

KENYABUSINESS CHANNEL

The Voice of **KEPSA**

A KENYA PRIVATE SECTOR ALLIANCE PUBLICATION

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Building Back Better

THE ROLE OF THE PRIVATE SECTOR IN ECONOMIC RECOVERY IN THE NEW WORLD ORDER

SPORTS

2022 - Is a Year of Shining

TOURISM

The Trajectory of Recovery from the Pandemic

TAX POLICY

Documenting a transfer pricing policy that withstands the test of time







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Editorial Team

Senior Editor

Boniface Mutinda

Content Editors

Ferdinand Musungu

Alfred Otieno

Contributors

Dr. Vincent Gaiho

Graham Shaw

George Aluru

Carol Warui

Wanjohi Kangangi

Ashif Kassam

Wambui Mbarire

Operations & Production Manager

Aphlyne Agina

Design & Print Production

Miny Productions

THE CEO'S FOREWORD

Building Back Better:

THE ROLE OF THE PRIVATE SECTOR IN ECONOMIC RECOVERY IN THE NEW WORLD ORDER

It is indisputable that the global covid-19 pandemic adversely affected nearly all countries all over the world either directly or indirectly. Kenya has not been spared. The effects of the pandemic have been felt in depths not ever seen or foreseen before. The country's entire microeconomic and macroeconomic environments including the international trade performance as well as the financial and commodity markets have been impacted in great measures. Businesses, whether multinational corporations or MSMEs have been hit by the pandemic.

The negative impacts of the pandemic on both the private and the public sectors of the economy have also trickled down to the welfare of many households resulting in loss of employment, food security, public health and labor issues amongst others. These are but a few of the devastating effects brought about by the pandemic.

A study we conducted in March 2020 on the impact of Coronavirus on businesses focusing on businesses across 16 sectors of the economy revealed the different areas in which businesses were affected by the Pandemic. The results revealed businesses were affected in various ways including; stock-outs and delayed deliveries especially for importing businesses due to lockdowns imposed by different countries, reduced demand for export products, increased cost of goods which subsequently increased the overall production cost, capital flow limitations, reduced staff productive time, difficulty in obtaining credit from financial institutions as well as reduced ability to meet their loan obligations, and slowed investment appetite from foreign and local investors.



Carole Kariuki *MBS, HSC*
CHIEF EXECUTIVE OFFICER
KENYA PRIVATE SECTOR ALLIANCE

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Over 8,000 businesses from across the country in diverse economic sectors received free business training and mentorship in 2021



**KES
42,000,000**
loan financing
for MSMEs



Free
mentorship &
business
training for
8,000
businesses



online job
linkage for
2,000,000
Youth across
Kenya via Ajira
Program



Over
2500
businesses
successfully
trained on E-
commerce



Business skills
for over
1000
youths in
MSME via Zydii
Digital Training
Program



Over
50 MSMEs
signed up for
Access to
Finance &
Business
Coaching

Despite the negative impact of the Pandemic, the Kenyan economy was seen to exhibit resilience compared to our neighbours in the region. Our output increased in comparison with the pre-covid period. As good as it sounds, it calls for no celebration; there is more to be done to shed off the negative effects of the pandemic and develop even a thicker skin and a stronger backbone for any future eventualities.

As the private sector apex body at KEPSA we have set a foot forward in coordinating and enhancing the collective will of the private sector with different strategic actors to ensure that we have what it takes to *“build back better of the economy”*.

We have worked closely and continue to do so with different partners to cushion Kenyans and businesses particularly Micro, Small and Medium Enterprises (MSMEs) against the adverse effects of the global Covid-19 pandemic through the following measures:

Provision of short-term interest-free business support loans through the 'Covid-19 Recovery & Resilience Program

As of Sept 2021, 106 MSMEs had benefitted from the loan financing amounting to KES 42,003,532 out of the over 700 applications received.

Free business skills training and mentorship offered virtually every two weeks

Over 8,000 businesses from across the country in diverse economic sectors received free business training and mentorship in 2021.

The Ajira Digital Program sought to train and link 2 million youth across Kenya to digital and digitally-enabled work by 2022. In the past one year, our survey shows that the program has achieved its target and on its way to surpass it as already 2 million Kenyans had accessed online jobs.

E-commerce Booster Programme for MSMEs

In 6 months, 2,545 businesses were successfully trained and 1,605 on-boarded onto various digital platforms where they are now trading.

Digital training with Zydii - an end-to-end digital training solution for African business for MSMEs

Another 1,076 businesspeople (majority Youth) successfully registered for the 3month KEPSA Digital training with Zydii on business skills for MSMEs. This surpassed the initial target of 1000 trainees with the final cohort finishing their training at the end of December 2021.

Access to Finance & Business Coaching for investment ready MSMEs

Over 50 MSMEs successfully signed up for the 3-month Access to Finance and Business Coaching programme. These are just but to mention a few among many other measures.

Equally, we continue to be at the forefront of discerning the impact of the Covid-19 pandemic on the private sector and engaging the government to conjure appropriate response measures through the KEPSA Economic Management Framework for Covid-19 response. Some of these measures include undertaking assessments, engaging the government through National Emergency Response Committee on Coronavirus (NERCC), presenting strategic recommendations through the 11th Presidential Roundtable, setting up a KEPSA Covid-19 24-hour call center, providing monthly updates of actions by the private sector actors, building the capacity of private sector personnel, among others. The many interventions recommended by KEPSA have proved helpful to businesses and the economy and have been implemented by the government.

Our success in the near future will be pegged on how best we work together with all stakeholders to implement some of the well thought out strategies that have been put forward during the Pandemic period. 2022, being an electioneering period, calls for more collaborative efforts from all stakeholders to ensure that our economy remains buoyant.

Private Sector Economic Outlook for 2022 Towards Economic Recovery & Building Back Better



It is indisputable that the global covid-19 pandemic adversely affected nearly all countries all over the world either directly or indirectly. Kenya has not been spared. The effects of the pandemic have been felt in depths not ever seen or foreseen before. The country's entire microeconomic and macroeconomic environments including the international trade performance as well as the financial and commodity markets have been impacted in great measures. Businesses, whether multinational corporations or MSMEs have been hit by the pandemic.

The last two years have been historical to us, not only have we endured the pains and scourge of the COVID-19 pandemic, but they have brought the best out of us in terms of thinking out of the box and doing things differently. After the different interventions undertaken by all of us; in our individual capacities as well as the Private sector fraternity, we have come to terms with the fact that COVID-19 is here and we have to learn to live with it.

We learnt that there isn't too little in terms of positive contribution to rail back our economy. This is testament there are positive outcomes to hope for in the coming years.

Being a post pandemic year, 2022 holds much promise in terms of private sector activities and growth. The economic indicators are pointing to a positive growth trajectory and businesses continue to play a big part of it. For instance, the Purchasing Manager's Index (PMI) which extrapolates the behaviors of firm activities in terms of their purchases for production shows an encouraging trajectory. The PMI has maintained an above 50% mark in the early months of 2022 with a slight drop from 52.9% to 50.5% in February and March respectively.

Similarly, economists predict Kenya's gross domestic product (GDP) to expand by 5.9% in 2022, which in itself will position Kenya as one of the fastest recovering countries in Sub-Saharan Africa. The growth is pegged to the rebound in the industry, particularly the service industry. Notably, the growth is also forecasted to be driven by the speedy adjustment to the pandemic by the private sector. In addition, last year's economic performance cements our optimism in 2022 and the growth could even surpass the forecasted 5.9%. Last year, the economy managed to grow by 7.5%.

However, a point to note is 2022 is a special year in our political calendar, with the August elections playing a key role in our business environment. We have to all engage to ensure that we have peaceful elections and a smooth transition which will instill more confidence in us and potential

Foreign Direct Investment looking to participating in our economy. Similarly, the global trends and uncertainties are things we have to pay attention to. For instance, Kenya's exposure to the global pricing effects of Russia's invasion of Ukraine (as a net importer of gasoline, wheat, and fertilizer), the unstable oil prices, low supply of the dollar among other things prove to be of a perplexing.

Therefore, as we look forward to 'building back better' it is important to have a support programme geared towards facilitating the private sector programmes put in place during the pandemic such as finding sustainable solutions to complement the stimulus programme that had been put in place. In addition to such initiatives, more has to be invested by the Public sector in terms of policies that will cushion the private sector from shrinkage. For instance, alternative means to ensure that the fuel supply and prices are maintained at sound levels at all times. Alternative markets for sourcing products and measures that allow importation of such from other markets at competitive prices has to also be considered.

