK- FTA negotiations which saw Kenya and the United Kingdom formally signed a bilateral trade agreement in London on 8th December 2020.

Engagement with Government

- ▶ Engagement with Ministry of Trade and Industry on the maximization of exports to the United States of America (USA); the engagement established a strategic framework with the United States for provision of technical assistance and trade capacity building in Kenya with the aim of maximizing Kenya's utilization of the African Growth and Opportunity Act (AGOA) trade benefits for the remaining years of the preference program, which is scheduled to expire in 2025.
- ▶ Engagement with the Ministry of Trade and Industry on the Local Content Policy, then gave its input in the development of the Local Content Policy. This would strengthen the capacity of locally manufactured goods. Further it would promote the national developmental agenda by nurturing local participation towards industrialization and international competitiveness of Kenyan nationals and firms at community, county and national level.
- ▶ A partnership with the Kenya Export Promotion and Branding Agency (KEPROBA) was being pursued to developing and strengthening cooperation in the field of trade development & promotion with a view of creating more opportunities for trade and investment for the Kenyan business community by diversifying Kenya's export basket and opening new markets for Kenyans
- ▶ Engagement with Special Economic Zones Authority (SEZA) – the private sector, in partnership with the SEZA, organized Investment Promotion Forums in Mombasa, Kisumu and Nairobi. The purpose for these forums was to provide significant information for the investors from both private entities and public institutions to participate in SEZ programmes as developers, operators and enterprises. Further, the private sector members shared their input in the Supplemental Special Economic Zones Regulations 2019. The purpose was to develop a supplementary SEZ Regulations to provide clarity on the operations of various actors and help facilitate the provision of services within and from the Special Economic Zones. The Special Economic Zones (Amendment) Regulations, 2020 were gazetted on March 20, 2020.
- ▶ Engagement with KRA on Excisable Goods Management System (EGMS) – the sector board held a successful meeting with the KRA Commissioner for Domestic Taxes to discuss the new Excisable Goods Management System (EGMS) regulations. It was agreed that KRA and the Private Sector would take stock of good manufactured before November 2019 so that these goods can be allowed in the market after the deadline of 31st January 2020. The sector held an engagement with KRA inflation adjustment on specific rates of excise duty on excisable goods that applies to manufacturers and importers.
- ▶ The sector was engaged with relevant stakeholders on the delayed railing of cargo from the port to the Nairobi Inland Container Depot (ICD).
- ▶ The Sector Board leaders met with the NMS Directorate Compliance to discuss trade matters affecting ease of doing business in Nairobi County.
- ▶ A meeting National Assembly Departmental Committee on Trade Industry and Cooperatives was held to deliberate on the challenges experienced in the Trade, Industry, and Cooperates sector in the context of COVID-19.
- ▶ The Corporate Council on Africa (CCA) in partnership with the Kenya Private Sector Alliance (KEPSA) hosted a roundtable discussion with Kenyan U.S. government officials and business leaders to explore how the private sector can support this bilateral effort and take full advantage of investment and trade opportunities that would arise from a Kenya-U.S. Free Trade Agreement.
- ▶ Engagement with the United Nations Economic Commission for Africa (UNECA) and Trade Mark East Africa (TMEA) report on 'Creating a Unified Regional Market - Towards the Implementation of the African Continental Free Trade Area (AfCFTA) in East Africa'. The report provided a first comprehensive assessment of the potential impact of the AfCFTA on the economies of East Africa. In attendance were business leaders from the East African region, representatives from governments, development partners and the UN.

(I) Transport and Infrastructure



In the year 2020, the KEPSA Transport and Infrastructure Sector Board engaged as follows:

- ▶ Six (6) Sector Board Meetings
- ▶ Ten (10) Sub-Sector Meeting
- ▶ Two (2) Transport and Infrastructure Ministerial Stakeholders Forums
- ▶ One (1) engagement with the Ministry of Health
- ▶ Two (2) engagements with the National Assembly
- ▶ Six (6) engagements with State Agencies
- ▶ The completion of the second phase of Standard Gauge Railway from Nairobi to Naivasha
- ▶ The revamping of the Nairobi-Nanyuki Railway Line
- ▶ The Launching of the Commuter Rail Transport around the Nairobi Metropolitan as way of decongesting the city.
- ▶ Development of framework on truck drivers COVID-19 testing to ensure there no delays in the boarders.
- ▶ Development of the Kenya Railways Transit Shed. This is a customs facility located at Kenya Railways Nairobi Bomaline Yard. This facility will assist in decongesting Nairobi Inland Container Depot

Key Achievements of the Year 2020

- ▶ The establishment of the Kenya Transport and Logistics Network (KTLN), KTLN brings together Kenya Ports Authority (KPA), Kenya Railways Corporation (KRC) and Kenya Pipeline Company Limited (KPC) under the coordination of the Industrial and Commercial Development Corporation (ICDC). It is aimed at lowering of the cost of doing business in the country through the provision of port, rail and pipeline infrastructure in a cost effective and efficient manner, and within acceptable shared benchmark standards.

(m) Lands and Physical Planning

In the year 2020, the KEPSA Lands and Physical Planning Sector Board engaged as follows:

- ▶ Thirteen (13) Sector Board Meetings
- ▶ Eight (8) Sub-Sector Meetings
- ▶ Two (2) Lands and Physical Planning Ministerial Stakeholders Forum
- ▶ One (1) engagement with State Department of Housing and Urban Development
- ▶ Three (3) engagements with the Senate

Key Achievements of the Year 2020

- ▶ Gazettement of the Land Registration (Electronic Land Transactions) Regulations 2020. The regulations gave effect to the provisions of the Land Act, 2012, the Land Registration Act, 2012, with regard to the development and implementation of a National Land Information System and the maintenance of a land register and land documents in a secure, accessible and reliable format.
- ▶ Gazettement of the Stamp Duty (Valuation of Immovable Property) Regulations 2020 which gives property buyers the option of using Government Valuers or hiring an approved private valuer, to undertake stamp valuation.
- ▶ Enhancement of Kenya Mortgage Refinance Company (KMRC) which is an initiative by the National Treasury and World Bank to support the affordable housing agenda by providing secure, long-term funding to the mortgage lenders, thereby increasing the availability and affordability of mortgage loans to Kenyans
- ▶ Publication of the Electronic Land Transaction, Registration, Conveyancing & Other Related Activities Task Force Report.
- ▶ Review of the National Housing Fund Regulation 2020 to make contribution to the National Housing Fund voluntary as per KEPSA proposal.
- ▶ Withdrawal of the Land Registration (Amendment) Bill, 2020 by the National Assembly as per the private sector proposal.



(n) Public Finance

In the year 2020, the KEPSA Public Finance Sector Board engaged as follows:

- ▶ 3 sector board meetings
- ▶ 6 Tax Taskforce meetings
- ▶ 3 engagements with Central Bank of Kenya
- ▶ 2 engagements with the National Treasury
- ▶ 4 engagements with Kenya Revenue Authority

Key Achievements of the Year 2020

- ▶ The Sector Board has been engaging the National Treasury on the implementation of the National Credit Guarantee Framework to support SME non-collateral financing. The Cabinet on 10th September 2020 approved the establishment of a Credit Guarantee Scheme with an initial seed capital of Kshs. Ten Billion to be capitalized in two tranches of Kshs. 5 Billion in FY 2020/21 and FY 2021/22. The Participating Financial Institutions (PFIs) mainly banks have expressed interest in the scheme as requested by National Treasury. The implementation of the scheme is expected to start soon.
- ▶ The Sector board engaged the National Treasury in March to provide oral submissions to the input shared by KEPSA members to be included in the Finance Bill 2020. The following wins were recorded in the Budget Statement 2020;

THEME	KEPSA'S ASK	2020/21 BUDGET PROVISION
Jobs Protection	<ul style="list-style-type: none"> ▶ Boost the 'Buy Kenya and build Kenya' to try save 5.1M jobs at high risk of being lost if current economic situation does not improve in the short term 	<ul style="list-style-type: none"> ▶ Kshs. 1.9 billion provision of at least 250,000 locally fabricated desks for secondary and primary schools. ▶ Kshs. 500 million to supply 20,000 locally made beds and beddings to public hospitals ▶ Kshs. 25 million to support establishment of 50 modern walkthrough sanitizers at our border points and main hospitals across the country. ▶ Kshs. 850 million to cater for rehabilitation of wells, water pans and underground tanks in ASAL areas using local labour; ▶ Kshs. 1.0 billion to support flood control using local labour in the most affected areas ▶ Kshs. 850 million to cater for rehabilitation of wells, water pans and underground tanks in ASAL areas using local labour
Social Protection	<ul style="list-style-type: none"> ▶ Provide cash transfers to additional populations made vulnerable due to COVID-19 pandemic. 	<ul style="list-style-type: none"> ▶ Reengineering of the Access to Government Procurement Opportunities (AGPO) portal to enable real-time registration and transparent monitoring of the implementation of the scheme. ▶ Kshs. 715 million for the Kenya Youth Empowerment and Opportunities Project

THEME	KEPSA'S ASK	2020/21 BUDGET PROVISION
Flowers of Hope	<ul style="list-style-type: none"> ▶ Use excess airline capacity to deliver flowers, tea, coffee, and other critical exports to affected countries in Europe and Africa as a generous gift from Kenya. 	<ul style="list-style-type: none"> ▶ Kshs. 1.5 billion to assist flower and horticultural farmers to access international markets during this period when we are experiencing low cargo traffic in and out of the country
Pending Bills and VAT Refunds	<ul style="list-style-type: none"> ▶ National and County Governments to clear all pending bills fully. 	<ul style="list-style-type: none"> ▶ Additional Kshs. 10 billion allocated ▶ The National Treasury to withhold exchequer releases to the MDAs or SAGAs with pending bills, until an approved payment plan for all pending bills is agreed upon
Health and safety to reduce risk of transmission.	<ul style="list-style-type: none"> ▶ Hire more Health Care Workers and mobilize retired health workers to support 	<ul style="list-style-type: none"> ▶ Kshs. 1.2 billion proposed for the recruitment of an additional cohort of 5,000 healthcare workers to support local health staff for a period of one year
Tourism	<ul style="list-style-type: none"> ▶ Use hotels as containment/quarantine centres, or refurbish as emergency hospitals. ▶ Apply a 12-month moratorium on Tourism Levy. ▶ Increase KTB budget for PR and marketing; Promote domestic and regional tourism sources as a mid-term measure 	<ul style="list-style-type: none"> ▶ Temporary lifting of ban to hold meetings in private hotels by Government Agencies. ▶ Waiver of landing and parking fees at Kenyan airports. ▶ Provision to aggressively boost promotion of post COVID-19 tourism marketing. ▶ Kshs. 3 Billion for hotel refurbishment through soft loans to be channelled through the Tourism Finance Corporation.



KEPSA - CBK Governor
Roundtable - February 24, 2020

- ▶ Through the sector board, KEPSA engaged the Central Bank of Kenya (CBK) Governor. The following were the outputs from the two engagements;

1st KEPSA - CBK Governor Roundtable - 20th February 2020

1. The CBK agreed to continue to retrain commercial banks to address the credit crunch in the private sector.
2. It was agreed that there's need to work around realistic budgets National and county budgets to ensure sustainable revenue utilization.
3. KEPSA to continue supporting revenue collection by encouraging its members to pay their revenue and are tax compliant.
4. To enhance sustainable revenue collection; National Treasury and the relevant stakeholders need to re-look the waivers regime
5. KEPSA to work on proposals on stabilizing the National fiscal positions.
6. The government to pay pending bills to facilitate more investments in local content projects.
7. The private sector will continue to support SMEs beyond financing and ensure they facilitate capacity building programs for the SMEs.
8. The National Debt to be re-profiled in a structured way.
9. CBK and KEPSA to work on regulations on digital lending. This will help in dealing with the huge social problem brought about by the lending apps.
10. CBK agreed to involve the private sector in the discussions around blockchain.
11. CBK committed to continuing to implement strong monetary policies to ensure commodity prices, interest rates, and exchange rates are controlled and stable.
12. KHF to work with CBK on the formulation of the Health Index.

2nd KEPSA - CBK Governor Roundtable - 2nd December 2020

1. It was agreed that quarterly scheduled engagement with the CBK will be worked on.
2. From the data shared by CBK especially in exports and the rebound of different sectors it was evident that Kenya was not broke.
3. It was agreed the fiscal authorities needed to be assisted by both private sector and the CBK to deal with the fiscal deficits that had been mainly brought about by the government spending especially towards the economic rebound strategy amidst COVID-19.
4. It was agreed that the Revenue Authority needed to strengthen their collection efforts and re-strategize their revenue policy. Further, private sector would continue to work together with the authority to ensure the policies implemented are pro-business.
5. It was noted that CBK plays an intermediary role in the exchange rate market and CBK committed to continue to implementing the global standards to regulate the industry.
6. It was agreed that the digitization of the various government services and operations needed to continue capitalizing on the technological strides made during the COVID-19 pandemic.
7. Private sector needed to continue voicing their position against corruption while reminding the wider private sector colleagues to adhere to the set the code of ethics.



- ▶ The Sector Board made submissions to the Finance Bill 2020, Tax Amendment Bill 2020 and submitted a memoranda of private sector's 2021 budget priorities;
- ▶ Through the sector board, KEPSA held the Tax Round Table with KRA and further KEPSA's board engaged with the KRA board. The following were the outputs from the engagements;

▶ 6th Tax Round Table

1. KRA and KEPSA Tax Task Force to meet and discuss how the taxpayers who had innocently applied the wrong rates of 25% would be called upon to top up without being penalized.
2. KRA, PIEA and other energy sector stakeholders to have further engagements the issues affecting the petroleum industry especially combating the illicit trade of LPG.
3. KRA to form technical teams that will be engaging with the KEPSA technical teams on issues for a common understanding and resolution of the same. (Once the technical teams are formed they should discuss CGT issues raised during the TRT among other issues)

KEPSA-KRA Board Round Table

1. Continued implementation of technological advancements to promote efficient services.
2. Formation of technical teams that will be engaging with the KEPSA technical teams on issues for a common understanding and resolution of the same
3. Engage private sector when after finalizing consultations on the National tax policy with the National Treasury.
4. Engage on the issuance of Tax compliant certificates to MSMEs that are facing objections but are tax compliant
5. Finalize on the ledgers clean-up with the migration from legacy to iTax

(o) Security



In the year 2020, the KEPSA Security Sector Board had the following engagements:

- ▶ Eleven (11) Sector Board meetings
- ▶ One (1) Engagement with Ministry of Health on Contact Tracing.
- ▶ One (1) Engagement with National Counter Terrorism Centre (NCTC) on the Nairobi County Action plan.
- ▶ Two (2) sub-sector meetings

Key Achievements of the Year 2020

- ▶ As a result of the ongoing COVID-19 pandemic and the rising number of crime rates in the country, The KEPSA Security Sector Board developed a crime statistics template to help collect information from the Security Associations to help monitor crime trends and have a clear picture of what measures can be taken to reduce crime rates.
- ▶ The National Counter Terrorism Centre (NCTC) developed a Nairobi County Action Plan document to Prevent and Counter Violence Extremism of which the Sector Board Chairman was incorporated in the validation process which took place on 29th September 2020.
- ▶ The Private Security Training Academy (PSTA) in partnership with KEPSA trained a total of 3,720 individuals on the online return-to-work schedule which targeted training of individuals on safety protocols they should consider amidst COVID-19. Among those trained were KEPSA staff who benefitted from the same.
- ▶ To support business continuity and sustainability during the COVID-19 pandemic, KEPSA accorded Security firms with Essential Service stickers to help them continue operating even after curfew hours and help security officers get home even past curfew.
- ▶ Courtesy of Jon Hopkins University, KEPSA security Sector Board members undertook a course on contact tracing to help them understand what it is and how they can take the necessary precautions in their places of work.
- ▶ The Kenya Security Industry Association (KSIA) donated handwashing equipment to the National Police Service to support them during the COVID-19 pandemic.
- ▶ The National Counter Terrorism Centre (NCTC) trained a total of 320 individuals on Counter Terrorism awareness.
- ▶ Courtesy of the Security Sector Board and Ministry of Health (TOT's), Seneca East Africa were able to train 500 security guards on COVID-19 compliance and best work safety practices.
- ▶ The Kenya Security Congress launched of the HODI-HODI Application which will be used to enhance security of commercial and residential buildings. The Private Security visitor management application will also prove vital in the COVID-19 screening, tracing capabilities and reducing crime rates in general.

