



The Voice of the Private Sector in Kenya

KEPSA CHAIR'S REMARKS DURING THE CHIEF JUSTICE ROUNDTABLE

TUESDAY, JULY 16TH, 2024 AT 10:00AM

VENUE: TRADE MARK HOTEL, VILLAGE MARKET

Collaboration Between the Kenyan Judiciary and KEPSA in Enhancing Business Environment and Competitiveness

The Honorable Chief Justice, Esteemed Members of the Judiciary, Respected Business Leaders, and Distinguished Guests,

Good morning and welcome to this pivotal roundtable discussion, a cherished tradition and a vital platform for public-private dialogue. It is an immense honor to stand before you today as the chairman of the Kenya Private Sector Alliance (KEPSA). Despite the challenges and uncertainties across the nation, your presence here underscores our unwavering commitment to advancing collaboration between the private sector and the Judiciary – a partnership crucial for our nation's economic prosperity.

The Power of Collaboration

The Judiciary plays a pivotal role in ensuring legal compliance, contract enforcement, and dispute resolution. Our past collaborations have been fruitful, notably under Chief Justice Mutunga's leadership, where KEPSA engaged in principled dialogue to develop the Judiciary Transformation Framework (JTF). Subsequently, under Justice Maraga's tenure, the focus shifted to Sustaining Judiciary Transformation (SJT), aiming to bolster our judiciary further. Our last Chief Justice Roundtable with your Honor in March 2022 exemplified our commitment to improving Commercial Justice, achieving significant strides that our CEO will elaborate on shortly.

In our pursuit of a robust business environment, KEPSA has consistently advocated for increased budgetary allocation to the Judiciary, enhancing access to justice and the swift resolution of commercial disputes.

Challenges and Opportunities

While we celebrate our achievements, we must also acknowledge persistent challenges hindering businesses:

- **Legal Delays:** Lengthy court processes tie up substantial capital, estimated at KES 600 billion, stalled in unresolved legal cases.
- **Contract Enforcement:** Inconsistent rulings and prolonged pending bills, spanning up to a decade, strain liquidity and hamper business operations, particularly with government entities.
- **Regulatory Compliance:** Complex implementation of laws and regulations pose competitiveness challenges, exacerbated by widespread non-compliance in critical areas like the Bribery Act and taxation policies.
- **Access to Justice:** Small and medium-sized enterprises often lack the resources for legal representation, emphasizing the need for accessible legal clinics and advisory services.
- **Transparency and Corruption:** Persistent issues of transparency and corruption erode trust and efficiency within the legal system.

Turning Challenges into Opportunities

Together, we can mitigate these challenges and harness opportunities for:

- Streamlining dispute resolution through Alternative Dispute Resolution (ADR) mechanisms such as arbitration and mediation.
- Advocating for business-friendly policies and their effective implementation.
- Collaborating on legislative reviews to simplify business-related laws.
- Enhancing judicial training on commercial dynamics to better address business needs.

KEPSA remains steadfast in advocating for a transparent, efficient, and accountable legal framework, crucial for fostering economic growth.

Leveraging technology for efficient case management and tracking is pivotal in this journey towards a vibrant business environment.

Conclusion

In conclusion, collaboration between the Judiciary and KEPSA is indispensable for nurturing a dynamic business landscape. By tackling legal challenges, promoting transparency, and advocating for reforms, we can catalyze Kenya's economic growth and enhance its global competitiveness. I urge each of you to actively participate in today's discussions as we chart a path toward a prosperous future. Thank you, and let us commence our deliberations.