The SME sector which continues to play a significant role in the economy has to be engaged at all levels. The government initiatives to support the SMEs have to be sustained and scaled up. Public procurement has to support our SMEs both through increased demand for their products and speedy payments to ensure liquidity. The SME credit guarantee scheme has to be scaled up and enhance its utilization to increase access to finance.

Lastly, the cost of doing business at National as well as County level has to be keenly observed. Curbing the cost of doing business has a direct impact on the business environment which is automatically reflected in our competitiveness at the regional and global front. Strategically, we have to think beyond our traditional markets and expand to new ones to create new revenue streams.

KEPSA Board 2019-2021



FLORA
Mutahi



JASWINDER
Bedi



ENG. JAMES
Mwangi



EVA
Muraya



STEPHEN
Gitagama



GRAHAM
Shaw



BIMAL
Kantaria



JOHN
Gachora



CATHERINE
Musakali



MUCAI
Kunyiha



GICHUHI ALLEN
Waiyaki



MICHAEL
Macharia



DARREN
Gillen



ELIZABETH
Wala



TROY
Yue



NICHOLAS
Nesbitt



CAROLE
Kariuki



HOW KEPSA IS IMPACTING

Kenya's Business Environment in 2022

The Kenya Private Sector Alliance (KEPSA) is the apex body of private sector in Kenya. The alliance brings together local and foreign business associations, chambers of commerce, professional bodies, corporates, multinational companies, start-ups, Micro, Small and Medium Enterprises (MSMEs) from all sectors of the economy in the country, representing over 1 million businesses. Without a doubt, since its inception in 2003, the alliance has ably positioned the private sector as a powerful force in driving economic growth, creating jobs and advancing opportunities that improve the well-being of Kenyan citizens and beyond.

The alliance serves as a bridge between the private and public sectors by identifying, defining and solving pressing business constraints and development challenges by formulating evidence-based proposals which form effective business-friendly policies. Above and beyond the organisation prides itself for owning a strong platform for networking, training, financial linkages, and market access to its members, particularly to small and medium enterprises (SMEs) to ensure business growth and social-economic development.

Constructive public-private dialogue

KEPSA works well with both the national and local government in partnership with the private sector and other developmental agencies to develop and implement market-based approaches to solve pressing societal issues. In 2021 KEPSA held over 390 public-private dialogue engagements resulting in key resolutions and decisions to cushion businesses, boost competitiveness, and improve the overall ease of doing business, despite an erratic operating environment marred with a Covid-19 pandemic. The success of the alliance is attributable to the input from its membership, divided into 17 sector boards that represent the various sectors of the economy. This operating model has over the years proactively enabled a quick turn around on push for policy changes that have positively shaped the legislative environment.

Key legislative changes include the alliance's advocacy efforts in the 'Prompt Payment Bill 2020', which imposes sanctions on public and commercial institutions who fail to honour payment terms for the supply of products, works, or services to address challenges faced by the Kenyan supply chain. The bill passed by the Senate in 2021, is expected to be deliberated by the National Assembly in the coming months and passed through for Presidential ascent and enactment.

The Senate also passed the Start-Up Bill 2021, which established a framework to encourage creative thinking and entrepreneurship. Other significant bills enacted from the engagements with Parliament are the Business Laws (Amendment) Act No.2 of 2021, the County Outdoor Advertising Control Act, 2020, and the Sectional Properties Act 2020.

Combating the Covid-19 Pandemic

As Covid-19 ensued in 2020, the alliance's focus quickly shifted to assist businesses in overcoming the pandemic's negative impacts. The 'Economic Management Framework for Covid-19 Response,' proposed by KEPSA, focused on preserving jobs and livelihoods by emphasizing employee, community, and healthcare worker health and safety. This was achieved through mobilizing private sector capabilities and resources to respond to the pandemic with a key focus to protect SMEs so that businesses and supply chains were preserved.

During the Covid-19 period, the management, through public-private dialogue led the development of private sector procedures for reopening the economy, which were consequently adopted by the Ministry of Industrialization, Trade, and Enterprise Development as part of the Guidelines for Business Operations. Through these efforts and in line with the President's Eight-Point Economic Stimulus Program, the government allocated a Kes 56.6 billion budget for various sectors which kicked-off a progressive re-opening of the economy from July 2020, including the return of domestic and international flights and the reopening of schools.

In May 2021, KEPSA signed a memorandum of understanding (MOU) with the Government for the rollout of the Private Sector Vaccination Programme to cushion Kenyans and businesses particularly SMEs against the adverse effects of the global Covid-19 pandemic. Additionally, the leadership of KEPSA successfully mobilized its members who contributed close to Kes 3 billion in cash to help mitigate the spread of the Covid-19, signifying market confidence in its operations. Over and above working in collaboration with local manufacturers, the campaign saw an increase of production of personal protective equipment (PPEs), with a daily capacity of over one million meters of polypropylene and over 240,000 litres of ethanol for hand sanitizer production.

KEPSA also launched the "Flowers of Hope" Project, which sent flowers to Kenya's existing and new markets in Europe, as well as local hospitals, to share a message of hope and compassion while marketing the country. Additionally, with a database of 945 cabs and 757 emergency ambulance journeys, the 'Wheels for Life Program,' a collaboration with Bolt Digital Taxi Facilities was launched. This initiative helped around 4,100 expecting mothers reach hospitals and other health services during curfew hours.

The KEPSA-led private sector vaccination exercise that started in September 2021 in collaboration with seven hospitals certified by the Ministry of Health, saw the administration of about 140,000 J&J vaccines to KEPSA members' personnel, their dependents, and the host communities.





Powering SMEs, Youth, and women-led businesses

SMEs have over the years immensely benefited from KEPSA's lobbying efforts through training, market linkages, and access to finance initiatives. In 2020, KEPSA launched the Covid-19 Recovery and Resilience Programme (CRRP) in collaboration with the Mastercard Foundation to provide SMEs with low-interest, collateral-free loans. This initiative provided Kshs 42 million in finance to 106 applicants with 78 percent of the beneficiaries being women-owned businesses.

Through its Business Sector Gender Mainstreaming Policy, launched in 2021 by the Gender Sector Board, the alliance has provided practical guidance for the adoption and implementation of gender mainstreaming in the private sector.

KEPSA is a vocal supporter of youth empowerment. The alliance prides itself in having a platform housing over 1.9 million young people in Kenya who currently working online with an average earning of Kes 20,774 every month from digital and digitally-enabled work, as an outcome of the Ajira Digital Program.

Ajjira Digital Program is a collaboration of KEPSA and eMobilis, an initiative of the Government of Kenya through the Ministry of ICT, Innovations and Youth Affairs funded by Mastercard Foundation under the Young Africa Works. The Program aims at enabling young people in Kenya to access dignified and fulfilling work via the digital space. This space seeks to tap into the over 1 million Kenyans joining the job market every year by offering a sustainable solution with over 75% of Kenya's population being young people. In addition to work creation, the program also provides digital solutions to both the public and private entities, that seek to reduce cost of operations by solving capacity issues by providing digital resources and talents.

Currently the Ajira Digital Program is working with the Kenyan Judiciary seeking to digitize its operations by ensuring all case files are available on the new Case Tracking System (CTS) through transcription, data entry and scanning in order to complement the e-filing system launched by the Judiciary. Finalization of this digitization program will help make the judicial processes easier, faster and reliable which in-turn will translate to increased access to justice for the public and businesses and eventually a better business environment and one that can attract more investors into the country. Other initiatives instituted by the Judiciary include the Virtual court records pilot project which has so far impacted a total of 183 court stations and seven tribunals.

KEPSA has been involved in supporting the implementation of Ajira Digital Project since 2017. The initial engagement was funded by the Rockefeller Foundation where about 8,000 youth were equipped with various online work skills, mentorship and coaching to enable them to tap job opportunities in the Digital economy.





Ease of Doing Business, Economic Diplomacy, and Competitiveness

Since April 2021 up to May 2022, KEPSA has hosted over fifty-two business forums, expositions, and conferences with the most recent being a high-level engagement dubbed Kenya-UK Business Climate Roadshow held in May 2022.

In encouraging business investments and innovation, KEPSA in conjunction with Trademark East Africa, launched the E-commerce Booster Programme in 2021. Out of the intended objective of 2,000 enterprises, the campaign received 2,545 applications and successfully onboarded 1,605 firms with little or no e-commerce presence onto its various digital platforms.