(p) Sports, Arts and Culture

In the year 2020, the KEPSA Sports, Arts and Culture Sector Board engaged as follows:

- ▶ Five (5) Sector Board Meetings
- ▶ Twelve (12) Sub-sector Meetings
- ▶ Two (2) Sports and Creative Ministerial Stakeholders Forums

Key Achievements of the Year 2020

- ▶ Formation of three Joint Working Committees on Sports, Creative and Legal with the Ministry of Sports, Culture and Heritage which will address key issues from the sector.
- ▶ Development of guidelines on the reopening of Sports after closure due COVID-19.
- ▶ Inclusion of Kenya Safari Rally into the International Automobile Federation World Rally Championship 2021.
- ▶ Development of a stimulus programme to support both the sportspersons and creative sector people who were heavily affected by COVID-19.
- ▶ The Government has invested heavily this year in the construction and renovation of both creative and sports infrastructure which will promote growth in the sector.



*Sports Sector Board Meeting-
January 29, 2020*

02

Policy Research & Analysis (PRA)



2.1 COVID-19 IMPACT SURVEYS

Following the outbreak of COVID-19, the department conducted four surveys to assess the impact of the pandemic on businesses and jobs. These informed KEPSA proposals for government and private sector intervention under a KEPSA Economic Management Framework for COVID-19 Response. Following engagements, the government unveiled a number of Economic Stimulus Measures – both fiscal and monetary, intervened on key business challenges such as logistics and business continuity during the pandemic.

Below is a summary of the findings from the surveys:

i) March Survey- Business perspectives on the Impact of Coronavirus on Kenya's Businesses:

- ▶ The first survey was conducted in early March 2020 to assess how businesses in Kenya had been impacted by the COVID-19 outbreak due to Kenya's business ties with the rest of the world especially China that was the most affected at the time alongside other Asian and European nations.
- ▶ A total of 127 businesses from all sectors of the economy participated in the survey. 61% reported negative effects of COVID-19 with 15% reporting high or very high negative effect, 52% reported low to moderate effect while 32% reported very low to no effect. The financial losses were less than Kshs. 1 million for 61% of the businesses.

- ▶ With the survey findings, KEPSA developed an Economic Management Framework for COVID-19 Response and engaged government at Ministerial and Presidential levels leading to roll out of Economic Stimulus measures which included reduction of VAT from 16% to 14%, Corporate tax from 30% to 25%, Turnover Tax from 3% to 1%, PAYE from 30% to 25% and 100% waiver for those earning less than 24,000. Other measures included commitment to expedite payment of pending bills and VAT Refunds, suspension of CRB listings for loan defaulters, reduction of CBR rate to 7% and Cash Reserve Ratio for banks from 5.25% to 4.25% which injected Kshs. 35 billion worth of liquidity to ease credit access.

ii) April Survey – Assessing the effects of COVID-19 and ongoing measures by government and private sector to safeguard businesses and jobs

- ▶ The survey received a total of 2,466 respondents of which 29% were micro, 46% small, 16% medium and 9% large enterprises. Education, construction and tourism sectors had the largest number of respondents.
- ▶ Overall, the vast majority (81%) of enterprises across all sectors and company sizes had been negatively impacted by COVID-19 with 85% of small and 83% of mid-sized companies reporting high or very high impact compared to 78% of micro-firms and 70% of large companies. Tourism and Education were the most impacted with 95% and 93% of them reporting high to very high impact respectively, due to government-imposed closures.
- ▶ Sports/Arts/Creative and Agriculture firms reported the next largest level of impact at 90% and 81% respectively. Finance, Health/Social Work and Environment/Water/Waste firms reported the least effect with 47%, 50% and 56% of respondents respectively reporting high or very high impact.
- ▶ Financially, majority of the businesses (42%) reported losses of between Kshs. 1 million and Kshs. 5 million. Agriculture, Transport, Manufacturing and Tourism, which are among the largest GDP contributors, reported among the highest financial losses in real terms with Tourism and Manufacturing reporting average losses of KES 30-40million per company followed by Agriculture and Transport reporting KES 20-30million average per company losses.
- ▶ **Business Closure:** 45% of firms outside the Education and Tourism sectors had closed down, at least temporarily due to COVID-19, with micro- and small-enterprises being the most affected with 62% and 49% closures respectively. Education and Tourism entities reported significantly worse impact with 95% and 78% closing business, at least temporarily.
- ▶ In terms of job retention, 46% of all firms across sectors and company sizes had retained all their employees. This included 58% of large companies particularly in the Finance and Insurance sector where 93% of the respondents reported keeping all employees. On the other hand, 52% of micro, 58% of small firms and 45% of mid-sized firms reported laying off workers. Construction, Agriculture /Forestry/Fisheries, Security, Sports/Art/Creative and Tourism had the most lay-offs with only 20-40% of firms in the sectors retaining all employees.
- ▶ **Mitigation Measures:** Overall, provision of PPE and social distancing were the most popular measures taken by businesses to mitigate the impact of COVID-19; however, where over 80% of medium and large companies had been able to provide PPEs to employees, only 38% and 62% of micro and small firms had done so.
- ▶ **Government Stimulus:** There was significant optimism on benefiting from the government stimulus particularly Reduction of VAT, PAYE and corporate tax that were expected to benefit the largest number of businesses; however, payment of pending bills and VAT refunds remained key points of concern, affecting ability to meet financial obligations and overall market liquidity.

Most businesses requested government for financial support in form of grants or cheap accessible loans to cover operating costs, especially salaries; payment of pending bills, as well as reduction /waivers or deferment of taxes, business licenses and other statutory deductions. Across multiple sectors, businesses sought measures with little to no financial implications for the government including legislation to further encourage local procurement, controlled exceptions to curfew for specific workers and clear path to classification of certain staff members as essential personnel, as well as ensuring respectful treatment of essential personnel by police.

Following the survey, the President unveiled a Kshs. 56.6 billion Eight Point Economic Stimulus Programme during his 7th Presidential address on COVID-19 on 23rd May 2020. The stimulus programme was anchored in the FY 2020/21 budget. Also, the government through the NDICCC engaged KEPSA on developing protocols for reopening of the economy.

iii) Quantification of pending bills and VAT refunds owed to businesses in Kenya.

- ▶ The survey was conducted between 24th and 29th April attracting 405 respondents from all sectors of the economy and the businesses were evenly distributed across the different business size categories (micro, small, medium and large). Sector wise, one half of the respondents were from Manufacturing, Agriculture, Trade (Wholesale and Retail Trade) and professional Services sectors.
 - ▶ From the survey, 53% of all respondents said they had pending VAT refunds, while 35% had pending bills by MDAs, 32% had pending bills by county governments and 19% had pending bills by private sector. Across the business size categories, most of the businesses in medium and large size categories had VAT refunds, whereas the majority in Micro had pending bills by County Governments.
 - ▶ Overall, 247 respondents shared their actual pending bills and VAT refunds amounting to Kshs. 34.5 billion in total. The pending bills by MDAs accounted for 44% of this amount, i.e. Kshs. 14.8 billion owed to 81 businesses. VAT Refunds accounted for 36% (Kshs. 12 billion) owed to 135 businesses, while pending bills by Counties were Kshs. 1.8 b accounting for 5% of the total amount and Private Sector bills 14% (Kshs. 4.8 b).
 - ▶ Micro enterprises (with 1-9 employees) had Kshs. 1.53 billion in pending payments of which 64% were pending bills by county governments, and 25% VAT refunds; Small enterprises (with 10-50 employees) had Kshs. 1.87 b pending of which 42% were owed by private sector and 28% in VAT refunds; Medium sized enterprises (51-300 employees) were owed Kshs. 8.75 b of which 50% (Kshs. 4.4 b) was in VAT refunds and 33% (Kshs. 2.88 b) pending bills by MDAs; while large enterprises were owed Kshs. 19.6 b of which 58% (Kshs. 11.3b) was pending bills by MDAs, 27% (Kshs. 5.2 b) VAT refunds, and 15% (Kshs. 2.96 b) bills by private sector.
 - ▶ Sector wise, health, manufacturing and energy sectors had the largest amounts of pending bills amounting to Kshs. 8.4 billion, Kshs. 8 billion and Kshs. 3.7 b respectively. 97% of the Health sector pending bills were owed by MDAs (with NHIF owing Kshs. 7.97 billion).
 - ▶ 63% of manufacturing sector bills were VAT refunds amounting to Kshs. 5 billion owed to 42 businesses; Energy sector and agriculture had Kshs. 2.6 b and Kshs. 1.7 b in VAT refunds respectively owed to 6 and 38 businesses respectively.
 - ▶ The largest chunk of the reported pending bills by county governments amounting to Kshs. 1.8 b were owed to finance and insurance i.e. 54% and Whole and Retail trade 18%.
 - ▶ The Pending bills by Private sector were largely owed to wholesale and retail traders (27%) and the agriculture sector (24%).
- Following the directive by the President for Ministries to clear all pending bills and VAT refunds by 30th June 2020, KEPSA conducted another survey in July 2020 to collect information from members who had not received their payments. A total of 69 businesses provided information.

iv) May-June Survey – Assessing the success of Government and Private Sector Interventions to Safeguard Businesses and Jobs during the Coronavirus Pandemic

- ▶ The Survey was conducted between 30th May and 6th June 2020 attracting 404 respondents from all sectors accounting for 1,546,895 jobs in total. 34% were women owned/led businesses, 66% were micro and small enterprises, 21% medium and 13% large businesses. Majority (67%) were from Nairobi County, followed by Mombasa, Kiambu, Kajiado, and Nakuru with between 6% and 3% of the respondents each. Tourism and Education sectors had the largest numbers.
 - ▶ **COVID-19 Impact:** Overall, 74% of the businesses reported high or very high negative impact. Tourism and Education sectors were most hit with 97% and 92% reporting high or very high impact; Manufacturing, Wholesale & Retail Trade, and Construction had 83%, 79% and 75% reporting high or very high negative impact. On the other hand, 13% of those in Finance and Insurance reported positive effect, Environment, Water & Waste management had 10% positive effect, Health & Social work had 9% positive effect and 5% unaffected, in ICT 8% had positive effect and 4% were affected, manufacturing had 3% unaffected while Education had 3% positive effect.
 - ▶ **Financially,** 63% of the businesses experienced over 50% losses as a percentage of their 2019 profits with 35% experiencing over 90% losses - mostly from tourism and education sectors. By the end of the year, 64% expected to lose more than half of their profits - 29% expecting over 90% losses. Finance (liquidity) emerged as the most affected aspect for 50% of businesses while 45% reported reduced consumer demand and inability to operate given travel /movement restrictions.
 - ▶ **Employee retention:** Overall, 41% of the businesses had retained all employees with 2% hiring more particularly from ICT where 12% hired more, Health & Social work 9%, Security 4%, Manufacturing 3% and Education 2%. To mitigate the negative effects, 53% had sent employees home on unpaid leave majority from tourism (78%), education (79%) and construction (56%). 60% also employed salary cuts and majority were in the above sectors.
 - ▶ **In terms of mitigation measures** 70% had mandated social distancing at the workplace and enforced health measures by providing hand sanitizers, soap and water; 55% has enabled employees to work from home and 50% provided PPEs. About 25% had made cash or in-kind donations or participated in community sensitization. To mitigate the negative effects to own business, vast majority (63%) adopted use of e-commerce and other online/mobile technologies, 26% reduced prices and 21% expanded their business capacity or adapted their products and services to fit the new needs. However, 36% had to close down temporarily.
 - ▶ **Success of Government interventions:** From the survey, 61% of the firms had benefited from the reduction of PAYE to 25% and the 100% relief for those earning below Kshs. 24,000, 48% had benefited from the Reduction of VAT to 14% while 45% benefited from Reduction of Corporate tax to 25%. Only 12%, 11% and 6% had benefited from cheaper loans, payment of VAT refunds and pending bills respectively. Most businesses recommended prioritization of local procurement, further measures to enable cheaper/accessible loans and protocols to improve inter-county flow of goods.
- After the Survey and subsequent KEPSA engagement with government, some of the COVID-19 related restrictions were lifted such as inter-county movement restrictions, resumption of domestic and international flights, among others. Government also began developing business continuity and economic recovery strategies.

v) September/October COVID-19 Impact Survey: Assessing COVID-19 Impact on Businesses, Jobs and Opportunities for faster Recovery

- ▶ The Survey was conducted between 14th September and 15th October 2020 attracting 428 respondents from all sectors of the economy. 69 percent of the organizations represented were privately owned companies, 5% listed companies, 4% business associations and 19% public institutions. Construction and Professional services had the largest number of respondents. In terms of business size, 43% were micro, 14% small, 9% medium and 35% large firms.
- ▶ COVID-19 Impact: 50 percent of businesses experienced high or very high negative effect compared to 74 percent in the May/June survey. Across the business categories, Micro enterprises were the most impacted with 64% reporting high or very high negative effect while tourism and education remained the worst hit sectors.
- ▶ Sources of impact: Majority of businesses experienced loss of customers/drop in sales (66%), increased financial challenges (54%), high cost of operation (46%) and 42% inability to pay taxes amid reduced labour productivity. Notably, 5% of micro and 6% of medium sized firms reported positive effect while 9% of large firms were not affected.
- ▶ Financially, Majority of businesses (48%) reported moderate losses of 10-50% and only 34% of firms had incurred over 50% losses compared to 63% in May/June. Across the different size categories, Micro enterprises (1-10 employees) were the most hit financially with 59% reporting over 50% losses compared to 13% among large firms.
- ▶ Business closure: 50% of the surveyed businesses had remained open throughout the pandemic while 37% of the ones that had closed down reopened.
- ▶ Employee retention: 58 percent of the businesses retained all their employees and 4% hired more. Environment and Manufacturing sectors had 13% hiring staff as well 8% in Energy and Professional services.
- Tourism, Education and Construction had the highest retrenchments at 67%, 57% and 48% respectively. Most lay-offs were reported among micro enterprises at 53% while small and medium sized firms had the highest job retention at 77% and 81% respectively. For businesses that let go of employees, 59% provided severance package, 32% offered outplacement support and 14% reskilling programmes.
- ▶ To mitigate the negative effects of COVID-19 and ensure business continuity, 70% of the businesses reduced expenditure on non-core business activities, 47% temporarily suspended new investment/expansion plans while 34% adopted use of e-commerce and other online technologies.
- ▶ Recovery Process: Overall, 43% of the respondents expect full recovery in 2021 and 24% in 2022. 8% expect full recovery by end of 2020 while 21% are not sure when their businesses/organizations will recover fully.
- ▶ Government interventions: Reduction of VAT and removal of inter-county movement restrictions were the most beneficial interventions for 48% and 43% of businesses respectively. Others were reduction in PAYE that was most beneficial to 38% of the businesses and corporate tax 35%.
- ▶ Opportunities: 35% reported seeing new opportunities as a result of COVID-19 ranging from online opportunities to manufacture of new products, etc.
- ▶ In terms of skills, 22% of businesses had permanently retrenched at least one job due to COVID-19 but 35% had new roles for which they were hiring. 52% reported having challenges hiring technology skills and 35% soft skills. In the next one to five years, most businesses (54%) indicate they plan to hire more on contract/gig/consultants, 52% plan to hire permanent/ fulltime roles while 41% will hire interns.