KEPSA and the Corporate Council on Africa (CCA) also extended their MOU in 2021 with the goal of enhancing Kenya-US SME trade and investment, this in-turn gave rise to the US-Kenya SME Trade initiative, launched in March 2022, with the recruitment of the first cohort of fifty US and Kenyan SMEs. The SMEs will be facilitated to explore specific market access and business partnerships, with a focus on Kenyan and US women, youth enterprises, minority and other special groups.

In May, KEPSA CEO Ms. Carole Kariuki was among the invited private sector executives in Statehouse Nairobi, during the signing ceremony of the treaty of accession of the Democratic Republic of Congo's (DRC) membership to the East African Community (EAC). The President of Rwanda, H.E. Paul Kagame, the President of the Republic of Uganda, H.E. Yoweri Kaguta Museveni, Cabinet Secretaries, Principal Secretaries, Ambassadors, and other dignitaries from the seven EAC countries were present at the ceremony, signifying KEPSA's important role in advancing economic diplomacy in the region through trade linkages and market access.



KEPSA has also continued to play its role as the centrepiece of hosting foreign business organizations in the country. In 2021 alone, KEPSA hosted a total of 29 business forums which provided B2B, trade and networking opportunities, for the Kenyan business community and their foreign counterparts. Some of these included the Cybertech Global UAE (Dubai) business forum, the Kenya Los Angeles Business Forum, MEDinISRAEL: 6th Biennial MEDinISRAEL Conference and Exhibition, High level Kenya - Japan Quality Infrastructure Dialogue, Africa Trade Conference 2021, The Malawi Investment Forum in Kenya, the UK Business Climate Roadshow among others.





Fighting corruption to catalyze growth

KEPSA has been at the forefront in the fight against corruption to ensure Kenya achieved its developmental priorities as set out in the Big 4 Agenda, Vision 2030, the AU Agenda 2063, and UN Sustainable Development Goals. Notably in 2011, the institution initiated the Corruption Risk Mapping (CRM) study in the public sector in 2011. The study focused on agencies and institutions that facilitate and regulate trade in terms of revenue collection, issuance of permits and import-export trade. This was followed in 2018, by the private sector CRM study and Anti-Bribery Compliance Assessment, which identified fraud, bribery, tax evasion and embezzlement as the top prevalent forms of corruption experienced within private sector business operations.

The KEPSA spearheaded Business Against Corruption Kenya (BACK) platform led to drafting of the Bribery Bill which was enacted into law in 2016. The Act that came into force in January 2017, places obligations on public and private entities to put in place appropriate procedures to their size, scale and nature of operations, for prevention of bribery and corruption.

The alliance has also worked with the UN Global Compact Kenya Chapter to develop and champion for signing of the Business Code of Ethics, as a commitment to ethics and integrity by its members. This was later followed by the Suppliers' Code of Ethics that was integrated into the Public Procurement and Asset Disposal law. KEPSA has also partnered with The Blue Company Project to strengthen the fight against corruption through collective responsibility and self-governance among KEPSA members and the wider private sector.

Supplementary major achievements in KEPSA's Anti-Corruption advocacy agenda include increased digitization of government services to seal corruption loopholes, improved corporate governance and transparency in business through enactment of Companies Act, Insolvency Act, Business Registration Services Act, among other laws that have seen Kenya rank at the top globally on Protection of Minority Investors, position 50 on Resolving Insolvency and position 89 on Enforcing Contracts in the World Bank Doing Business Index, before it was discontinued.

Other wins derived through the alliance's campaign in fight to end corruption include the Proceeds of Crime and Anti Money Laundering Act 2017 an addition to the establishment of the Anti-Corruption and Economic Crimes Division at the High Court as well as creation of a Multi-Agency Team against Corruption while also championing for sufficient resourcing of the agencies involved in the fight against corruption to strengthen their capacity.

In 2018 KEPSA in collaboration with other stakeholders led the establishment of a Multi-Sectoral Initiative against Corruption for engagement with various sectors of society on how to combat the rapid prevalence of corruption in the different sectors of the economy through a unified and well-coordinated approach. The "Movement Against Corruption" culminated in the 1st National Anti-corruption conference that brought together over 3000 leaders from different, Government, political, social and economic sectors, led by H.E President Uhuru Kenyatta and citizens from across the country.

Climate, Sustainability, Peace, and Socioeconomic interventions

On the environmental front, KEPSA has been executing a number of projects to accelerate the transition from a linear to a circular economy. The Partnership for a New Plastics Economy in Kenya, for example, aims to reduce plastic waste by using a circular model for PET bottle recycling.

In addition to chairing, co-chairing, or partnering to launch various environmental initiatives, KEPSA has also curated, nurtured, and catalysed over 15 transformative public-private partnerships that are leading the way in providing market-based solutions for the implementation of sustainable development goals. A good example is the *Business Plan Model for a Producer Responsibility Organization* (PRO), first of its kind in the country and a collaboration with the Ministry of Environment and Forestry (MoEF).

Similarly, in May 2022 through a Presidential Roundtable, KEPSA took the lead in securing a commitment of Kes 6.4 billion for Kenya's national accelerated tree-growing initiative, which aims to increase Kenya's forest cover as a strategy to tackle climate change challenges. Kenya's tree and forest cover currently stands at 12% and 8.8% respectively up from 5.9% in 2018, a great achievement from efforts put in place by the private sector. KEPSA will champion the adoption of forests and water towers, tree growing in partnership with schools, TVETs, colleges and universities, and other partners, as well as push for the replacement of heavy fuel oils in factories with sustainable fuel alternatives to strengthen the private sector's commitment.

Under the Mkenya Daima Initiative, KEPSA hosted a media launch to propel the 2022 campaign into the public space and developed a Private Sector Economic Manifesto, which was used to engage with Presidential candidates under the Azimio la Umoja One Kenya Coalition Party led by Rt. Hon. Raila Odinga and the Kenya Kwanza Alliance led by H.E. Deputy President, Hon. William Ruto, both of who devoted to work with KEPSA to further develop the recommendations within their manifestos.

Other accomplishments under this initiative have been around pushing for the uptake of voter registration through press statements and social media messaging; sensitization events, civic engagements on electoral process targeting the youth, and election risk and preparedness forums for private sector. We have also engaged with institutions charged with the management of the National Elections including IEBC, EACC, ORPP, NCIC and IPOA. This year's campaign will seek to build more on the 'Wajibu Wangu,' a rallying call for Kenyans to be responsible for Kenya by choosing the right leaders at every level.

The organization also participated in the UN High-Level meeting of the General Assembly on Financing for Peacebuilding. The KEPSA CEO, Ms. Carole Kariuki delivered a presentation on the private sector in Kenya and the role it has played in Mkenya Daima and peace building thus propelling the initiative on a global platform.

Finally, and more importantly, KEPSA, under its leadership contributed to the Pre-Election Assessment Mission, which was conducted by the International Republican Institute, National Democratic Institute & the AU / COMESA /EAC team as part of its engagement with the International election observers in Kenya to discuss the state of preparedness by the country before the general election and the overall context in which the polls will take place.





CHALLENGES & OPPORTUNITIES

A Summary of the Business Year 2021 & Outlook for 2022

A slow recovery was witnessed in 2021 when we experienced 3 waves of COVID-19 infections in Kenya, making continued focus on developing sound policies and strategies for supporting MSMEs an imperative for faster business and economic turnaround. As KEPSA, we have continued to advocate for private sector interests, particularly the plight of micro, small and medium enterprises (MSMEs), which account for over 80 % of jobs in the economy and bore the brunt of the pandemic. Pre-COVID-19, women and youth led businesses defined the majority of our MSMEs who had challenges such as high levels of business informality, access to finance and markets, a harsh business environment, and business skills as well as technology gaps. The impact of these challenges were magnified further by the impact of COVID-19 control measures put in place such as social distancing, lockdowns, curfews, and remote working requirements.

In many ways, businesses are still struggling to recover from the economic slowdown. In the KEPSA Covid-19 Impact Survey conducted between September and October 2020, 64% of micro enterprises reported high negative impacts due to increased financial challenges, depressed consumer demand, market access and supply chain disruptions, as well as increased cost of operations. Despite the negative impact, it was commendable that 58% of all businesses retained all their employees, with small and medium sized firms having the highest job retention rates at 77% and 81%, respectively.

In this regard, KEPSA, through the Economic Management Framework for Covid-19 Response, focused on maintaining jobs and livelihoods; prioritizing the health and safety of employees, communities, and healthcare workers; protecting SMEs; ensuring business and supply chain continuity; mobilizing private sector capabilities and resources; maintaining the highest ethical standards; avoiding moral hazard traps such as price spikes or producing or distributing lower quality products; disseminating clear and accurate information frequently; and promoting social stability.