2.2 PROJECT CONCEPT NOTES ON SUPPORTING BUSINESSES DURING THE COVID-19 CRISIS

In March 2020, PRA developed two concept notes sent to BAF seeking funding for a Programme to support Kenyan SME's during the COVID-19 crisis, and another to support KEPSA in its PPD engagements towards ensuring full implementation of the President's directives, as well as providing the necessary support to businesses. This included enhanced communication and provision of relevant business information in light of the crisis.

2.3 NATIONAL BUSINESS AGENDA III –GREENING

Following the launch of NBA-III during the 2019 AGM, KEPSA embarked on embedding Green Business Environment Reforms (GBER) into the agenda to align it with Sustainable Development of Goals. Request for Proposals was issued in November 2019 and the exercise began in February 2020 after engaging a consultant. The various sector boards were engaged for input and Stakeholder Validation conducted virtually on 11th May 2020. The greened NBA has since been shared with PPD officers to develop work-plans for implementation.

2.4 MEMBERS' SATISFACTION SURVEY 2019

The Survey was conducted between December 2019 and January 2020, attracting the participation of 33 BMO members, 26 corporates, 14 SMEs and 8 start-ups. Overall, 84 percent of the respondents expressed satisfaction with KEPSA's overall professionalism with 29 percent being very satisfied. 72 percent expressed satisfaction with KEPSA's overall assistance to them while 74 percent agreed that their questions, inquiries and needs were responded to in a timely manner. The survey also received key recommendations on improving KEPSA advocacy and value to members. The 2020 Survey is underway to be concluded in January 2021.

2.5 DEVELOPMENT OF A POSITION PAPER ON THE NAIVASHA INLAND CONTAINER DEPOT

In June 2020, KEPSA in partnership with the Shippers Council of Eastern Africa embarked on a study funded by Trademark East Africa to develop a position paper that would inform and advice on the best way to optimize the utilization of the Naivasha Inland Container Depot, reduce inefficiencies and cost of logistics.

2.6 SME POLICY INDEX

Guided by the Index launched in December 2019, KEPSA initiated a number of interventions to support SMEs during the COVID-19 pandemic. This includes an SME development and financing programme in partnership with MasterCard Foundation.

2.7 ECONOMIC TRANSFORMATION COMMITTEE

The committee led by Arch. Lee Karuri met four times during the year to deliberate on cross-cutting issues affecting the economy before and during the COVID-19 period and interventions required to put the country on track to achieving the Vision 2030 aspirations in line with the Simba Era Strategy. Key achievements include:

- ▶ **Development of a Strategy Concept Paper** for the Committee highlighting its role in supporting the Board and GC in steering the KEPSA Economic Agenda under Simba Era towards achievement of the Vision 2030. A total of 16 Strategic areas were proposed for Economic Transformation over the next 10 years. The areas would be structured as projects with the first ten being prioritized over the next six months.
- ▶ **A National Agriculture Summit** was held on 26th – 27th March 2020 at Safari Park Hotel where the Umbrella body for the agriculture sector (Agriculture Sector Network – ASNET) was launched. The ASNET has been crucial in championing the agriculture growth and transformation agenda especially during the Covid-19 period.
- ▶ **A Finance, Trade and Investment Network (FINTRINET)** was also established in May 2020 in partnership with the UN SDG platform, National Government, County Governments and Development Partners to drive post-COVID-19 economic recovery and transformation of Kenya's economy up to 2030 powered by Finance, Trade & Investment to achieve the Big 4 agenda, Vision 2030 and the SDGs.
- ▶ **Economic Recovery Strategy** – following unveiling of an ERS strategy by National Treasury in November 2020, the committee met to work on a framework with key priority areas to be pursued by KEPSA for faster economic recovery and resilience, stabilize foreign exchange and national debt.



Past Economic Transformation Committee meeting

03

Business Hub

3.1 SUMMARY ON BUSINESS DELEGATIONS, CONFERENCE AND EXHIBITIONS



FORUM	DATE & VENUE	OUTCOME
PwC Kenya Webcast Series - African Continental Free Trade Area	30 th January 2020	KEPSA in partnership with PWC had its membership participate in this webcast to discuss issues around the ACFTA
KEPSA and the Embassy of Brazil in Kenya hosted a webinar to showcase investment opportunities to APEX Brazil	30 th January 2020	Both KEPSA and APEX Brazil members attended the Webinar to get to know more about the investment opportunities available in their respective countries
High- Level Pakistan-Africa Trade Development Business Forum	30 th & 31 st January 2020 KICC	KEPSA was a key organizer and its membership participated in the conference as well as the B2B Meetings
High-level Canada-Kenya Business Forum	7 th February 2020 Serena Hotel	KEPSA coordinated the forum and its membership attended and participated in the B2B networking sessions organized alongside the forum
High level Kenya – Norway Business Forum during the official visit to Kenya by the Crown Prince & Crown Princess of the Kingdom of Norway	11 th February 2020 Windsor Golf and Country Club Nairobi	KEPSA members attended the B2B networking meetings
Next Steps in U.S – Kenya Free Trade Negotiations: A Roundtable Discussion	13 th February, 2020 Sankara Hotel	KEPSA CEO, CCA CEO and Kenyan government representatives held a round table discussion on how to engage key stakeholders for a win-win situation in the proposed free trade agreement. KEPSA and CCA signed an MoU on the side-lines of this forum

FORUM	DATE & VENUE	OUTCOME
High-Level Germany-Kenya Business Roundtable	24th February 2020 Intercontinental Hotel	Three KEPSA members attend the Business forum that was graced by the German President of which featured B2B meetings with the German delegation. This was an exclusive event that was open to only six private sector participants
B2B forum with Austrian companies in the construction sector	6 th – 8 th April 2020, Park Inn Radisson, Westlands	KEPSA members attended the speed dating session with regards to interacting with the visiting Austrian delegation. KEPSA was a key partner in organizing the forum as well as facilitating site visits for the delegation
KEPSA, Venture Lift Africa and other partners hosted a webinar on covid-19 response and recovery through export-import with the US	7 th May 2020	KEPSA members attended the webinar to learn how Kenyan businesses can export as well as import from the US as a recovery measure from the Covid-19 pandemic
KEPSA and CCA hosted a webinar on Kenyan government and private sector response to COVID 19	11 th May 2020	KEPSA CEO together with Kenya's Deputy Ambassador to the US briefed the US business community on Kenya's response to Covid-19 pandemic as well as reiterated that Kenya was still open for business
Online B2B meetings with textile manufacturers from Zhenjiang, china	15 th May 2020	KEPSA members participated in the online B2B meetings with textile manufacturers from Zhenjiang, China to explore Business Opportunities
KEPSA members participated in online B2B meetings with the Turkish exporters' assembly	27 th – 29 th May 2020	KEPSA members participated in online B2B meetings with the Turkish exporters assembly to look into both import and export opportunities between Kenya and Turkey
The 127 th session of the China Import and Export Fair, also known as the Canton Fair	Held online from June 15 th to 24 th June 2020.	KEPSA Investment Manager attended and spoke during the virtual launch and KEPSA members were able to attend the virtual EXPO there after
Webinar on Private Sector Dialogue on the US-Kenya Free Trade Negotiations	13 th July 2020: 4.00pm	KEPSA and CCA members both got a chance to interact with decision makers from both Kenya and the US
Virtual International Rawal EXPO 2020	7 th – 16 th August 2020	KEPSA members were able to attend the virtual EXPO
Webinar on the ERTART program	17 th July 2020	ERTART facility provides a coordinated platform of technical assistance through a highly discounted platform to target businesses involved in the three value chains; Food, Health and Education. This platform will involve technical assistance via a triage system of financial restructuring, strategy review and addressing critical operational issues businesses are currently facing. The process will be conducted in part through a match-making service that links businesses to renowned third-party services providers who have committed to providing services on COVID-related issues at highly discounted rates to KEPSA members.

FORUM	DATE & VENUE	OUTCOME
Invest Northern Ireland webinar	1st September 2020	KEPSA members participated in online B2B meetings to look into both import and export opportunities between Kenya and Northern Ireland
The BPIFrance INNO Generation (BIG) Business event, Accor Arena, Paris, France	1st October 2020	KEPSA members attend the forum that was graced by the French President which featured B2B meetings. MEDEF France hosted an exclusive
Turkey-Africa Economic & Business Forum (Virtual)	8 th to 9 th October 2020	KEPSA members participated in the online B2B meetings with their Turkish counterparts to explore business opportunities
Webinar on driving efficiency and competitiveness in manufacturing through technology and innovation in partnership with the Kenya Technopolis Development Authority (KoTDA)	27 th October 2020	KEPSA members participated in the webinar aimed at bringing together key stakeholders in the manufacturing sector to stimulate discussions on opportunities available to catapult the country's Manufacturing Sector while enhancing efficiency and competitiveness in the sector using technology and innovation.
Financing Webinar with U.S. International Development Finance Corporation (DFC)	29 th October 2020	KEPSA members participated in the online meeting to learn and explore means of accessing finance.
Ambition Africa (Virtual)	17 th – 20 th November 2020	KEPSA members participated and attended the virtual meeting as well as the B2B meetings to look into both import and export opportunities between Kenya and France
1st Tunisia Africa E-Business meeting	18th, 19th & 20th November 2020	KEPSA members participated and attended the virtual meeting as well as the B2B meetings to look into both import and export opportunities between Kenya and Tunisia
World Trade EXPO, Handloom Festival -India	17 th October – 15 th November 2020	KEPSA members participated and attended the virtual EXPO as well as the B2B meetings to look into both import and export opportunities between Kenya and India
Asia Health 2020 EXPO	18 th – 20 th November 2020	KEPSA members participated and attended the virtual EXPO as well as the B2B meetings to look into both import and export opportunities between Kenya and the Asian continent.
Webinar on key AFRIEXIM bank products and initiatives to support the AFCFTA with KEPSA members	3rd December 2020	KEPSA members participated and attended the webinar to learn more about the key AFRIEXIM bank products and initiatives to support the AFCFTA.

3.2 STATUS UPDATE ON 2020 SPECIAL PROJECTS

1. KEPSA through its Business Hub with the support of the Embassy of Ireland in Nairobi established the Women in Business Mentorship and training program with a focus of empowering women-led SMEs. One of the 3 turn-key areas identified by the Kenya Private Sector Alliance (KEPSA) for strengthening Kenya's internal macro-economic environment, improving efficiency and creating jobs is developing a cohort of viable SMEs and start-ups that will carry the Kenyan brand into the competitive global arena. Spurred on by this information, KEPSA through its Business Hub with the support of the Embassy of Ireland in Nairobi established the Women in Business Mentorship program. The program aims to empower Women in Business, principally SMEs to grow their business by creating a platform to meet, share, learn and grow. The program has successfully met and exceeded its target of reaching at least 100 Women-led SMEs during each session – we had four mentorship and seven training sessions from experienced business leaders and credible organisations between November and December 2020.
2. KEPSA with the support of the Embassy of Ireland in Nairobi has successfully distributed ten thousand face masks to youth and women led SMEs in its efforts to combat the spread of the Covid-19 virus as well as to enable the SMEs to conduct their day to day business while keeping safe.
3. The Business Hub continues to participate in KEPSA's sustainability agenda through resource mobilization efforts with various partners such as the Irish Embassy in Nairobi.
4. The Business Hub continues to coordinate meetings with the Ministry of Industrialization and Enterprise Development, State Department for the purpose of having the Private Sector participate in the Kenya US FTA negotiations as well as the UK trade talks post BREXIT. Significant progress has been made to create structured and effective participation by the private sector in the process.

FREE FACEMASKS

for
Women & Youth-led
businesses

KEPSA members or members
of a KEPSA Business
Association are encouraged
to apply.

visit: www.smekepsa.or.ke to apply



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04

KEPSA Membership & Communications

4.1 KEPSA MEMBERSHIP

1. New Members

109 members joined in the year in the following categories;

BUSINESS ASSOCIATIONS	8
PLATINUM	4
DIAMOND	1
GOLD	5
SILVER	13
SME	39
START-UP	39

2. Member Activities

New Members Inductions – one physical session was conducted on 5th March and a virtual one on 1st October 2020. The objective is to introduce them to the structure of KEPSA to assist them identify areas of engagement.

During the Covid-19 period, members were supported in the following ways:

a) Essential Stickers

KEPSA issued essential stickers to members to facilitate movement during curfew hours and to lockdown counties.

b) Google-Digital Training Skills for Entrepreneurs

Under this partnership Google supported businesses to set up their Online Business Profiles and get them verified at no cost. Also offered is a complimentary one-pager website for those without.

c) KEPSA/SME Founders Association Partnership

Partnered with SME Founders Association to offer 15 scholarships for MSME members. The program offers strategy clinics to sensitize SMEs to develop strategies to adapt, pivot and thrive.

d) KEPSA / UK-Kenya Tech Hub partnership

The program is aimed at providing SMEs direct linkages with tech start-ups with innovative solutions that can solve their existing problems or unlock new opportunities. The selected SMEs were matched with relevant start-ups in their focus areas to discuss potential areas of synergies with the goal of securing a commercial or partnership deal.

e) Webinars:

- ▶ *USIU - Business Survival Tactics*- Held two sessions on Managing Human Resource in light of Covid-19 and Technology Adoption for SMEs in April.
- ▶ *Value Connect* in May and June held seven sessions on leading through crisis and how to manoeuvre during the Covid-19 crisis.
- ▶ *Kaizen Institute* in May on how companies can better manage the impact of COVID-19, both in the short and long term by investing in Operational Excellence with a laser focus on cutting waste and optimization of all resources.
- ▶ *International Coaching Federation*: In partnership with KEPSA, coordinated participation to a webinar on Coaching and Leadership workshop, held in August.
- ▶ *BASF*- partnered with BASF in June on formulation of disinfectants in the fight against the Covid-19 pandemic.



*National Agriculture Summit -
February 26-27, 2020*

3. Support to New Associations

a) Agriculture Sector Network (ASNET)

In 2019 KEPSA, with support from development partners, led sector-wide dialogue forums with players in the Agriculture Sector to come up with a body to act as the voice of the sector. The dialogues led to convening of the National Agriculture Summit on 26th and 27th February 2020 which culminated in the launch of Agriculture Sector Network (ASNET) which has since been registered as a company limited by guarantee. It will act as the KEPSA Agriculture Sector Board.

So far KEPSA has supported ASNET achieve the following:

- ▶ Operationalising its governance organs including Board, Council, Trustees, Technical Advisors as well as respective committees.
- ▶ Developing a 6-months Rapid Results Initiative (RRI) and secure funding for three-year strategy.
- ▶ Drafting concept notes and funding proposals which have received positive feedback.
- ▶ *Policy Advocacy*

Formation of joint subcommittee with the Ministry of Agriculture, Livestock, Fisheries and Cooperatives which meets every two weeks to resolve issues affecting the private sector. Key gains from these engagements included:

- Classification of agricultural inputs service

providers and food producers / suppliers as essential during the COVID-19 restrictions period.

- Payment of about 60% VAT refunds to the sector
- Permanent removal of PVoC requirement for seeds, agrochemicals and veterinary medicines.

Collation of members' feedback and development of agriculture sector Position Paper on the Kenya- US FTA agreement.

Preparation & collating of members' response on the Tax Amendment Bill 2020 advocating for rejection of introduction of VAT on agricultural inputs.

Preparation & collating of members' response on Crops (Tea industry) regulations 2020 issued by the CS, Agriculture in April 2020. After several meetings with industry players a joint sector position was presented to Agriculture and Food Authority (AFA)/ CS for consideration.

Development of a Position Paper on Restructuring of Agriculture and Food Authority (AFA)

Collation of members' input on Finance bill 2020/21 and submission of proposals to the National Treasury.

Development of a Position paper on the draft Leather policy

Review of the Government sponsored Commodity (Crops) bills

- ▶ Seeking partnership to assist in enhancing policy advocacy for the sector. Key partners include Ministry of Agriculture, Livestock, Fisheries and Cooperatives, AGRA, GIZ, Cooperative Bank, FAO, IFAD and Rockefeller Foundation.
- ▶ Organizing multiple sectoral meetings and webinars.
 - KEPSA/ASNET and MOALF&C Joint Technical Committee Biweekly Meetings
 - KEPSA weekly meetings on Covid-19 response
 - Webinar on Impact of Covid-19 On Feasibility of Kenya Special Economic Zones - Food Processing: 29th June 2020
 - ASNET monthly meetings with KEPHIS
 - Bayer – Crop Science donation of DELTAMETHRIN to the Governments of Kenya and Uganda to fight desert locusts – 3rd September 2020
 - Public-private partnership webinar on transforming the agricultural sector – KTN TV - 22nd July 2020
 - Desert Locust Consultations with Private Sector – Webinar by IFC
 - Factfinding mission on Aflatoxin surveillance at Namanga border post- 29th September 2020

KEPSA will continue supporting ASNET as it builds its capacity.

b) Film Exhibitors and Distributors Association of Kenya (FEDAK)

KEPSA is assisting in formation and incubation of this association that is made up of Cinema owners exhibiting films or related content and Film Distributors. The objective of this association is to promote distribution and film content to cinemas and other platforms.

c) International Chamber of Commerce – Kenya

Hosting of the Incoterms 2020 workshop in February 2020 attended by 41 participants mainly from the banking and legal sectors.

The International Commercial Terms (Incoterms) are a series of pre-defined commercial terms published by the International Chamber of Commerce (ICC) widely used in international commercial transactions or procurement processes.

The first edition of Incoterms was published in 1936 with subsequent editions having been published in 1953, 1967, 1976, 1980, 1990, 2000 and 2010. The 9th edition, Incoterms 2020, become effective in January 2020.

The objective of the workshop was to highlight the revised sections and impart knowledge on the revisions.



Other Activities:

- ▶ Coordination of participation in the WHO/ICC Covid-19 survey where Kenya was among the first ten countries with most respondents.
- ▶ Coordination of members' interactions in the ICC Paris activities through the 11 commissions and partnerships with other organizations. This entails sharing updates, requests for input/comments to various policy documents, invitations to virtual meetings as well as invitations for representation.
- ▶ Coordination of nominating a candidate to arbitrate in a case for parties in Tanzania.
- ▶ Support to The Global Alliance for Trade Facilitation (GATF) by hosting a consultant to coordinate their activities in Kenya and the East African region.

The Global Alliance for Trade Facilitation (GATF) is a public-private partnership organization supporting governments to implement the World Trade Organization's Trade Facilitation Agreement (TFA). The International Chamber of Commerce (The ICC Paris) is one of the lead organisations of the GATF alongside the World Economic Forum ("WEF"), the Centre for International Private Enterprise ("CIPE") and Gesellschaft für internationale Zusammenarbeit ("GIZ"). The Alliance is funded by the governments of the United States, Canada, Great Britain, Australia, Germany and Denmark to support trade facilitation reforms that will deliver measurable results - a clear reduction in the time and cost of cross-border trade for business.

d) Digital Lenders Association (DLAK)

DLAK's main objective is to set ethical and professional standards in the industry, collaborate with policy makers and other stakeholders in addressing industry issues, contribute to knowledge and learning and to drive the overall growth of the digital lending and fintech sector in line with the Economic Pillar of the Vision 2030, MTP III and the Big Four Agenda. DLAK has representatives in the various Sector Boards where they are able to channel their advocacy needs.

The year 2020 has been a difficult year for DLAK members on account of their customers defaulting on loan payments. This is challenging for them in view of the fact that they are not covered by the Credit Reference Bureau (CRB).

e) Online Professional Workers Association of Kenya (OPWAK)

KEPSA has consistently engaged Online Professional Workers Association of Kenya (OPWAK) for the better part of this year. This was informed by KEPSA's role within the AJIRA DIGITAL PROGRAM under the Ministry of ICT that seeks to create a thriving ecosystem for online professionals.

Working with the OPWAK board, there has been weekly sessions to track the progress that they are making against their implementation plan, as well as problem solving with them on challenges that they have experienced.

During this time, KEPSA has served as a sounding board for their ideas and given opinion/guidance on the following areas:

1. Refined the strategic plan for the year and direct support in execution.
2. Support in the set-up of their governance structure.
3. Facilitated advocacy work on behalf of online workers, primarily on the impact of the Digital Service Tax to their industry. This will culminate in a sensitization workshop scheduled for 10th Dec 2020.
4. Exposure to opportunities for participation in the Government's agenda for the sector through several meetings with MoICT, resulting in an invitation to participate in the mentorship work stream of the AJIRA DIGITAL Program.

f) International Relations Society of Kenya (IRSK)

Through KEPSA support IRSK was formally registered in February 2020 and so far, has managed to reach out to about 200 potential members. Formalization of membership is top priority in 2021.

Founding members have been engaging in KEPSA activities and they in turn have kept the potential members engaged through webinars.

4.2 PUBLIC RELATIONS AND COMMUNICATIONS

The PR & Communications Department has been on the mission to build and develop strong relationship and a better understanding between the organization and its publics. This goal has been achieved by effective and efficient communication to members and the external stakeholders, through various channels of communication that exists in KEPSA.

Other than the existing platforms like the daily media watch and the weekly bulletin, we are also glad to report new avenues that we have made available to reach out to our publics in an effective manner especially during the pandemic. These include the Weekly Advocacy Wins edition, Message from the KEPSA CEO and the new video clip series that complement our communication. The KEPSA quarterly magazine has also been revived and will soon issue out a publication after a long break.

1. Media Relations

The department has been engaging the media on different KEPSA activities to ensure favourable coverage in all the local dailies, radio and TV stations. The department has also supported KEPSA Projects and Programmes on the media relations. The cumulative outcome of media coverage is illustrated as follows:

a) Print media coverage

NAME OF NEWSPAPER	NUMBER OF ARTICLES	NAME OF NEWSPAPER	NUMBER OF ARTICLES
Daily Nation	54	The East African	8
The Standard	58	People Daily	22
Business Daily	43	Web	151
The Star	52	Total	388

b) Radio Coverage

RADIO STATION	NUMBER OF MENTIONS	RADIO STATION	NUMBER OF MENTIONS
Capital FM	19	Radio Maisha	7
Kiss FM	2	Kaya FM	3
West FM	4	Bahari FM	2
Kass FM	15	Radio Jambo	21
Kameme FM	4	Egesa FM	1
Milele FM		Chamgei FM	2
Homeboyz Radio	6	Emoo FM	1
Ghetto Radio	1	Ramogi FM	3
Hope FM	9	Radio Nam Lolwe	4
Hot 96 FM	6	Mbaitu FM	2
Citizen Radio	4	Taach FM	1
Classic 105	10	Athiani FM	2
East FM	14	Total	142

c) Television coverage

NAME OF THE CHANNEL	FREQUENCY OF COVERAGE	NAME OF THE CHANNEL	FREQUENCY OF COVERAGE
KBC TV	6	K24 TV	4
Citizen TV	12	Metropol TV	21
NTV	19	1	
KTN News	16	Inooro TV	1
KTN Home	6	Total	86

2. Press Release

This year we issued nineteen (19) press releases as follows:

1. KEPSA Meets Nairobi Senator to Discuss the Capital's Competitiveness (28/1/2020)
2. KEPSA Forms a Committee to Monitor Local Content (29/1/2020)
3. Next Steps to U.S.- Kenya Free Trade Agreement (14/2/2020)
4. Measuring the Economic Impact of Coronavirus on Kenya (28/2/2020)
5. KEPSA to set up a Portal, Call Centre and Economic Impact Framework for Covid-19 Mitigation Efforts (16/3/2020)
6. KEPSA Groups its ongoing Agenda into three Focus areas for Intervention as its Rollouts a 24-Hour Call Centre and Covid-19 Information Portal for Businesses (30/3/2020)
7. Flowers of Hope to Save Thousands of Farm Jobs (30/3/2020)
8. Kenya Sends 300 Bouquets of Flowers to the UK in form of Compassion and to Protect Farm Jobs (24/4/2020)
9. KEPSA & Jumia launch a Digital Commerce Program to Support Kenyan Businesses During Covid-19 (11/5/2020)
10. KEPSA Health Sector Board and Partners Donate to Ministry of Health (14/5/2020)
11. Private Sector Meets NDICC to Discuss Business Continuity Amid Covid-19 Containment Efforts (27/05/2020)
12. KEPSA and Educate Global Enter into a Partnership to Support Women-Owned Businesses and Build the Resilience of Essential Industry Value Chains (22/06/2020)
13. KEPSA Endorses Amb. Amina Mohammed for World Trade Organization Position (22/07/2020)
14. Private Public Partnership to Cushion Businesses (23/07/2020)
15. KEPSA and the Mastercard Foundation launch Fund For MSMES in Kenya Hit by Covid-19 (6/08/2020)
16. KEPSA Reaffirms Commitment to Combating Corruption and Promoting Ethical Practices amongst Members (17/8/2020)
17. KEPSA Supports Government Plans to Lease the Sugar Companies (21/8/2020)
18. KEPSA Hosts Summit on Inclusive Supply Chains and How They Can Be Encouraged and Developed During and Post Covid-19 Pandemic (14/10/2020)
19. Up-Scaling Efforts Towards Revamping National Health System and Mitigating Spread of Covid-19 (20/11/20)

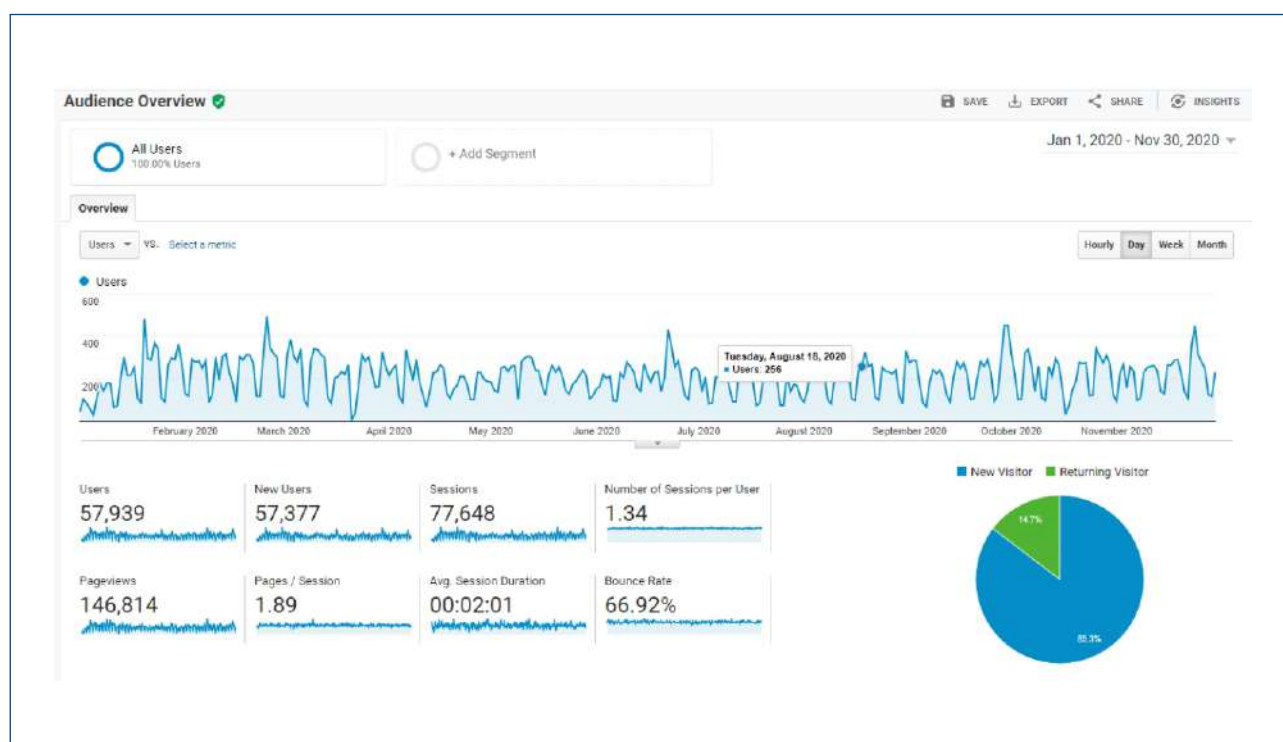
3. Social Media Engagements

The department has continued to engage KEPSA publics through the KEPSA social media platforms by pushing content to solidify visibility and increase social media reach. We have maintained an always-on approach for the KEPSA online owned assets. For the better part of this year, the support has largely been in form of amplification of the KEPSA programmes, as well as live updates during the webinar sessions. The conversations in our social media platforms generated over **533 million impressions** online amassing a reach of **60 million** online in the last 11 months of the year.

In the past 11 months, there have been over **20,000 mentions** of the KEPSA brand online. The various reports released by KEPSA on state of various business sectors impact by COVID-19 have been the most outstanding on social and generating lots of interest. Sentiment around KEPSA year-long was mostly neutral at 79%, positive at 13% and negative at 8%. Most positive tweet this reporting period has been on the various efforts by KEPSA on committing to protect Kenyan employees against job losses and safeguarding SMEs to ensure business continuity.