Some of the issues we continued to pursue in 2021 as part of this framework include tax reductions to ease financial strain on businesses, facilitating the flow of essential goods and services, especially cross border trade. Of particular focus was the sustained push for the easing of credit access to SMEs, such as lobbying banks to set-up SME dedicated funding at affordable rates and restructuring loans for struggling businesses, in addition to urging the government to expedite payment of pending bills and Value Added Tax (VAT) refunds, as well as the adoption of a prompt payment policy at national, county, and private sector levels.

Although a comprehensive economic review of the year has yet to be released, overall private sector activity in the fourth quarter of 2021 appeared to be progressing well, as indicated by the significant improvement in the private sector Purchasing Managers' Index (PMI), which hit a record high of 53.7 in December. This indicates the resilience of the Kenyan economy against the adverse effects of the pandemic. However, some sectors, like agriculture, experienced a decline in growth, owing to the effects of the locust invasion and the second wave which affected 20 counties earlier in the year. The drought that hit the country in the same year was declared a national disaster, affecting 29 of the 47 counties. In the period, we also saw the lapsing of some of the economic buffers and coping mechanisms, such as tax waivers, instituted to spur the economy and cushion businesses amidst the pandemic, which in turn saw a surge in the number of businesses that continued to struggle.

Even so, we are glad to have recorded great wins in our identified focus areas for 2021. As of September 2021, our Covid-19 Recovery & Resilience Program saw over 106 MSMEs (out of +700 applications) benefit from Kes 42 million in short-term interest free business support loans ranging from Kes 100,000 to a maximum of 1.5 million. Notably, 80% of the beneficiaries were female, with 33% being youth, with the education being largest beneficiary sector at 25%, followed by wholesale and retail sectors at 19% and the manufacturing sector at 7%.

In the period 2020/2021, 25 virtual sessions and webinars were held, delivering free training in business skills and expert mentorship inclusive of peer-to-peer sessions attended by 9,286 participants from across the country in diverse economic sectors. Over 1,605 businesses with little or no e-commerce presence were also successfully onboarded onto various digital platforms through the KEPISA E-commerce Booster Programme, which had an impressive 2,545 applicants out of the initial target of 2000 businesses. Another 1,019 learners underwent a 3-month digital skills training program, a pilot project focused on the free transfer of business skills for MSMEs. The innovative business empowerment course offered curated online classes in business leadership, sales management, customer service, cash flow and budgeting, product and services management, understanding tax and statutory requirements, as well as digital transformation and intellectual property management for businesses.

Another 54 MSMEs also successfully completed the 3-month *Access to Finance Business Coaching program* on developing business plans, financial performance summaries, financial projections, and making investor pitch decks, all geared for investment ready MSMEs. The program included linkages to commercial and non-commercial investors, where 13 businesses got a chance to pitch to investors over two days. Nine have gone on to match-making engagements with investors, and one of the beneficiaries has successfully received a USD 50,000 investment.

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*Covid-19
Recovery &
Resilience
Program saw
over 106
MSMEs
benefit from
Kes 42 M in
short-term
interest free
business
support
loans*”

Overall, the pandemic also brought new positive perspectives now shaping how MSMEs do business, such as the increased adoption of e-commerce and digital transition in customer service, remote working, increased uptake of outsourcing in the gig economy, and a renewed focus on growing local and regional value chains to reduce vulnerability to international market shocks. New industries and markets such as production of PPEs, diversity of services in emergency and security services have also sprung up, and we can see an increased investment in strengthening healthcare systems and a push for sustainable development and business practices. More business skills have been imparted and mutual exchanges have occurred among MSMEs than ever before, such as business pivoting, peerage and mentorship, staff retention, and the implementation of positive health and safety practices in workplaces.

On the regional front, we continued to focus on bilateral engagements. to address the challenges facing cross-border trade between Kenya and the United Republic of Tanzania (URT). This included an economic diplomacy mission on January 19, 2021, between the Kenyan High Commissioner to Tanzania, H.E. Hon. Dan Kazungu, and his Tanzanian counterpart, H.E. Dr. Stephen Simbachanawe. This was followed on May 5th, 2021 by the Kenya-URT bilateral discussion on Non-Tariff Barriers (NTBs), which addressed 32 of the reported 64 NTBs, and the 21st -26th September 2021 bilateral meeting, which addressed 30 of the remaining NTBs. The two states committed to having the Lunga Lunga and Horohoro border posts operate 24 hours a day by January 2022.



In partnership with the EABC, KEPSA hosted the East Africa Community (EAC) Secretary General on August 6th, 2021 for a roundtable meeting to look at areas where the Secretariat could partner with the private sector. One of the key resolutions was to re-assess the EAC decision-making process and enhance the implementation mechanism of the decisions undertaken among the Partner States. These would help in resolving many of the challenges the private sector is facing, which are, partly, because of a lack of a strong decision-making mechanism and subsequent implementation, meaning many decisions made at the regional level have not yet been implemented. This is in addition to engagements around the ease of doing business reforms in partnership with the Ministry of EAC and other relevant agencies, including discussion on EAC Tariff offers to the African Continental Free Trade Area (AfCTA) for category A products and advocacy work on the ongoing EAC Common external tariffs (CET) Review.

In supporting cross border trade, on July 16th 2021, KEPSA participated in a training workshop for women and youth traders involved in cross-border trade to sensitize the cross-border women traders in Kwale County on the EAC trade rules, regulations, and procedures, identifying cross border challenges affecting local traders, among other gaps. Additionally, and in collaboration with the Government of Kenya through the Ministries of Health (MOH) and the East African Community (MEAC), they held a COVID-19 vaccination drive targeting cross border women traders and long-distance truck drivers along Kenya's five One Stop Border Posts (OSBPs). Supported by TradeMark East Africa (TMEA), The vaccination exercise, started at the Busia OSBP and expected to roll out to the Malaba, Isebania, Namanga, and Taveta OSBPs targeting over 40,500 individuals involved in the logistics and cross-border trade sectors along the border regions while encouraging positive behavior change for the adoption of preventative health measures aimed at mitigating the spread of the COVID-19 disease.



We are also cognizant of the challenges that continue to persist in the cross-border transport and logistics sectors around COVID-19 testing, vaccination, and certification before travel for drivers and their crew. We're in talks with all the relevant stakeholders, including government ministries, departments, and agencies, as well as the transport sector BMOS and TMEA, to find the best and quickest way to address the niggling issues brought about by the pandemic.

On the on-set of the year 2022, the growth outlook looks positive, with the GDP expected to grow by 5.9% this year, according to the African Development Bank (AfDB). This expected growth is based on several factors: the full reopening of the economy, the successful implementation of the Economic Recovery Strategy, and improvement in external liquidity. There are, however, some risk factors to consider, the upcoming Kenya General Elections in August 2022 being one of them. Elections in the past have negatively impacted businesses due to the instability that comes with them. As KEPSA, we are at the forefront of campaigning for peace during and after elections through our Mkenya Daima peace initiative, which aims at not only promoting peace during the elections but also influencing the kind of leaders we choose as a nation, an important factor for economic growth. Other risks include a slowdown in the global growth rate and failure to secure funds to finance the national budget, among others.

Even so, we still see a window for private sector growth this year. A thriving private sector is essential for the achievement of Vision 2030 as stipulated by the government; and some key sectors can be tapped into within the private sector to ensure this trajectory is achieved in 2022. On the back of emerging technologies and local innovations, the information communication and technology (ICT), manufacturing, and financial services sectors have experienced a significant increase in appeal to foreign investors. With the Kenyan population experiencing rapid urbanization, this could be a tapping point for sectors such as retail trade, construction, and real estate, especially looking at the e-commerce space.

The AfDB notes in their 'State of Kenya's Private Sector Report', that the Kenya government is keen on increasing public-private partnerships (PPPs), particularly in large infrastructure projects, which presents an opportunity for private sector involvement in national development, and the multiplier effects of these developments will improve growth across the economy. Similarly, the newly ratified trade agreements such as the AfCFTA will ensure an increase in market access for businesses, especially MSMEs, ensuring our trade operations are expanded beyond just the EAC. The infrastructural developments currently ongoing in the country, such as the construction of the expressway, among others, will facilitate this as we progress.