4. KEPSA Website

We keep on updating our website on a regular basis to ensure that we have relevant content for the users and keep the site as user-friendly as possible. We have also incorporated a feedback tab where users can share their comments. See below year-long metrics of the KEPSA website;



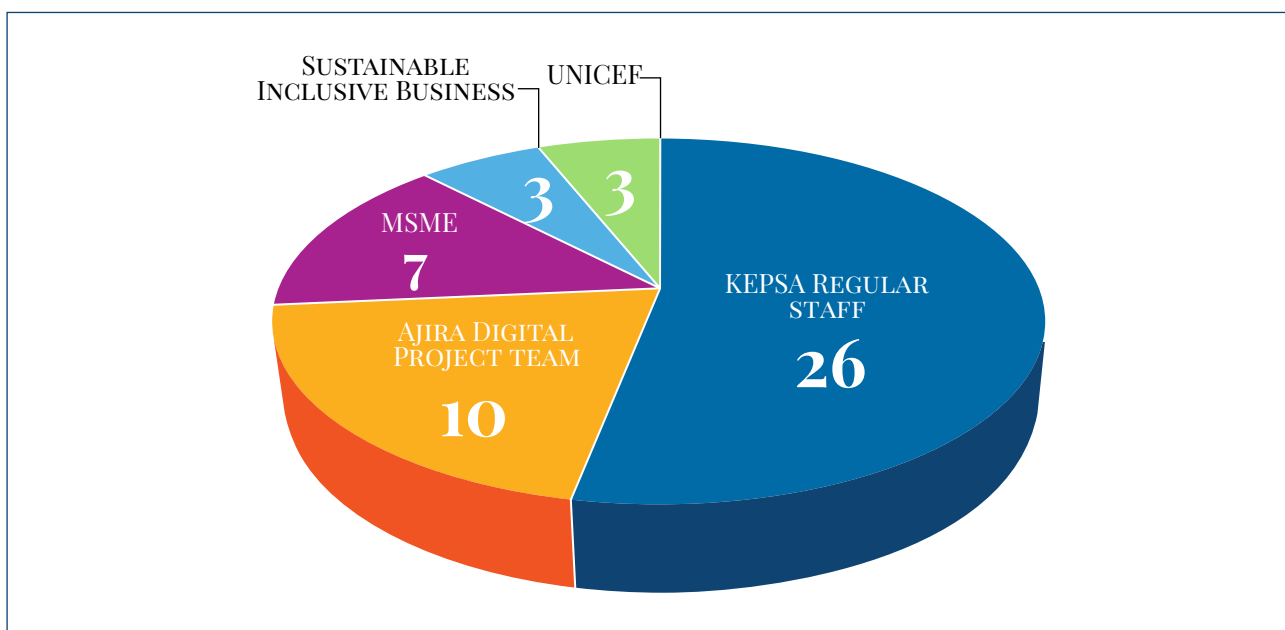
05

Administration & Human Resources

5.1 KEPSA STAFFING

We have continued to strengthen the human resource capacity at KEPSA with support from partners to ensure that the organization has the right team to carry out its mandate in line with the business strategy.

A total of 17 employees were recruited to support with different projects, increasing the number of employees to 49 in 2020 as shown below. An increase of 20.8% compared to 2019. We also had 6 employees leaving the organization within the course of the year, giving attrition rate of 10.9% for the year.



5.2 EMPLOYEE WELLBEING PROGRAMS

These were programs focused on the psychological, financial and physical wellbeing of KEPSA employees to keep them engaged for improved productivity. The programs included; Stress Management, Mental Health in the workplace, Work-Life Balance, Employee Financial Wellness, Coping with grief/loss among others.

Employees also had sessions on COVID-19 workplace safety that is consistent with guidelines from the Ministry of Health and the World Health Organization.

5.3 TRAINING AND DEVELOPMENT

KEPSA fully supports continuous learning and development to shape a more efficient, competitive and engaged workforce for sustainable business and success. 62% of KEPSA staff attended training and development courses within the year, in addition to Financial Management and COVID-19 Return to work trainings that were organized for the whole team.

5.4 EMPLOYEE SUPPORT PROGRAMME

KEPSA recognizes that its employees are a valuable resource and need support to deal with personal problems that might adversely impact their work performance, health and wellbeing. This program is aimed at strengthening employee's effectiveness and efficiency at work and supporting their personal wellbeing. 2020 has been a very challenging year, we lost one of our employees, Ms. Stella Ndirangu, Program Manager - Sustainable Inclusive Business (Kenya) and some employees also lost their family members.

5.5 REVIEW OF THE KEPSA HUMAN RESOURCE (HR) POLICIES AND PROCEDURES MANUAL

The current KEPSA HR policies and procedures manual was last reviewed in 2012. Since then, there have been fundamental changes in the structure of the organization, the Kenya labour laws & regulations and management of the human resource. The changes have necessitated a review and harmonization of the HR Policy in tandem with best HR practices.



KEPSA Staff in a past stress management training

06

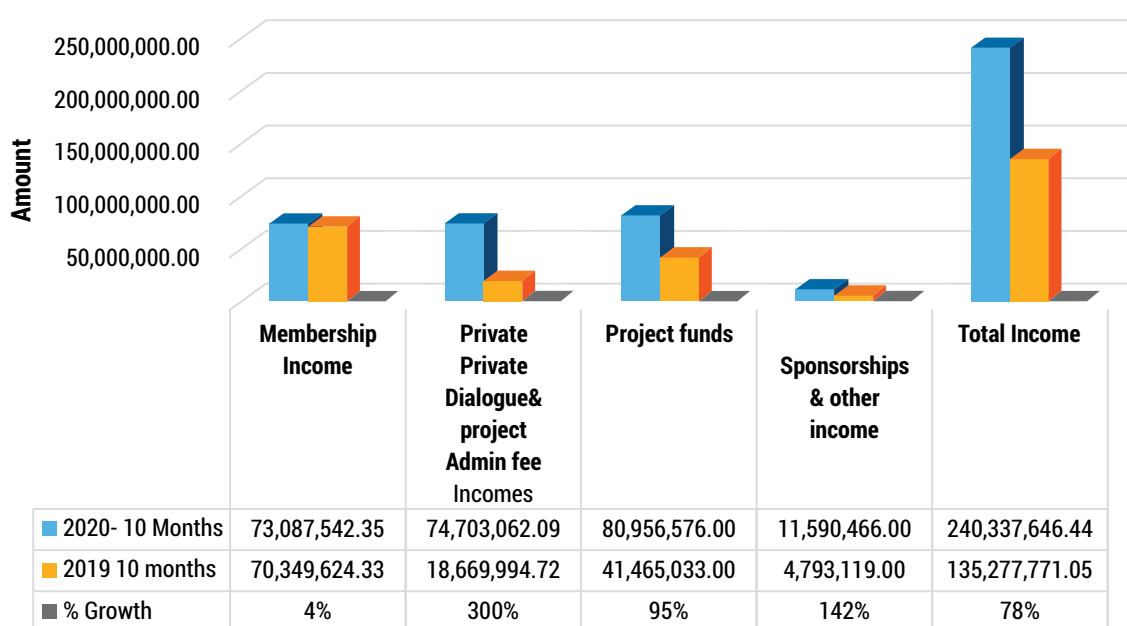
Finance

6.1 INCOME

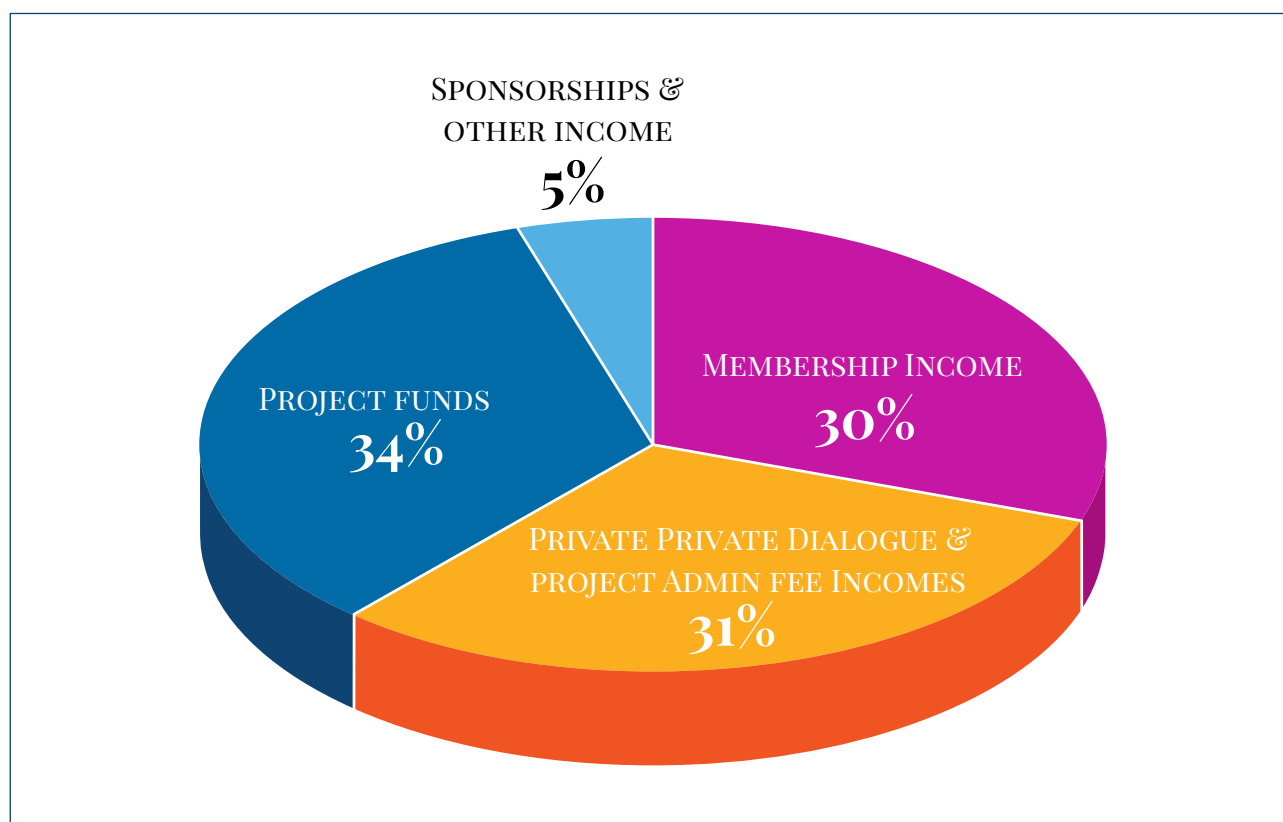
Our income comprises of membership subscriptions, public private dialogue (PPD) funds, Admin fees earned from project funds and other income such as bank interest and sponsorships. The Year 2020 has exhibited good financial performance for KEPSA despite the COVID-19 pandemic that has impacted businesses and the Kenyan economy as a whole. For the 10 months to Oct 2020, compared to the same period in 2019, membership subscriptions grew by 4 %, PPD funds and Admin fee from projects grew significantly during the year.

PPD revenue stream tripled as a result of the ongoing program “Improving Business Environment and Market Access to Enhance Kenyan Trade” as well as admin fees earned on the Ajira Digital program that commenced in January 2020. Projects funds doubled with the signing of 2 new projects- the Ajira Digital project and the MSME Financing facility project. Other income also grew, as some sponsorships were received earlier in the year for some activities before the COVID-19 pandemic hit.

INCOME 2020- 10 MONTHS TO OCT 2020



In the year under review Membership Subscriptions & PPD funds and Project Admin fees matched in percentage of funds that supported the organisation's expenses and core work, PPD.

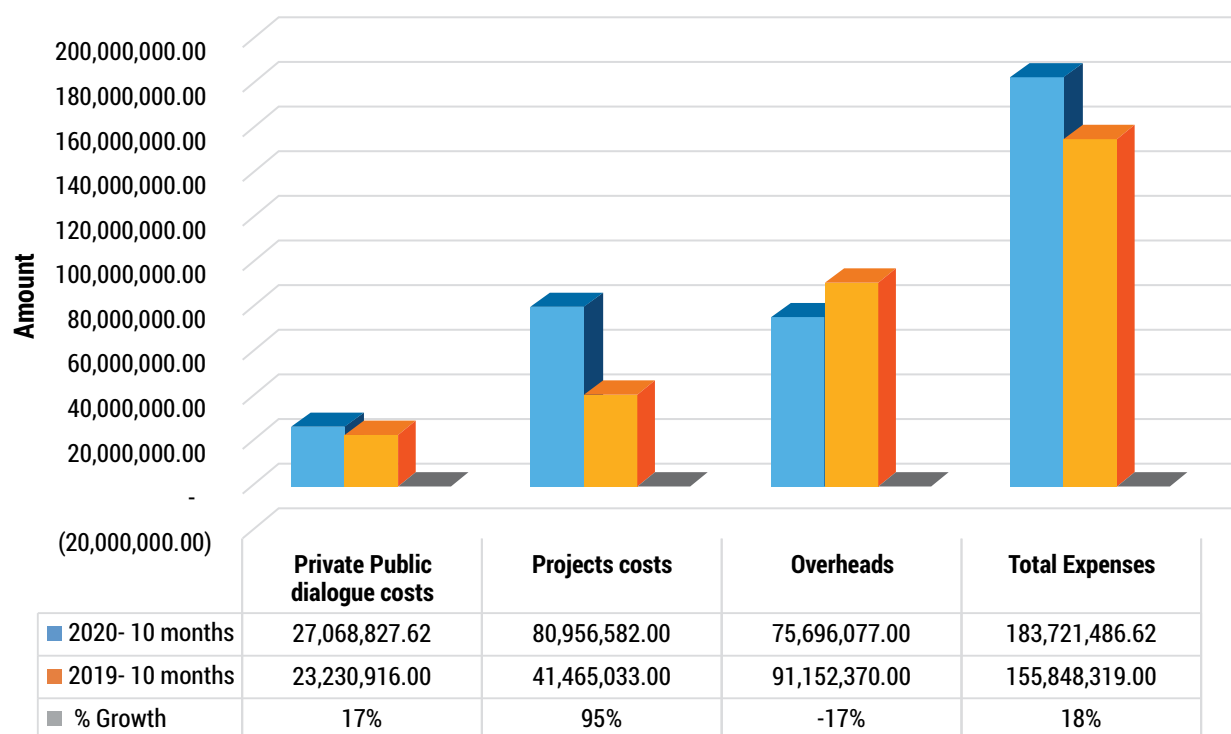


6.2 EXPENDITURES

Our expenditures include; direct project activity costs, public private dialogue (PPD) activity costs and overheads of the organization. KEPSA being a membership organization means that our work is service oriented and thus people intensive and so our major costs go to people. Overheads in 2020 were less than 2019, as we reduced expenses to a bare minimum once the Coronavirus pandemic hit. Direct office costs were reduced significantly with staff working from home. Additionally, we were fortunate to have two new projects signed up within the year despite the difficult business environment brought about by COVID-19. These two projects brought about the blessing of shared overheads, and increased support for shared manpower which had the effect of bringing down the overhead cost that KEPSA bore.

With the signing up of the two projects came increase in direct project costs, these are however fully funded and supported by project revenues. Our PPD work progressed well in 2020, despite the disruption that COVID- 19 caused, we quickly adopted to online engagements with our various partners and stakeholders with great response and interest in the engagements the switch notwithstanding.

EXPENSES 2020- 10 MONTHS TO OCT 2020



Ultimately, we realize that all we have achieved in 2020 would not have been possible without your support and commitment as members and partners who honoured your financial obligations even with the disruption to work and business. We at KEPSA wish to express our gratitude for your continued support and look forward to great achievements in 2021.

07

KEPSA Foundation

The Foundation, as the social arm of KEPSA, continues to carry out its mandate to champion socio-economic transformation of Kenya by devoting its resources to activities that enhance participation by the Private Sector to the economic and social development of the country.

KEPSA FOUNDATION PROJECTS

7.1 SOCIO-ECONOMIC TRANSFORMATION PILLAR:



*Multisectoral Forum Press Briefing -
January 23, 2020*

1. Multi-Sectoral Initiative Against Corruption – National Values

The Multi-sectoral Forum (Initially referred to as the Multi-sectoral initiative against corruption) continues to bring together leaders from the different sectors of our society to engage and partner with the Government on two agendas namely:

- i. Championing the fight against corruption; and
- ii. Promoting Sustainable Development in our country.

Championing the fight against corruption:

Under this, the forum champions good and accountable governance and also partners with the Government and all relevant agencies in the fight against corruption. During this reporting period MSF has continued to give voice to the Anti-corruption campaign and ensured the fight against corruption remains in focus with the media and in public through participation in Webinars, written articles, press conferences and Radio. Some of the activities included:

- ▶ Holding a press briefing to update the public on the progress in the fight against corruption and also address emerging issues around sustainable development including making a statement on the status of Nairobi County.
- ▶ In partnership with the National Anti-Corruption Campaign Steering Committee (NACCSC) MSI participated in Radio interviews talking about **The Role of the Private Sector in the Fight against Corruption during COVID-19**. The interviews took place on Truth FM, Mulembe FM and Radio Citizen.
- ▶ Through the Chair of the Private Sector initiative against corruption, Eng. James Mwangi, KEPSA participated in a Webinar as a panellist at the 2020 Strathmore University Ethics Conference whose theme was **Promoting Ethical Behaviour: Do Good, Be More, Fight Corruption**, specifically talking about *Financial Integrity*.
- ▶ Working with Kenya Leadership Integrity Forum towards the commemoration of the International Anti-corruption Day on December 9th, we submitted a write up on private sector actions against corruption that formed part of the targeted communication that was shared in the build up to the International Anti-corruption Day.
- ▶ Marking the International Anti-corruption Day, in collaboration with Blue Company and The KEPSA Governance and Leadership committee, we held a Webinar on **Good Corporate Governance and Ethical Leadership in Combating Private Sector Corruption**.

Promoting Sustainable Development:

Key action areas identified under this agenda include;

- ▶ **BBI Process** – Engagement on the BBI process where the Forum undertook the review of the BBI Taskforce report by the various sectors ensuring inclusivity and subsequently the consolidated submissions were presented to the BBI Taskforce Report Committee on 13th February 2020. Covered live on media, the submissions shifted focus from a political angle to key issues affecting the citizenry at large.
- ▶ **COVID-19 Humanitarian support** – COVID-19 response was identified as a key action area under the banner of PAMOJA IMARA Humanitarian response.

2. Pamoja Imara Humanitarian Response

PAMOJA IMARA is a humanitarian support platform convened by the Multi-sectoral Forum for COVID-19 response as well as post COVID-19 period. It brings together members of the different sectors as well as organizations involved in humanitarian aid to synergize efforts towards offering humanitarian support during the COVID-19 crisis. Key areas of intervention identified include humanitarian food, Personal Protective Equipment (PPE's), Water and Sanitation and Psycho-socio support.

Additionally, it seeks to create a long-term platform on collaboration and information sharing for the Multisectoral forum and humanitarian organizations in Kenya to have a shared vision and united in purpose around humanitarian response.

Achievements:

- ▶ We onboarded new partners on to the Pamoja Imara Platform through a Partners Forum induction webinar held on 23rd June 2020. The forum brings together like-minded individuals with an interest in humanitarian support and programmes who will form the support base in cash or in kind.
- ▶ Development of a three-year strategy document that will guide the activities moving forward.
- ▶ Development of a distribution platform - a sponsor/recipient voucher management system (using mobile phone cash transfer system) that will provide linkage for those who are in need and those who want to support.
- ▶ Creating opportunities among the members to undertake joint activities e.g. GARRA in collaboration with KRCS held a food distribution for 300 Garden Estate Primary School parents coming from the informal sector in Marurui, Makau, Githogoro and Githurai. Women representatives from KEPSA in Partnership with Chandaria Foundation distributed food to 120 domestic workers living in Mathare, Githogoro, Kawaida and Ngomongo
- ▶ Provision of thought leadership through a Webinar on "Reflections on Strategic Humanitarian Response to COVID-19" held in the month of October. The Webinar brought together key humanitarian organizations that were involved in the COVID-19 response and was able to look at what was done, challenges faced, lessons learnt and recommendations moving forward/ what next.

3. Better Business Practices for Children – Children Welfare



The UNICEF funded project, Better Business Practices for Children, aims at leveraging and scaling up private sector intervention in line with the National Initiatives of promoting and improving Maternal, Infant and Young Child Nutrition practices. Phase III of the project involves reaching out to women in low urban settlement with key MIYCN messages in a bid to ensure improvement in the health and nutrition outcomes of women and children.

The year 2020 achievements of the project under phase 111 implementation include:

- ▶ Undertook validation of the findings of the baseline study and finalized the report for dissemination among partners. The purpose of the baseline study was to generate information against which to monitor and assess the progress and effectiveness of the program and further inform the implementation of the program. The study findings revealed significant gaps in knowledge, attitudes and practices among women with regard to Infant and Young Child Feeding (IYCF) with the main factors affecting MIYCN practices being; job demands, lack of breast-feeding spaces, illnesses like cancer and HIV, inadequate breast milk, getting the next pregnancy too soon, and inadequacy in effective communication forums to communicate MIYCN information at community level for majority of the women. The study found out that it is imperative to reach out to agro- processors and food marketers and equip them with the right information on proper complementary feeds that they should be providing to mothers.
- ▶ In April, BBPC Project Advisor, Ms. Gloria Ndekei participated in a KEPSA led webinar that brought together participation from both private and public sectors focusing on discussing how children, youth and women are impacted by COVID-19.
- ▶ The webinar highlighted that COVID-19 will likely escalate nutrition and health challenges facing women and children, especially those who live in low-income settlement areas given the poor pre-COVID nutrition status in these areas. Additionally, it was observed that children are likely to bear devastating long-term negative impact in spite of milder COVID-19 symptoms and lower mortality rates from family stresses, vulnerability and psychosocial distress.
- ▶ In order to mitigate the negative effects related to COVID-19 on infants and young children especially among the low urban and rural settlers, the BBPC project created awareness by developing and disseminating key MIYCN messages through the use of Radio. This was with an aim to remind the mothers, families and communities of the importance of following the appropriate feeding practices as well as ensuring they access the required health care especially for infants and children. The project engaged 8 of its champions to translate and record the messages in the different national and vernacular languages namely; English, Kiswahili, Kamba, Kikuyu, Luhya, Meru, Luo, and Kalenjin.
- ▶ The program partnered with other stakeholders to plan for the annual World Breastfeeding Week that was observed on 1st to 7th August 2020 under the theme "Support breastfeeding for a healthier planet". The planning and observance of the WBW was spearheaded by the Ministry of Health, Human Nutrition and Dietetics Unit and UNICEF. Through this platform, KEPSA showcased its contribution in ensuring the realization of improved children welfare within the Private Sector through championing various policies. i.e. Breast Milk Substitute (Regulation and Control) that became law in 2012 and also advocated for the enactment of the Health Act 2017 in collaboration with the Ministry of Health and Parliamentary Health Committee, which provides a legal framework for the establishment of the lactation stations and allowance of breaks at the workplace for breastfeeding.
- ▶ Through its Technical Advisor, Ms. Gloria Ndekei, the program engaged the Nairobi Metropolitan Services (NMS) in regards to establishment of a Crèche and Lactation station as part of greater work that KEPSA has embarked on in the market enhancement at Uhuru Market. This will contribute to attainment of the broader objective of strengthening urban services and infrastructure in the Nairobi metropolitan region in the flagship projects.

4. Natural Capital Network – Environment

KEPSA Foundation has been promoting the formation of the Natural Capital Network over the last one year. The sector plays a role as one of the sectors in Kenya's economy and creating employment. Hence the need for a unified advocacy organization to champion the interest of the entire ecosystem and partner with the Government to propagate economic development.

This will be achieved through; enhanced pro-sector policies to spur tourism productivity for environmental and wildlife conservation, increased conservation of rivers, dams, lakes, and water towers, and enriched implementation of various policies, at the National and County Government level.

The Network will draw its membership from;

- ▶ Tourism Bodies
- ▶ Cultural Associations
- ▶ Wildlife Conservation, Forest and Environmental Conservation
- ▶ National World Heritage Sites,
- ▶ Water, Water Towers, and Rivers Conservation
- ▶ Aqua and Marine Life Conservation
- ▶ Climatic Change, Renewable Energy/Green Energy

- ▶ Mineral sector
- ▶ Ornithology
- ▶ Research Institutions
- ▶ Faith-Based Organizations
- ▶ Finance, Trade, and Investment

The Network has successfully:

- ▶ Formed a steering committee with 30 members to spearhead the formation of the Natural Capital Network.
- ▶ Mapped out organizations within the Natural Capital space including; National Government, County Governments, and State Corporations.
- ▶ Conducted two virtual stakeholder workshops to onboard mapped stakeholders to champion conservation and preservation of nature, bringing the entire Natural Capital sector to generate cooperation and improve collaboration and management of natural resources.
- ▶ Commenced development of 3-year strategy.
- ▶ Commenced Development of Natural Capital Technical Background Paper. This will help enhance the knowledge on Natural Capital and complement the current concept paper.

5. Nairobi for Africa – Social Impact

The Nairobi Forum seeks to influence initiatives towards enabling Nairobi become the number one city to live, work and invest in Africa, rising to be at par with other world class cities. It aims to bring people (the community) who are interested in enhancing the city together while giving those already undertaking activities to better the city a platform to collaborate, leverage and synergize. It will work with the community to create initiatives that don't exist, endorse and amplify those that exist and replicate the good ones.



Currently the Nairobi Forum is focused on two key areas:

a) Leadership and Culture Change – Developing a pilot leadership training program to be implemented during the first half of 2021 targeting:

- ▶ Rising leaders in their professions and community who are eager to grow.
- ▶ Dedicated volunteers for non-profit organizations and civic activities.
- ▶ Community-minded citizens who aspire to take up decision-making roles in organizations.
- ▶ Nairobi county leaders who reside within its boundaries

We held an Informative webinar on the Leadership Programme on 3rd June that enabled the team to get feedback from key stakeholders on the leadership training programme and test its viability

b) Identifying and engaging key stakeholders within the community to form working groups around the specific sectors to steer the initiative towards achieving its objective. Towards this:

- ▶ The Nairobi Forum held '**The Nairobi Forum Annual Summit**' on 29th - 30th October 2020. This coincided with the World Cities Day celebrated on 31st October 2020. The event brought together key stakeholders and provided a platform for likeminded citizens to re-imagine the city of Nairobi as a vibrant and liveable city.

6. Africa Venture Philanthropy Alliance (AVPA) – Social Impact Investment

The Foundation has been actively involved with the KEPSA Foundation Chairman chairing the Board of the Strategic Advisory Group. Achievements include

- ▶ Fully operationalizing the office, but with the Foundation continuing to hold and manage the AVPA main bank account
- ▶ Developed and adopted a 6-month strategy up until end of 2020
- ▶ Held regular webinars to sensitize on social impact investment during this COVID-19 season. These have been broadcast Africa wide.

7. Kilimani Police Station Redevelopment Project – Security

In the spirit of enhancing investment in community security and police welfare through public-private partnerships, the Kilimani Police Station Redevelopment Project continues to bring together the government, businesses and community of Kilimani to work together to rehabilitate the police station in order to provide a conducive environment for police officers to undertake their duties in.

In the first quarter of the year, an active fundraising process was put in place. Key strategies used include:

- ▶ adopting of a brick at Kshs.1,000/= per brick for individuals,
- ▶ adopting a brick for the whole family at Kshs.1,000/= per family member (for resident mobilization),

- ▶ adopting a brick at Kshs. 1,000/= for each employee for the entire organization,
- ▶ direct cash donation commensurate with one's capability, through to picking particular budgetary item and fully financing it
- ▶ giving in kind support that has direct value to the whole project campaign

Through these strategies the project received financial support from CPF Financial services and a commitment to donate a basic first aid container clinic; Syngenta, with support towards a garden and technical expertise in setting up the garden at the Police station; and Pacific Insurance, which included the offer of office space for committee and planning meetings.

8. Gender focused initiatives



- ▶ In September, KEPSA Foundation, KEWOPA, COWA, ENA and Kenya Pipeline Company hosted a workshop on **“The Space for Women in National Resource Sharing and Budget Making Processes”**. The overall objective of the workshop was to enhance the capacity for female Members of Parliament at the National level by enhancing the representation, participation and inclusion of women in resource allocation and management; strengthening the capacities of KEWOPA members to influence policies and development of the budget making process; strengthening partnership of Women Parliamentarians and Women Leaders in championing gender related budgetary allocations; ensuring women's political representation is linked to resources and economics; and engendering the Budget Process and in particular the Covid-19 Economic Recovery Stimulus Programmes.
- ▶ In August, the Foundation in collaboration with Common Women Agenda (COWA) and Echo Network Africa (ENA) co-hosted a Dialogue Meeting of Women Leaders to discuss the **Two Thirds Gender Rule** and the Proposed Biashara Fund.
- ▶ In November, KEPSA Foundation in partnership with the Women's Economic Hub at the African Women's Studies Centre (AWSC) (UON) and Coalition on Women Agenda (COWA), co – hosted a virtual meeting to discuss the findings of the study on **'Making Policies Work for Women: Unlocking the Potential of AGPO for Women's Economic Empowerment'**. The meeting further made input to the recommendation for informed and enhanced policy and advocacy around AGPO.

9. Beacon of Hope Centre in Ongata Rongai

The KEPSA team got an opportunity to undertake a mentorship session for a group young mothers before presenting a donation of food and sanitary towels to the group.

Beacon of Hope is a non-governmental organization that focuses on bringing hope and catalyzing sustainable transformation by uplifting the spiritual, physical, economic and social well-being of vulnerable individuals, families and communities.