Notably, the cost of doing business in Kenya remains high. In this regard, KEPSA has maintained its foot on the gas, pushing for business sector reforms necessary to create a more conducive business environment. This includes documenting government business processes to guarantee delivery of desired outcomes, enhancing consistency while providing clarity, and enabling process improvement. In February this year, KEPSA participated in the launch of the County Business Regulatory Toolkit on navigating the Kenyan regulatory environment. An initiative of the Department of Business Reforms and Transformation (DBRT) under the MEAC, the toolkit <https://countykenyabusinessregulatoryguide.com/>, is aimed at helping businesses gain regulatory information at the county level, making all 47 counties potential hubs of national competitiveness so that the whole country can attract all the vital investments and be more competitive globally by increasing certainty and predictability of environmental policies, legislation, and regulations for the private sector to thrive.

As we look forward to yet another successful business year for the private sector, KEPSA will continue to push for enforcement of the business reform agenda, especially around duplicity and multiplicity of levies, fees, and licenses by counties. In addition, we expect that county governments will provide the necessary infrastructure to enable SMEs in the grassroots to overcome technological challenges such as re-engineering and remodeling processes to reduce costs and cycle times by eliminating unproductive activities and their executors. This will call for new business processes and legal/policy reforms as well as engaging business owners to buy into the recommended processes and reforms to ensure a uniform business environment.



LET'S FOCUS ON OUR STRENGTH FOR ECONOMIC RECOVERY

Many leaders in the corporate world were tripped up when Covid-19 hit the world and seemed to close down the world economies. The reaction from the developed world was to finance the economy by printing money to support the private sector with furlough schemes as the researchers worked round the clock to find a cure or prevention. Kenyan leaders were no exception as they sought support from the private sector. The Ministry of Health was in my opinion very proactive and very careful not to create panic as they tried to understand the impact of Covid-19 on the population and the economy.

Today, we seem to have entered another world crisis that will have an impact on the global economies, whether it be oil prices or capital markets falling off. As I have said many times, complaining is not a strategy and within my organisation we have seen what can happen to operations and to our own staff when the world catches a cold.

To combat global and internal political issues, a review of the way we do business was imperative. In Kenya we have a resilient economy but most importantly an educated people and workforce. The private sector needs to focus on key sectors to maintain and increase our economic strength in the region.



Graham Shaw MBE



The private sector needs to focus on key sectors to maintain and increase our economic strength in the region.

How?

Our strength as Kenyans is our educated and hard working work ethic from traders to the CEOs of large local and international companies. All the top recognised companies have senior Kenyan directors and management appointed to run those companies and we must continue to grow our reputation to encourage investments. To do so, we must improve the business environment and reduce the bureaucracy of paperwork.

The private sector is the source of tax revenues and to grow revenues we must find the balance between encouraging investment with tax incentives.

The recently released KEPSA Economic Manifesto has captured many of the requirements to help with the economic recovery recommended to our political leaders and is a well thought out focus on the key strengths of our country. The priorities listed I would like to list again as a Director of KEPSA:

1. **Spurring Jobs**
2. **Social Transformation**
3. **Enhance Governance and Political Stability**
4. **Encourage Innovation and Invest in Human Capital**
5. **Creating a Global Business Environment**

Kenya has the advantage of being geographically close to many African neighbours. We must look at increasing our trade within Africa as the world looks to invest into our vast continent. We have the will, we have the ability, so let the private sector flourish too with support to be that global destination.

Shaw is the KEPSA Director in charge of Global Partnerships, Sports and Culture Development and also the CEO of Wilken Group of Companies.



ECONOMIC RECOVERY IN THE NEW WORLD ORDER: *Leadership in Perspective*

The biggest enabler for economic recovery more so in our contemporary times is constant and reliable supply of competent, and motivated human capital that is endowed with unequivocal measure of integrity. The calling to stand in the gap of progress is the education sector and its associated partners. Most importantly, beneath the supply chain of this much sought workforce is the leadership and its associated collaborators. Indeed, the importance of this sector from both the public and private perspective is manifested by the huge budgetary allocation despite the near invisible immediate return in investment.

Looking at the formation of the KEPSA Education Sector Board leadership, one appreciates the importance it is given. Prior to the KEPSA General Meeting of May 2021, the Education Sector Board was segmented into Basic Education and Higher Education and Research Sub-Sectors; each with a substantive Chair and Vice Chair. After the said meeting, the leadership was reorganized to have a Chair and two Vice Chairs. Each of the three leaders were mandated to offer leadership in Basic, TVET and Universities Sub-Sectors. Further, the entire sector Board was placed under the stewardship of an appointed KEPSA Director together with Health and Social Sectors.

Consequently, since its formation, the Education Sector Board has aggressively been involved in steering the interest of its stakeholders with an intent of creating an amicable environment of supporting its demand side for required workforce.



Dr. Vincent Gaitho, Ph.D

Constant dialogue has enabled the Board to sustain an interactive exchange system with its target to ensure alignment. Further, interaction with external players in the sector, particularly with state organs, is supported with a purpose of coming up with systems that offer clients (students) regardless of the provider they seek service from to have an experience and training sufficient to enable them contribute to the socio-economic growth and development. In addition, the sector has ably represented the wider KEPSA fraternity in activities of State SAGAS where KEPSA has been called upon to nominate representations.

Beyond the regular operation of the KEPSA Sector Boards, a reflection of this edition's theme of *'Building Back Better: Role of the Private Sector in Economic Recovery in the New World Order'* cannot be overemphasized. Suffice to say, the description of the *'New World Order'* can be traced to the events of early 2020 on the declaration of the novel CoronaVirus (COVID-19), a global pandemic. Unprecedented responses of 'lockdown', 'containment', 'cessation' and grounding of airplanes worldwide became a new way of life.

More dramatic for the education sector was closure of all education facilities, a situation that remained in place for close to a year in Kenya. The closure of education institutions led to the pronouncement of '2020 academic calendar' lost.

How then is it possible to bounce back and hope for *Building Back Better*?

As the saying goes, 'Every Cloud has a Silver Lining'. An aggressive response to the closure of education institutions witnessed the hitherto casually considered virtual/online modes of teaching and learning, examination and graduation rolled out as the acceptable new normal. As it were, thousands of graduates at all levels have been presented to the world of work or progressed to the next level through virtual platforms. This New World Order therefore puts into contention the *'Virtual Varsity'* versus the *'Brick and Mortar Varsity'*.

Is the veracity of the new world order best contained through technology?

If this is the case therefore, the role of the private sector in economic recovery in the new world order will require unprecedented levels of research and innovation to help address the seemingly interminable wants, particularly in the developing economies and more so in Africa. The private sector must keep searching for solutions and effectively share experiences to human wants to which discoveries of wealth are rewardable. The use of technology which is tempered with a social aspect may hence become the panacea for building back better.

The author is the Chairman of KEPSA Education Sector Board and a Pro-Chancellor at Mount Kenya University.



George Aluru

RENEWABLE ENERGY

*An Enabler in the
Transformation
of the Economy*



Renewable energy is energy sourced from renewable sources that can be replenished on a human timescale. Kenya has become a shining light in the development and use of renewable energy to offer energy services to its population. Today renewable energy pervades every aspect of the energy supply in Kenya. On the grid the development of Geothermal, Hydro, Wind, Solar and biomass energy supply systems have led to a share of 92.3% of the energy used in the grid in 2021 (EPRA statistics).

By June 2021 of the total 2,984 MW installed capacity 2,229 MW (75%) was renewable with solar contributing 90.3MW, Wind having 435.5MW, Hydro being 838.1MW and Geothermal being 863.1MW and biomass accounting for 2MW. An additional 80MW of solar and 83MW of wind has come online since and 40MW of solar is under construction. This is one of the highest penetration rates of renewable energy in a grid globally. There have also been over 12 mini grids licensed to supply electricity away from the grid mainly based on solar power.

Tied to the grid and installed at consumer premises are the captive power plants that are mainly solar based, estimated to cumulatively account for an additional 140MW. Solar home systems have also seen a rapid deployment in Kenya. Today 'Power Africa' estimates there are over 10 million users of off grid solar products in Kenya making the country the biggest market in Africa with the highest density of off grid solar energy suppliers.

The deployment of renewable energy has meant that more Kenyans have been able to access electricity services such as lighting, access to information and telecommunication. The deployment has also reduced the use of fossil fuels thereby reducing the carbon emissions in the country hence improving the health of the population that hitherto relied on fuel-powered lighting. This has reduced incidences of respiratory tract diseases among low-income households. At the national level, the increased deployment of renewable energy has seen a reduction in the use of fossil fuel generation. Captive solar installations have led to reduction of prices for energy and improving the quality of supply to industries. The renewable energy sector's growth has also led to creation of more job opportunities for specialists in various fields that support its deployment.