Staff Visit At Beacon Of Hope -
August 21, 2020

7.2 KNOWLEDGE PILLAR:

1. Sustainable Inclusive Business



Coast Fair For Sustainable Waste
Management

The Sustainable Inclusive Business Kenya (SIB-K); a project funded by the Embassy of the Kingdom of the Netherlands (EKN) is currently in its 3rd phase (2019-2022) which seeks to promote the adoption of an integrated approach among businesses that incorporates finding a balance between people, the environment (planet), and profits.

The integrated approach combines people, planet, and profit as the core of doing business, this concept is fairly new and is largely applied by multinationals. The project, therefore, aims to increase awareness and increase the adoption of sustainable business models. Sustainable Inclusive Business works with the Private sector, Non-Governmental Organisations (NGOs) and the Civil Society, to create a mind shift from the contemporary CSR practices to innovative business solutions which contribute to sustainability and inclusion of women, youth, persons with disabilities and people at the Bottom of the Pyramid (BoP), in business value chains, and the reduction of negative impact on the planet. Achievements during this period include:

1) Increase awareness, knowledge and social dialogue on the importance and opportunities of Corporate Social Responsibility (CSR) sustainability and inclusiveness amongst Small & Medium Enterprises (SMEs) and corporates.

- ▶ Three trend reports were published on single-use plastic, e-waste management in Kenya and circular economy. Five businesses cases were highlighted within the trend report. Two policy briefs were documented on EPR Regulations 2020 and the National Waste Management Policy.
- ▶ Conducted three key workshops on E-waste management, Single-Use plastic and Supply Chain Management. The webinars showed an increased awareness on policy hence change in operations through a poll that was conducted.
- ▶ In the fight against COVID-19, we launched a Business Community Partner Up platform which linked organisations undertaking various response initiatives to share activities, leverage and synergize efforts towards a common good. Twenty organizations listed on the platform, reporting positive feedback as a result of connections received. The platform created an opportunity for businesses with an ask/need to partner with businesses or institutions that have the capacity to purchase a product or support an initiative during the COVID-19 period.
- ▶ During this period the project had 8 TV features and interviews, 4 Newspaper articles published focused on increasing awareness on the Single Use Plastic ban and 2 on business resilience during the pandemic and a response to the projected impact of the USA-KE free trade agreement on the environment as a result of reversed gains in addressing plastic waste. The dailies have an average circulation of 8000 newspapers per day, this amounts to a reach of 64,000 people. The articles focused on the need to reduce the disposal of plastic in the environment, the resilience of businesses during the pandemic, climate change, policy and regulations.
- ▶ SIB-K moderated and/ or spoke in 13 events; a workshop on E-waste, Waste to Value Accelerator Program organized by the Best Sellers Foundation; The Eco-Warrior awards; KOEE Litter Less Online Forum; A webinar on sustainable procurement with SSP; A Waste management business forum organized by the Strathmore Business School; Training during the implementation of the COAST Project; Review of Dutch policy on Responsible Business Responsibility; Webinar on Single Use Plastic; Webinar on the EPR 2020 Regulations; SNV's Research webinar on the impact of COVID-19 on food systems; and a webinar on Sustainability in the Wake of Covid-19: Perspectives from Business, Higher Education, Utility Management, Waste Management organized in collaboration with the Committee on Fiscal Studies (CFS) and the Global Challenge Research Fund (GDRF) one health initiative.
- ▶ The 2020 SIB-K annual conference was hosted on the 18th of September 2020, with a total of 230 registrations. Discussions were geared towards the shift to a Circular Economy as well as opportunities and risks presented to the private sector. The virtual event was attended by; Amb. Maarten Brouwer, Amb. Simon Mordue and Amb. Erik Lundberg and Dr. Ayub Macharia, Ministry of Environment and Forestry. Ms. Carole Karuga, our circular economy champion, led the call to the private sector to support the shift from a linear to a circular economy.

2) Expanded and strengthened application of sustainable inclusive business principles, strategies and practices within businesses and organizations (small, medium and large).

- ▶ A Producer Responsibility Organisation (PRO) business model, was developed in partnership with the Kenya Association of Manufacturers (KAM). The development of the business model paves way for the establishment of the Kenya Extended Producer Responsibility Initiative (KEPRI) which will focus on the plastic waste stream. The assessment of the institutional gaps provided a guide on the areas in terms of institutional strengthening leading to the drafting of a roadmap. This initiative supports the implementation of the Environmental Management and Coordination (Extended Producer Responsibility) Regulations 2020. A total of 33 companies gave a commitment to be part of the producer responsibility organisation.
- ▶ The SIB-K team participated and contributed in the development of the waste management bill in addition to development of the Single Use Plastic Action Plan. The bill is still under consideration by the cabinet. SIB-K's participation on the Environmental Sector Board led to the development of the Circular Economy sub-sector board. This sub-sector will contribute to the development of new policies and revision of existing ones to include policies that encourage circular economy practices. SIB-K is working closely with Ministry of Environment and Forestry in supporting the review of the Environmental Management and Coordination (Extended Producer Responsibility) Regulations 2020.





1) Partnerships

- ▶ SIB-K partnered with Women Win to collaborate in holding knowledge sharing sessions with a focus on the sustainability of the flower sector as well as the support required to ensure the resilience of women business owners in the sector.
- ▶ SIB-K in collaboration with the French Embassy implemented the Creating Opportunities and Alleviating poverty thorough Sustainable Trade (COAST) project in Mombasa. The objective of the project was to empower women and youth to harness their entrepreneurship skills, enhance access to financing, and begin micro and small businesses based on sustainable waste management models. The training program sought to support women and youth to take advantage of income-generating opportunities arising from sustainable waste management. A total of 101 women and youth were trained on the waste to value concept. Out of it, 19 business cases relating to waste management were developed, from which 13 were awarded seed funding.
- ▶ The SIB-K team submitted a proposal on the Kenya Plastic Pact to the Waste and Resources Action Programme (WRAP) team. The initiative proposes to complement ongoing initiative to reduce the disposal of plastics by working as a facilitator to champion the redesign of products, reduction of use, collection, and recycling of products made of plastic.
- ▶ The Netherlands Enterprise Agency (RVO) approved a project to support the development of a Producer Responsibility Organization (PRO) business plan. The project was implemented in collaboration with the Kenya Association of Manufacturers.

KEPSA Projects

8.1 AJIRA DIGITAL PROGRAM – YOUTH DEVELOPMENT



*Ajira Programme Launch Meeting –
January 29, 2020*

The Government of Kenya, through the Ministry of ICT, Innovation and Youth Affairs (MoICTIYA) in collaboration with Mastercard Foundation Young Africa Works Program, and in partnership with KEPSA and E-Mobilis rolled out the third phase of Ajira Digital Program in 2020 to bridge the gap between skills demand and jobs by introducing young people to digital and digitally enabled work and provide the tools, training and mentorship needed for young people to work and earn an income with dignity.

Implementation of the Ajira project initiative has been in 3 phases. Phase 1 implemented in 2017 focused on training and mentorship of youth on digital work that led to creating awareness and access to online work. During the phase, a total of 7,168 youth were trained of which 57% were connected to online work and job opportunities. The second phase implemented in 2018/19 focused on promoting the benefits of outsourcing digital work to the private and public sector thereby contributing to tackling the huge youth unemployment in Kenya.

The third phase started in January 2020. It aims to link 2 million youth across Kenya to digital and digitally enabled work by 2022 through implementation of five program areas; Program 1 and 2 focus on training youth with digital skills, Institutions of higher learning including TVETS and supporting the Ajira youth empowerment centres (AYECs) to provide necessary infrastructure to enable youth to access digital work; Program 3 aims to increase digital and digitally enabled jobs from the public sector by supporting the government to digitize its operations and outsource work. Its anticipated that digitizing the public sector will create employment opportunities, improve service delivery, increase efficiency and in the long run boost economic growth. This is currently being piloted through the Judiciary whereby they are outsourcing its transcription services and supporting digitization of courts. The pilot will provide a model to be adopted by the Government to facilitate the outsourcing of work to online workers. Program 4 encourages private sector engagements to create digital and digitally enabled job opportunities by creating a conducive ecosystem for the private sector to create digital jobs as well as supporting the growth of MSME and local platforms in creation of digital opportunities; Lastly, program 5 will aim at revamping the current Ajira portal thus enabling it to be interactive, effectively connecting employers to online workers as well as ensuring it hosts the digital curriculum for self-paced learning. KEPSA is spearheading interventions under program 3, 4 and 5 while program 1 & 2 interventions are implemented by E-Mobillis.

Achievements:

PROGRAM 3: E-GOVERNMENT

- i. A total of 328 young people were trained on transcription, out of which 108 youth were provided with job opportunities under the judiciary transcription exercise through two BPO companies, Adept agencies and Stepwise Daproim. So far, a total of 5,951 transcripts amounting to 1021 audio hours have been submitted to judiciary. Its anticipated that this will increase efficiency and turnaround time within the judicial processes thereby improving delivery of justice.
- ii. The initiative has also supported the recruitment of 683 youth who will support the data entry and scanning of judicial records. This will go a long way in supporting the court digitization process throughout in the 683 courts country wide. The data entry exercise is being supported by Stepwise Daproim and will provide important lessons to be incorporated in a blue print that will provide the structure of outsourcing government digital work.
- iii. The program has also supported the development of a sustainability plan for the judiciary transcription work. The framework provides a structured way of ensuring the continuation of transcription through public and private partnership (PPP) leading to outsourcing of digital work and provide job opportunities to the youth.

PROGRAM 4: PRIVATE SECTOR

- i. During the period, a total of 5,298 youth have been linked to digital and digitally enabled jobs through various private sector players, e-commerce and local online job platforms.
- ii. The initiative also supported the growth of local online platforms by providing necessary technical and infrastructure capacity building as well as linkage to financial providers. KEPSA has signed MOUs identifying areas of cooperation and support for 7 Local online job platforms. The companies include; Wowzi, Range, Errands Guy, G-ajiri, Tru-link, MZIZZI, Twiva and Fastagger.
- iii. The program is also supporting the growth of e-commerce platforms and linking youth to job opportunities that the sector presents especially during the pandemic. Currently, the program has a partnership with Range, Skygarden, JForce, Mums Village, Tuskys and Jumia whereby youth are being onboarded to these platforms as marketers and supporting Micro businesses to set up online shops.
- iv. The program has continued to strengthen the capacity of Online Professional Workers Association of Kenya (OPWAK) that is aiming to be the voice of online workers in Kenya and is currently being incubated at KEPSA. The program has built the capacity of the organization on Governance, operations and financial management. It has also improved their visibility, improving mobilization and advocacy efforts to be able to achieve their objectives.

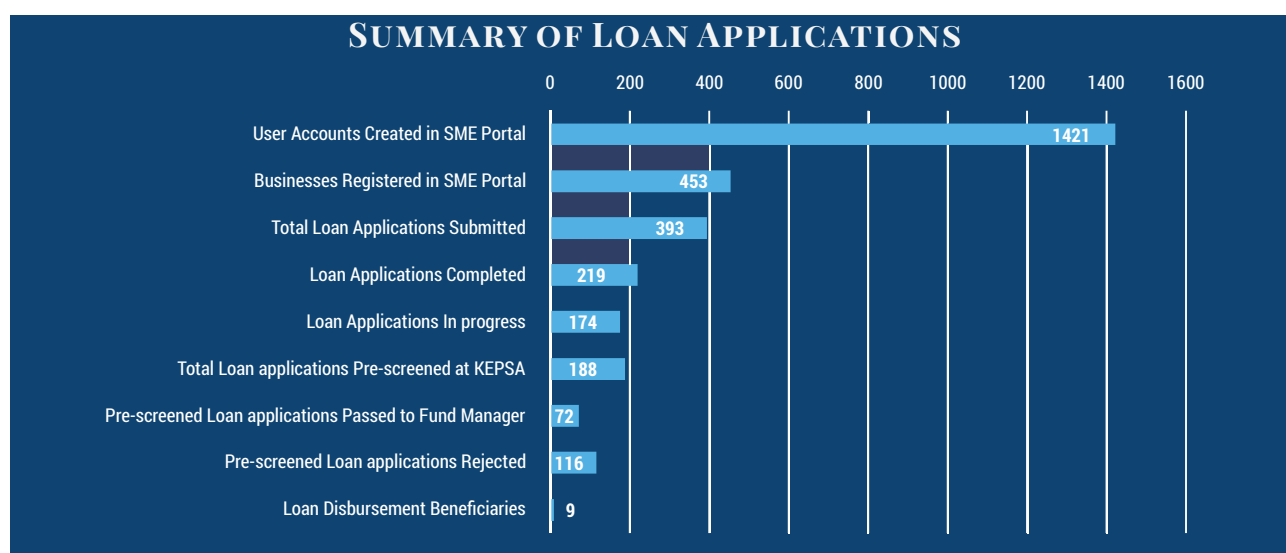
PROGRAM 5: REVAMPING THE AJIRA PORTAL AND E-LEARNING CURRICULUM DEVELOPMENT.

- i. The program has finalised the contacting of ABNO systems, the company will spearhead the revamping of the portal and several sprints that will see the revamping of the systems to be able to provide interactive mechanisms between employers and online workers.
- ii. During the period, several engagement meetings were with the stakeholders in the education sector collecting views and suggestions on the online digital e-curriculum that will be hosted by the portal enabling self-paced learning and certification.

8.2 MSME COVID-19 RESILIENCE AND RESPONSE PROGRAMME

This project was established to support MSMEs recovery, resilience and catalyse growth during and post the Covid-19 pandemic.

The following are the achievements and key highlights of the MSME Department for the year 2020:



- MSMEs Loan applications & Disbursements** – We are issuing two types of loans; Micro loan (Ksh100,000-500,000) and SME loan (Ksh500,001-1,500,000). A combined micro loan of Ksh2,910,000 has been disbursed to nine businesses have benefited from the MSME Covid-19 loan facility. There are a total of 361 loan applications at different stages of review by the fund manager. The program targets to issue 400 businesses affected by COVID-19 with short-term loan facilities.
- Creation of the KEPSA SME Portal** - Set up and modification of a portal to support in applications and initial pre-screening – We have developed the SME portal that is supporting in loan applications, trainings and communications. The portal is also helping to develop a database of SMEs. The portal went live on 28th September 2020 whereby people could access the portal, create accounts, register their businesses and apply for the loans. Currently, there are 429 businesses registered and 1271 accounts created in the portal.
- Training and mentorship** – A business recovery hub was established to support MSMEs by providing business development services. In partnership with the SME Support Centre (SSC), 976 participants have participated in the mentorship and training sessions.
- Research and learning** – To cement KEPSA's position as a thought leader in private sector development, a survey on the socio-economic impact of COVID-19 on women-led and owned MSMEs was undertaken targeting 1225 respondents comprised of youth and women and the results are expected to be out before the end of year 2020.
- Strengthening capacity at KEPSA to offer dedicated Gender programming** – The department with the support of the Gender Specialist is the process of developing a gender policy, strategy, and advocacy framework. The policy will provide gender technical guidance during project implementation.