Despite the Industry's growth, today the renewable sector faces some challenges such as its grid stability caused by the intermittency of wind and solar, encroachment of its grid by mini grids and further deployment via value chain development and the opportunity to provide further services to the population recently given access to basic energy services.

Nonetheless, these challenges provide for new opportunities to further entrench renewable energy in Kenya. For grid stability, the continued deployment of a diversified mix of generation will be necessary to support intermittent renewables. This stability can be provided by hydro, geothermal and natural gas plants.

Additionally, deployment of grid scale storage systems that could be battery powered or based on pumped hydro technologies will prove essential. The strengthening of the internal transmission network and interconnection to neighbouring countries will also enable trade in deficits and surpluses to further support the grid.

The value chain development will be greatly boosted by development of the hydrogen industry. Renewable energy is increasingly promoted and used in the production of green hydrogen. Kenya with its untapped renewable energy potential is well positioned to play a leading role in the production of hydrogen. This hydrogen could be used to produce fertilisers locally as well as producing e-fuels that would displace some of the imported petroleum increasing energy security and shielding the country from fluctuations in the international markets.

Lastly, as we celebrate the achievements in access to electricity it behoves us to then enable these new users of electricity to have more productive uses in line with their aspirations for self-improvement. The encouragement of productive use via ever increasing solar system sizes and mini grids will enable the development of cottage industries that would bring further services closer to these consumers.

Renewable energy has and will continue to be an essential enabler in the transformation of lives in Kenya.

The writer is the Chair of KEPSA Energy and Extractives Sector Board.



Susan M. Ongalo

THE TRAJECTORY OF RECOVERY FROM THE PANDEMIC

Suddenly, COVID-19 became the elephant in the room.

As a matter of fact, no business was prepared for a crisis of the magnitude similar to that brought about by the Covid-19. All the same, the disruptive virus came and shook the world. Ultimately the virus united the people and governments who have consecutively stabilized lives and business continuity amidst the pandemic.

The Covid-19 pandemic has caused significant impact on many aspects of life as well as economic sectors, the tourism sector being among them. The tourism sector is one of the economic pillars to the economies of many nations. Just like in many other countries, the hospitality, tourism and travel industry has been significantly affected by the spread of Coronavirus pandemic.

The World Bank reveals that Covid-19 shrunk the world economy by a minimum of 5.2% in 2020. A phenomenon that has never happened in the past 80 years. In formulating strategies to overcome the adverse impacts of this pandemic, it is crucial not to overlook its weighty influence in the short- and long-term effects. Rather find lasting solutions of living amidst the pandemic; perhaps it will be around and mutate for a long stretch, or short-lived.

Just like the proverbial Phoenix, tourism, travel and hospitality businesses are beginning to rise from the sudden closure and recession. Economically, the pandemic has proven that no sector is self-reliant, such that it can stand on its own in case of success or disruptions. It is evident that tourism interrelates very closely with other sectors of the economy, such as manufacturing, agriculture, energy, aviation, health, and others.

Dealing with the coronavirus has been a chain of actions and reactions – as the health, hygiene, safety measures and protocols were intensified, the numbers of infections were seen to decrease.

The availability of vaccines into Kenya was a big boost to mitigating and preventing the spread of the virus; slowing down the severity of infections and illness. The other win to fighting the coronavirus was getting the populations to accept and take the vaccine.

Additionally, there is an increasing willingness to establish mechanisms that would help counter Covid-19 so as to revive the tourism, travel, and hospitality industry. Public Private Partnerships in formulating policies and shared protocols have greatly impacted the promising curve to recovery of the economy.

Gradual re-opening of global borders and easing of containment measures and operating protocols such as mandatory PCR testing and quarantine are life lines towards the trajectory of recovery from the Covid-19 pandemic. Tourism, as much as other sectors rely on movement of goods and people. Therefore, the universal acceptance for use of – Covid-19 Vaccine Passport is key to paced recovery.

Admittedly, the post-pandemic private tourism sector is relatively showing hope for trajectory recovery, better than it was at the peak of the Covid-19 crisis. Innovation tops the list of the new factors applied in overcoming the impacts of the pandemic. Being creative with Covid-19 means incorporating it in the decision-making process to ensure that its impacts are anticipated and addressed in real time before they turn against smooth business operation.

It is probable to reverse some of the reverberations that Covid-19 has caused and still causes the private sector. More jobs can be created and businesses can liaise with all the relevant stakeholders in how to embrace sustainability while putting Covid-19 into consideration. Working closely with the government and assuring clients of their health safety are some of the crucial factors to consider while aiming at recovering from the pandemic effects.

Together, it is possible to win against COVID-19.

The writer is the Chief Executive Officer of the Kenya Tourism Federation (KTF)



DOCUMENTING A TRANSFER PRICING POLICY THAT WITHSTANDS THE TEST OF TIME - INTRAGROUP SERVICES

By Ashif Kassam

Revenue authorities in East Africa are increasingly focusing on receipt of intercompany services by local taxpayers from their non-resident related parties. From a transfer pricing perspective, the amount paid for such services should be just and reasonable (similar to the price of similar services in the open market).

As an initial step, revenue authorities focus on whether the services were actually provided prior to evaluating whether the amount paid is just and reasonable. Failure by the taxpayer to prove that the services were actually received and amount paid was just and reasonable result in additional tax liabilities. In providing such proof, taxpayers should apply five key tests/steps.

Reality test

Under this test, the taxpayer should detail the mode and place of service delivery. For example, if the service is offered virtually, maintain the relevant communications with the related parties. If the service is offered physically, maintain evidence of physical visits. In the Coca Cola Kwanza Limited Vs Commissioner General of Tanzania, Income Tax Appeal No. 90 OF 2015 & 10 of 2017, the taxpayer lost the case due to failure to provide documentary evidence that the intercompany services were actually received.

Benefits test

Under this test, the taxpayer should demonstrate the benefit derived from the services received from non-resident related parties. Revenue authorities consider the reason for purchasing the service and the expected benefit on an ongoing basis.

Duplication test

Duplication of services occurs where an intragroup service provided by a group member already exists in the group entity receiving the service. Duplicated services do not qualify as intragroup services. Revenue authorities require taxpayers to prove that the intercompany received are not duplicated. As such, taxpayers should prepare an analysis distinguishing the services received from their related entities and those available at the local level.

Shareholder activity test

Costs relating to shareholders' activities do not qualify as intercompany service.

Consequently, such should not be recharged to the group entities. Shareholder activities include, but not limited to, AGMs of the parent company, costs of the supervisory board and preparation of consolidated accounts for the group.

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...revenue authorities focus on whether services were actually provided prior to evaluating whether the amount paid is just and reasonable...

Price of the intercompany service

Once the taxpayer has performed the above four tests, they should then evaluate whether the cost paid is just and reasonable. The basic principle for intra-group charges is to determine whether independent parties would be willing to accept similar charges paid by the taxpayer for similar services.

Revenue authorities in East Africa often adopt the Cost-plus Mark-up (CPM) method in determining just and reasonable prices for intercompany services. Under this method, the service provider should calculate the direct and indirect cost incurred in providing intercompany services and then add an appropriate mark-up to arrive at the price of such services. If the intercompany services are provided to several entities, the joint cost of providing the services should be allocated to the benefiting entities using allocation keys relevant to the type of the services.

The writer is the Executive Chairman of RSM (Eastern Africa) Consulting Ltd and Chair of KEPSA Public Finance Sector Board



2022 IS A YEAR OF SHINING

The sporting year has got off to a rousing start with some incredible once-in-a-lifetime events, and the country has played its part in hosting a vast array of exciting tournaments, races and games during the first quarter of the year.

The year 2022 has started brilliantly, with The Safaricom Golf tour highlighting Kenya's growing young golfing pool. Amar Shah took the prize for the Under 10 category through 9 holes with quality and confidence, whilst Ashley Gachora's aplomb shone through her game to take home the trophy in the Under 8 category for girls.

The annual Memorial Agnes Tirop World Cross Country Tour continues to shed light on the issue of domestic violence in the country- celebrating the late Agnes Tirop's life whilst providing a safe space where domestic abuse victims are given a platform to speak out on violence, raising awareness that can create lasting change in our communities.

After it's incredibly successful debut in 2019, the Magical Kenya Ladies Open spectacle in 2022 didn't disappoint and was a truly wonderful affair. As part of the Ladies European Tour, the event is the only women's professional golf tournament in East Africa and has proven a significant milestone in the history of the sport in Kenya and works to motivate the next generation of female players throughout the country.

Collaboration between the public and private sectors shone through the historic Magical Kenya Open which was held, for the first time, at the Muthaiga Golf Club in March 2022. The tournament is part of the DP World Tour series, formerly the European Tour, and received heavy investment from The Ministry of Sports



Carol Warui



Breakout tennis star Angela Okutoyi has been a national sensation



Heritage & Culture and private sponsors including Keringet featured as the official water sponsor with many other organizations playing significant roles in the success of the tournament. Njoroge Kibugu was the breakout star of the tournament. The teenage amateur was the only Kenyan to make it to the final round and will no doubt continue to hone his skills, joining the world stage as an elite home-grown talent in what has been a standout year for Golf in the country.

The second edition of the National Deaf Women's Football Championship was a continued success, and with consistent investment, the nascent tournament will continue to help elevate parasport in the country. The 2022 Africa Rally Championship Equator Rally went off without a hitch as Cabinet Sports Secretary Amina Mohammed secured

the inaugural Safari Rally's world championship status through to 2026.

The first quarter of the year saw rising Kenyan Stars in the sports arena. Breakout tennis star Angela Okutoyi has been a national sensation featuring at the Junior Australian Open in January.

An FIA Junior World Rally Championship saw Kenya's McRae Kimathi clinching a strong fourth position overall whilst national hero Eluid Kipchoge continues to carry the Kenyan flag high with multiple marathon wins added to his stellar record this calendar year.

Investment in sports around the country continues to be felt, and if the recent launch of the Jamhuri Sports Complex is any indication of Kenya's Sporting future, then there is good reason to be positively optimistic for the future and the rest of the year.

The author is the Vice-Chairperson of KEPSA Sports, Culture & Arts



How The Automotive Sector Boosted Growth During Covid-19 Lockdowns

By Wanjohi Kangangi



Handover of 80 Isuzu mu-X vehicles to the National Police Service on December 1, 2021. L-R: Isuzu EA Aftersales & Channel Development Director Julius Mwangi, MD Rita Kavashe, Sales & Marketing Director Wanjohi Kangangi, Chief Transport Officer, Kenya Police Service David Njagi and Chief Transport Officer, Administration Police Service Edward Achola.

Discussions about economic development are never complete without the mention of words such as 'job creation' 'value addition' and 'innovation' in the same sentence. It follows therefore that those who develop the means of production become job creators and innovators in as many forms as the demand for products goes. This is largely known as the private sector. These individuals usually take great risks to finance, innovate and develop products and services that can be put out in the market. The private sector carries the burden of invention and often literally the sweat, tears and ingenuity of visionary individuals daring to re-imagine the universe.

The nature of the private sector is such that it adapts to change easily, is open to new ideas and invests in the best talent available, to achieve its goals in the most cost-effective manner. However, this is only possible in an environment that has been made conducive through close partnerships and collaboration with the government.

Without a supporting policy framework and political goodwill from governing authorities, the opportunity to harness the immense potential of the private sector to become positive change agents in society is greatly limited.

Therefore, it is instructive that when the Covid-19 pandemic exploded and nearly crippled the world in 2020, governments and the private sector in highly advanced countries worked closely together to research the deadly virus for development of vaccines and protective equipment. Significant resources from governments were invested in the private sector to ensure solutions to the pandemic were developed in the shortest time possible.

The response speed to a situation that threatened the global economy would only be possible through this kind of collaboration of the public and private sector with certain key benefits coming top of mind. Rapid decision-making processes, ability to bypass bureaucracy and red tape, coupled with trust and confidence in their abilities.

Kenya's private sector took up the challenge brought by the Covid-19 pandemic, stepping in during the harsh times in ways never imagined before. The sector took advantage of the opportunities brought about by the pandemic to make a difference in our society. For instance, access to clean water and hand sanitizers became a big issue in the fight against the pandemic spread.

Isuzu East Africa noted the shortage of clean water and soap in the informal settlement areas around the Isuzu Plant. Hand washing being the first line of defence against the virus, this was a candidate for quick intervention with high impact and immediate results. The company donated sixteen (16) hands free washing stations designed and fabricated by Isuzu engineers to residents of Mukuru, Pipeline, Mlolongo, Mathare, Kibra and Kayole among others.

Furthermore, against great odds, Isuzu East Africa ensured that production of vehicles continued to supply customers' orders despite the prevailing lockdowns and curfews. Transport of agricultural produce, foodstuff, medical supplies and equipment grew exponentially including some sectors such as construction and last-mile deliveries following the stay at home orders. This is a clear demonstration of a versatile and highly responsive private sector.

This is not to say that Isuzu was not affected by the pandemic, but robust risk management strategies and support from the employees and shareholders made the difference.

Without a doubt, some customers were affected by the inter-county lockdowns and near shut down of some sectors including PSV operations, air travel, education and the hospitality industry.

It's instructive to note that in the early days of the pandemic, lots of businesses were contemplating various drastic actions including indefinite closures. Isuzu East Africa evaluated the emerging situation carefully and took a bold decision to keep its operations going while doing everything to safeguard its employees. This proved to be a game-changer in bringing stability into the business ecosystem within the auto industry, encouraging local assembly suppliers to remain open, while safeguarding valuable livelihoods for many employees.

Isuzu East Africa, through partnerships with financial institutions, helped negotiate softer loan repayment terms and payment moratoriums to cushion customers who were experiencing tough times. In addition, the company managed to support SME customers through innovative asset finance and leasing solutions with partners such as banks, to ensure their businesses recovered. Despite the unprecedented challenges, the company continued to provide transport and logistics support that helped to keep the economy running.

The economy has largely been in the 'build back better' mode, which kicked off with the stimulus package that was announced by H. E President Uhuru Kenyatta for various sectors in May 2020. The automotive sector was among the 8 sectors selected for support with Ksh 600 million set aside to purchase locally assembled vehicles. Under corporate and fleet sales, the company achieved procurement success in key government projects such as those in the Ministry of Lands and Ministry of Agriculture in a strong demonstration of the 'Buy Kenya, Build Kenya' vision.

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The automotive sector was among the 8 sectors selected for support with Ksh 600 million...”

This encouraged the company's resilience to sustain operations through the difficult season.

When public transport was allowed to restart with the easing of intercounty travel, Isuzu East Africa pursued the vehicle leasing model. In this initiative Matatu Saccos bought over 100 vehicles to serve various routes with the 33-seater buses employing more drivers and conductors. The company also won multiple leasing and outright purchase contracts from the national and county governments.

For instance, the National Police Service took possession of 80 Isuzu mu-X sport utility vehicles in a leasing deal last December creating value in the insurance, vehicle servicing and financing sectors. The National Hospital Insurance Fund (NHIF) also received a total fleet of 29 Isuzu D-Max pickups. The Kitui county government purchased five specially built Isuzu trucks for transporting cattle, while Laikipia county took delivery of 10 Isuzu FVZ tipper trucks on a lease agreement to support county road infrastructure projects.

It is important to note that due to the international travel bans, the supply of parts and vehicle building components was heavily affected causing a slowdown in production. However, due to insightful forward planning and risk management strategies, Isuzu East Africa continued running with lessons learnt on stocking levels.

To minimise long-distance travel for customers who need to access routine maintenance of vehicles or major repairs, the company increased the authorised service outlets and touchpoints to 55 in the country. This meant more technicians trained and new premises opened thereby creating employment.

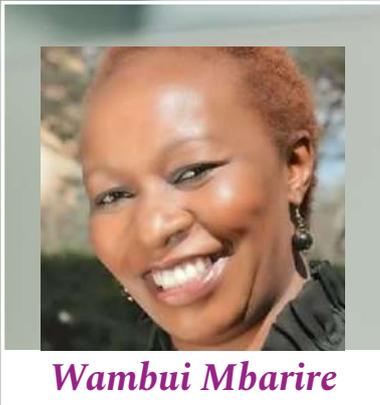
Through its technicians' indentured program, Isuzu EA trains 12 diploma students every year, who filter into the job market. In addition, the company has 24-hour mobile units for rapid response and roadside rescue, thereby ensuring traders do not lose perishable goods due to breakdowns.

Research shows that 80% of jobs in Kenya are in the SME /private sector. Among these are suppliers of locally made components for Isuzu vehicles, who were impacted by the pandemic but have continued with the recovery process. They manufacture seats, batteries, harnesses, lubricants, automotive paint, springs and others. Bodybuilders form a key cog in the cycle, providing purpose-built bodies for trucks and buses.