APPENDIX 1

KEPSA Members 2020

BUSINESS ASSOCIATIONS

1	Agricultural Council of Kenya	19	Digital Lenders Association
2	Agricultural Employers' Association	20	Domain Registrars Association of Kenya
3	Agriculture Sector Network	21	East Africa Petroleum Transporters Association
4	Agrochemicals Association of Kenya	22	East Africa Private Equity & Venture Capital Association
5	American Chamber of Commerce of Kenya	23	East African Tea Trade Association
6	Association of Consulting Engineers of Kenya	24	Electronic Cargo Tracking Systems Providers Association of Kenya
7	Association of Gaming Operators - Kenya	25	Environment Institute of Kenya
8	Association of Kenya Feed Manufacturers	26	Event Managers Association of Kenya
9	Association of Kenya Insurers	27	Federation of Kenya Employers
10	Association of Practitioners in Advertising	28	Film & Exhibitions Distribution of Kenya
11	Association of Women in Energy Extractives	29	Institute of Certified Public Accountants of Kenya
12	Automobile Association of Kenya	30	Institute of Certified Secretaries
13	British Chambers of Commerce Kenya	31	Institute of International Auditors
14	Car Importers Association of Kenya	32	Institute of Quantity Surveyors of Kenya
15	Chartered Institute of Arbitrators (Kenya Branch)	33	Institution of Engineering Technologists and Technicians
16	Clean Cooking Association of Kenya	34	Institution of Engineers of Kenya
17	Creative Society of Kenya	35	Institution of Surveyors of Kenya
18	Delegation of German Industry and Commerce of Kenya	36	International Chamber of Commerce-Kenya

37	International Relations Society of Kenya	63	Leasing Association of Kenya
38	Kenya Agribusiness and Agroindustry Alliance	64	Marketing & Social Research Association
39	Kenya Association of Air Operators	65	Meat & Livestock Exporters Industry Council
40	Kenya Association of Independent International Schools	66	Nairobi Institute of Technology
41	Kenya Association of Manufacturers	67	National Association of Private Universities in Kenya
42	Kenya Association of Pharmaceutical Industry	68	Oil and Gas Contractors Association
43	Kenya Association of Travel Agents	69	Online Professional Workers Association of Kenya
44	Kenya Association of Women Business Owners	70	Organization of Women in International Trade (Nairobi Chapter)
45	Kenya Association of Women in Tourism	71	Petroleum Institute of East Africa
46	Kenya Auto Bazaar Association	72	Pharmaceutical Society of Kenya
47	Kenya Bankers Association	73	Protective Security Industry Association
48	Kenya Forex & Remittance Association	74	Public Relations Society of Kenya
49	Kenya Healthcare Federation	75	Retail Trade Association of Kenya
50	Kenya Institute of Supplies Management	76	Roads & Civil Engineering Contractors Association
51	Kenya Motor Industry Association	77	Seed Trade Association of Kenya
52	Kenya Oil & Gas Association	78	Shopping Centres Association of Kenya
53	Kenya Private Schools Association	79	SME Founders Association
54	Kenya Property Developers Association	80	Social Enterprise Society of Kenya
55	Kenya Renewable Energy Association	81	Society of Crop Agribusiness Advisors of Kenya
56	Kenya Security Industry Association	82	Technology Service Providers of Kenya
57	Kenya Ships Agents Association	83	The Architectural Association of Kenya
58	Kenya Tea Growers Association	84	The Kenya Flower Council
59	Kenya Tourism Federation	85	Town and County Planners Association of Kenya
60	Kenya Transporters Associations	86	Trade Link Association of Kenya
61	Kenya Women Teachers Association	87	United Business Association
62	Law Society of Kenya		

CORPORATE ORGANIZATIONS

1	Abraham Energy Limited	29	Beaurick General Supplies Ltd	57	Chandaria Group
2	Actis Kenya Limited	30	Bechtel-BNT Construction & Engineering Kenya Limited	58	Chawang Engineering Enterprises Limited
3	Adrian Kenya Limited	31	Bedi Investments	59	Chipukizi VOD Cooperative Society
4	Africa Digital Media Institute	32	Beyond Borders Limited	60	Christ Community School
5	Africa Practice East Africa Limited	33	Bidco Africa Limited	61	Citibank N.A
6	Agri Experience	34	Biogas Holdings E.A. Limited	62	Citrus Labs Limited
7	AIG Kenya Limited	35	Bismart Insurance Agency	63	CMA CGM Kenya Limited
8	Airtel Kenya Limited	36	Biznegize Limited	64	CMC Motors Group Limited
9	Akiira Geothermal Limited	37	Blackberry House Limited	65	Coca Cola East & Central Africa
10	All Stars Mtumba Kenya Limited	38	Blue Nile Rolling Mills Limited	66	Codesign
11	Alternatives Africa Limited	39	Blue Sparkles Services Limited	67	Comps Venture Limited
12	Anchor Marketing	40	BOC Kenya PLC	68	Computer Pride
13	Apec Consortium Limited	41	Bollore Transport & Logistics (K) Limited	69	Control Risks East Africa Limited
14	APP 4 Jobs Limited	42	Boston Consulting Group	70	Cooper-K Brand Limited
15	APT Commodities Limited	43	Brands and Beyond Limited	71	CPF Group
16	Ardhi Lords Real Estate	44	Bridge International Academies Limited	72	Craft Barrels Limited
17	ASAL Frontiers Limited	45	Bridgenet Global Consulting Limited	73	Crafts With Meaning Limited
18	Associated Battery Manufacturers (E.A) Limited	46	Bright Vision Media Limited	74	Crestwood Marketing & Communications-
19	Astral Aviation Limited	47	Brightermonday.com Limited	75	Custody and Registrars Services Limited
20	ATC Kenya Operations Limited	48	British American Tobacco Plc	76	Dalberg Global Development Advisors
21	Aviation and General Security Consultants Limited	49	Brookside Dairy Limited	77	Dallas Technoprises
22	B. Braun Medical (K) Limited	50	Career Directions Limited	78	Danco Capital Limited
23	B2B Africa Limited	51	Carepay Limited	79	Davis & Shirtliff Limited
24	Bamburi Cement Limited	52	Ceer Processing Limited	80	Davmac International Limited
25	Base Titanium Limited	53	Cekeha Enterprises Limited	81	Dee & Dee Royal
26	BASF East Africa Limited	54	Centum Investment Company Limited	82	Deloitte Limited
27	Bata Shoe Kenya PLC	55	Cerberrus Engineering Limited	83	Desra Ventures Limited
28	Bayer East Africa	56	Cetros Company Limited	84	DHL Worldwide Express Kenya Limited

85	Dial A Home Limited	113	Fashion Eden	141	Grain Industries Limited
86	Dik Dik Property Limited	114	Firstfin Africa Direct Ltd	142	Grant Thornton Management Limited
87	Dorfkem Limited	115	Flamingo Horticulture Kenya Limited	143	Greenlight Planet Kenya Limited
88	Dorion Associates	116	Fourth Generation Capital Limited	144	Guardnow Security Group (K)
89	Doshi & Company (Hardware) Ltd	117	Freight Forwarders Kenya Limited	145	Halal Premier International Limited
90	Dow Chemicals East Africa Limited	118	French Society in Kenya	146	Healthy U Two Thousand Limited
91	E- moto Limited	119	Frontier Investment Management Africa Limited	147	Hirsi & Harrods Limited
92	East African Breweries Limited	120	Funditech Cooperative Society Ltd	148	Hope Tech Plus Limited
93	Easy Duka Limited	121	Fushia Kenya Limited	149	Hopo Tech Plus Limited
94	E-Card Services Limited (Jumia Ltd)	122	Fusion Capital Limited	150	Hospitality Systems Consultants Limited
95	Ecobank Kenya Limited	123	G4S Kenya Limited	151	Huawei Technologies (Kenya)
96	Econome	124	G-Ajiri Fieldtechs Limited	152	Human Capital Synergies Africa (HCS) Limited
97	Elecster Kenya Limited	125	Gambi International Limited	153	IBL International Limited
98	Elgon Kenya Limited	126	Ganatra Plant & Equipment Limited	154	IBM East Africa
99	Elimu Digital Media	127	Gates of Hope Family Medicare Centre Limited	155	Iden Enterprises Limited
100	Emerging Leaders Foundation	128	Gateway Clean Energy (Africa) Limited	156	Ignite Trade Africa Limited
101	Empire Feeds Limited	129	GE East Africa Services Limited	157	Infinity Development Limited
102	Enel Green Power Kenya Limited	130	Genie Telkom	158	Intercity Secure Homes Limited
103	Engie Eastern Africa Limited	131	Gennis Consulting Limited	159	Inter matt Limited
104	English Press Limited	132	GeoNet Communications Limited	160	Internet Solutions Kenya Limited
105	Eselle Group Company Limited	133	Gervia Advocates LLP	161	Ipsos Limited
106	Esri Eastern Africa Limited	134	Global Forensic Services Limited	162	Isuzu East Africa
107	Expertise Global Consulting Limited	135	Globeleq Kenya Limited	163	Jamii Telecommunications Limited
108	Express Communications Limited	136	Go Gaga Experiential Co. Limited	164	Jeo Advocates
109	Facebook	137	Godel Limited	165	Jijenge Credit Limited
110	Fairmont Hotels and Resorts Kenya	138	Good Testimony Junior School Limited	166	Jobsikaz Afrique Limited
111	FAPCL Limited	139	Google Kenya Limited	167	Johnson & Johnson Middle East FZ-LLC
112	Farm Africa	140	Governance Solutions Center Limited	168	Jooqwah Limited

169	Juza Africa Limited	197	Lued (A) Chemicals Limited	225	MW & Company Advocates LLP
170	Karanja Njenga, Advocates	198	Lukenya High School Limited	226	Mwembe and Mwembe Associates
171	KaziRemote Limited	199	Mabati Rolling Mills Limited	227	Mycredit Limited
172	KEEKAPU Grocers Limited	200	Madison Group Limited	228	Nairobi Inland Cargo Terminal
173	Kengas Logistics Limited	201	Maersk Kenya Limited	229	Nairobi Securities Exchange
174	Kenya Kazi Services Limited	202	Mafleva International Limited	230	NCBA Bank Kenya Plc
175	Kenya Markets Trust	203	Majik Water Technology Limited	231	Nemsi Holdings Limited
176	Kenya Pipeline Company Limited	204	Malrik Medical Centre	232	Ngamia Haulers Limited
177	Kenya Power & Lighting Company	205	Manutratch Industries Limited	233	Nouveta Limited
178	Kenya Tea Packers Limited	206	Maramoja Transport Limited	234	Nurse in Hand
179	Kenya Wine Agencies Limited	207	Maris Kenya Limited	235	Oakar Services Limited
180	Kijani Eco Solutions Limited	208	Mars Wrigley Confectionery Kenya Limited	236	OBG Company Limited
181	Kilimall International Limited	209	Marubeni Corporation	237	OCP Kenya Limited
182	Kiptinness & Odhiambo Associates	210	Mckinsey & Company	238	OCS (Ojiambo Consulting Services)
183	Konza Technopolis Development	211	Mega Couture Clothing (EPZ) Limited	239	Ogilvy Public Relations
184	KPMG Kenya	212	Melvin Marsh International Limited	240	Ogutu & Associates Advocates
185	KTDA Management Services Limited	213	Microcity (K) Limited	241	One Acre Fund
186	KUSCCO Limited	214	Microsoft East and Southern Africa	242	One Sky Garden Limited
187	Lactacare Kenya Limited	215	Millenial Speak	243	OpenBusiness Africa Limited
188	Lawyers Hub Kenya	216	Mini Me Kids	244	Optiven Limited
189	Legend Mekari Business Solutions Limited	217	Miriam Kanya and Associates	245	Oracle Corporation
190	Liaison Group (I.B) Limited	218	MK Light Africa Right Limited	246	Osho Chemical Industries Limited
191	Lineplast Group Limited	219	Mobisoko Solutions Limited	247	P&G Distribution East Africa Limited
192	Liquid Telecommunication Kenya	220	Momentum Credit Limited	248	P. Kamau & Kamau Advocates LLP
193	Longitude Finance	221	Msingi East Africa Limited	249	Panafrican Equipment (Kenya) Limited
194	Lori Systems Limited	222	Mtenders Africa Limited	250	Passion Food Limited
195	LRMG Proprietary Limited	223	Muhoya-Tetu Limited	251	Paytree Group Limited
196	Ludique Works	224	Mukiri Global Advocates	252	Pearltek Kenya Limited

253	Philafe Engineering Limited	282	SGS Kenya Limited	311	The Nairobi Hospital
254	PKF Kenya	283	Shammah International Agency Limited	312	Tokoyasu Solutions Limited
255	Planon Solutions Limited	284	Sheth Naturals Limited	313	Trulink Solutions Limited
256	POA Internet Kenya Limited	285	Silikon Consulting Group Limited	314	Tullow Kenya B.V
257	Polish Investment & Trade Agency - Nairobi Office	286	Simba Corporation Limited	315	Turea Limited/Dr. Mattress
258	Polucon Services (K) Limited	287	SLO Industrial and Projects Limited	316	Twiga Chemical Industries Limited
259	PricewaterhouseCoopers Limited	288	Snetor East Africa Limited	317	Twiga Foods Limited
260	Primavera Farms Limited	289	Solidaridad Eastern and Central Africa Expertise Centre	318	UBA Kenya Bank Limited
261	PTG Travel Limited	290	Soni Technical Services Limited	319	Uber Kenya Limited
262	Raino Tech4impact Limited	291	Sowitec Kenya Limited	320	Ultravetis E.A. Limited
263	Raziel Group Limited	292	Space and Style Limited	321	UNAIDISA Limited
264	Redhouse Group Limited	293	Spart Freight Logistics Limited	322	Vantage Homes Limited
265	Rentco East Africa Limited	294	Springyild Services Limited	323	Vas Consulting Limited
266	RentWorks East Africa Limited	295	Stanbic Bank	324	Vegemark Limited
267	Resolution Health Limited	296	Standard Chartered Bank Kenya Limited	325	Vehicle & Equipment Leasing Limited
268	Riara Group of Schools	297	Starture Enterprises	326	Victory Farms
269	Royal Floral Holland Kenya Limited	298	Sunculture Kenya Limited	327	VISA CEMEA Holdings Limited
270	RSM Eastern Africa LLP	299	Synergy Industrial Credit Limited	328	Vision on the Go
271	RWK & Associates CPA(K)	300	T3 (EPZ) Limited	329	VitalRay Health Solutions
272	Safaricom Limited	301	Tamokwe Agency Limited	330	Viva Africa Consulting LLP
273	Saillon Pharma Limited	302	Tata chemicals Magadi	331	Vivo Energy Kenya Limited
274	Saola Maternity Home	303	Taxify Kenya Limited	332	Waste Electrical and Electronic Equipment Centre
275	Sarova Hotels Limited	304	Tech Innovators Network Think Tank Limited	333	Wells Fargo Limited
276	Savannah Cement Limited	305	Tecnofin Kenya Limited	334	Wellwise Healthcare Solutions Limited
277	Sayani Investments Limited	306	Telesky Limited	335	WildlifeDirect Kenya Limited
278	Scania East Africa Limited	307	Tembea Africa Tours and Travel Limited	336	Wish Medical Services
279	Schneider Electric (K) Limited	308	Tetra Pak Limited	337	Wowzi Technologies Limited
280	Senaca East Africa Limited	309	The Helios Group Limited	338	Zenka Finance Limited
281	Sensei Institute of Technology	310	The Karen Hospital Limited		



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