Isuzu East Africa remains the top local vehicle assembler in Kenya supporting economic recovery efforts by providing high quality and reliable trucks, buses and light commercial vehicles (Pickups) to the local market. Thanks to the outstanding support of Isuzu's loyal customers, the company closed the year 2021 with a market share of 45.02% in the new vehicle segments, maintaining industry dominance for 10 years in a row since 2012.

The transport sector is expected to maintain its expansion streak into the near future as the country's population increases and demand for food and transport grows. The auto industry will be there to help "build bigger and better".

Wanjohi Kangangi is the Director, Sales & Marketing at Isuzu East Africa and the Vice-chairman of the Devolution Sector Board in KEPSA



Wambui Mbarire



E-commerce

Poised for Greater Role in Kenyan Retail

With a burgeoning population estimated to be close to the 50-million mark, Kenya is generally considered a growth market for a wide variety of products. This is largely due to a number of factors, including a young, educated population, urbanization, devolution, a large diaspora and exposure to the global marketplace among others.

It is not surprising therefore that outside of South Africa, Nigeria and Egypt, most global producers eyeing the African market usually consider Kenya as a base point for both their entry as well as initial target for penetration.

The rise of technology and particularly the Internet has played a large part in this growth. According to the e-commerce blog EcommerceDB, Kenya is the 54th largest market for eCommerce with a revenue of US\$2 billion in 2021. The site says that with an increase of 44%, Kenya's eCommerce market is credited with contributing to the worldwide growth rate of 29% in 2021. As retail services surge, revenues for eCommerce players have registered a continuous rise. At the same time, new markets are emerging while the existing ones show potential for further development.

Quoting Statista's Digital Market Outlook for Kenya, the site notes that local expansion is expected to persist with predictions holding that the compound annual growth rate (CAGR 21-25) to 2025 will be 12%. Online selling is now a thing as more people gain trust of the Internet as a source of goods and as online financial transactions become more safer. In fact, according to the site, nearly one quarter of Kenyans had by the end of 2021 purchased at least one or inquired about a product online, showing a strong penetration of e-commerce.

At 41%, electronics and media form the category with the largest portion of online sales, followed closely by fashion at 31%, toys and DIY merchandise at 8 %, food and personal care at 7% and furniture and appliances at 1%

While the online buying is not a recent trend in Kenya, observers and retail industry insiders posit that the Covid 19 pandemic accelerated its uptake, with the period between March 2020 and December 2021 registering the fastest growth.

Several factors may have triggered this surge: first was the restrictions that led to home deliveries, especially in the larger urban areas becoming a preferred option to instore shopping; Second was the readjustments that came with job losses as many people found themselves needing to secure alternative sources of income as some organizations shed off their staff; Third was the shift by existing businesses to supplement, their brick and mortar offers, with online stores in order to stay afloat and Fourth the entry of robust technological platforms that enabled people to stay in communication and at the same time transact by selling products and services online as well as receiving online payments safely.

These are the realities of the economy that we all found ourselves in, an unprecedented change that no one had control over and which required everyone to adjust in their own way. But even more profoundly, is the impact these changes made on Kenyan psyche. In a matter of months, online business became a major consideration for many and is unlikely to lose steam in the foreseeable future.



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The bug has bitten a large portion of the population and reputation has become important online just as it is offline. Indeed, we have seen anecdotal instances where business people are called out for either delivering sub-standard goods and services or engaging in financial fraud.

Social media has played a strong role in entrenching this level of accountability and all indications are that both positive and negative online reviews will increasingly become part of the currency of e-commerce transactions.

The boat has set sail and the brick-and-mortar shop can no longer determine the extent of one's business territory and customer catchment. It is normal to see online businesses state that they deliver countrywide. It is unsurprising therefore, that cargo and courier firms have taken note and are fast expanding the routes they serve in order to meet the last mile need for online sales.

The future can only be more e-commerce heavy for every product and service there is to be offered in Kenya.

The writer is the Chief Executive Officer of the Retail Trade Association of Kenya (RETRAK).



DEEPENING INDUSTRY DIGITIZATION

for Recovery, Growth & Jobs

by Dr. Ehud Gachugu

Recently, a 10-year National Digital Master Plan 2022-2032 to guide the country forward on ICT deployment and investments was launched by the Ministry of ICT, Innovations and Youth Affairs. This Master plan outlines a roadmap for the delivery of ICT infrastructure, services, and skills development to deepen and accelerate socio-economic growth. On the Infrastructure, the plan outlines the installation of 100,000KM high-speed fibre optic, the establishment of 25,000 internet hotspots across the county, Regional Smart ICT hubs and 1,450 village digital hubs among others. Under Digital Skills, there is a plan to provide digital literacy capacity building for 20 million citizens to be able to utilize technology in their businesses and access e-services. All these plans and more stipulated in the Master plan define efforts in the next ten years to create business opportunities, wealth creation, employment opportunities and contribution of ICT to the general growth of the economy.

But one would ask about the exact value of ICT to the overall national economy. According to the 2022 Economy survey by the Kenya National Bureau of Statistics, the value of ICT output increased by 6.9 per cent from Ksh. 529.8 billion in 2020 to Ksh. 566.3 billion in 2021. The Total mobile money transfers grew by 31.7 per cent to Ksh. 6.9 trillion in 2021. The value of mobile commerce transactions grew by 63.2 per cent to Ksh. 15.3 trillion. The ICT sector growth was mainly supported by this increase in mobile money and commerce transactions coupled with the continued use of digital platforms and services which picked up during the pandemic. In addition, the total fixed and wireless subscriptions increased by 4.5 per cent to 46.4 million in 2021. The number of Internet Service Providers (ISPs) rose by 14.8 per cent to 420.

The above is an indication of the growing need for businesses to embrace digital transformation which is a crucial sustainability measure. The digitalization of business involves the use of modern technology to increase productivity and enterprise value in the world. Digital transformation helps completely rebuild the business processes to meet the requirements of customers. Small and Medium-Sized Enterprises (SMEs) have leveraged digital technologies to improve product and service quality, improve process efficiency, increase competitiveness, and therefore help reduce operational costs.

Accordingly, the Digital Plan is crucial as it has been introduced at a time when the country is amid unpredictable market dynamics and evolving business environment mainly being the effects of the last two years of the COVID 19 pandemic.

Different sectors, industries and functions have had to re-invent their processes by investing in technology and process automation among other fundamental changes in order to achieve maximum growth and sustainability. Businesses have become very cautious and keen on implementing mechanisms that will build resilience and growth against any eventualities. Businesses understand that such occurrences and uncertainties might not be one-off as the world continues to experience disruptions, with the latest being the Ukraine invasion; hence they have in place measures to mitigate such occurrences.

Apart from automation of business processes, digitization has also introduced another key feature called Business Intelligence (BI) which gives SMEs the ability to follow consumer expectations and, in most instances, presents new and better business opportunities. The business can accurately predict the needs of the customer and gather data about them through the science of transforming data into actionable insights that help entrepreneurs in improving decision making. Depending on the level of growth of your business, then the business leader can explore available and affordable BI tools. For instance, a business could choose to use a data specialist or an application such as the <https://auni.ai/> by Fastagger. Such tools can help the business track the competition landscape, key players in the industry, business capabilities and the gaps or weaknesses it exudes, all of which are key in planning and decision making on the best steps to take regarding the business.

So, what are these digital solutions currently available for SMEs? Ajira Digital Program, an initiative of the government through the Ministry of ICT, Innovations and Youth Affairs and being implemented by the Kenya Private Sector Alliance and eMobilis with funding from Mastercard Foundation under the Young Africa Works initiative offers digital talents and services from young Kenyans. Through the Program, businesses can outsource specialists in various fields including, but not necessarily limited to the following skill sets; data entry and transcribing, which are necessary skills in archiving modern-day meetings; digital marketing and content creation to read consumers' behaviour and develop content that will ensure engagement and other

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Billion in 2021*

marketing solutions; virtual assistants who schedule appointments, make phone calls, make travel arrangements, and manage email accounts among other administrative work virtually. All these and more digital services will help a business reduce costs and solve capacity issues while at the same time the focus on more core functions and increasing productivity from their employees. Under the Program, over 1.2 million young Kenyans are currently working online.

Besides, there is a flaring growth of digital platforms and the freelancing economy offering solutions for SMEs. With over 100 platforms on board, Ajira has connected digital talents to businesses through the platforms. These platforms offer both white-collar and blue-collar services from professional services, human resource services, marketing services, and education services among others.

Thus, the private sector is a driving force for economic growth, wealth formation, and job creation in Kenya. Both the private sector and government could implement measures within their domains that spur jobs and wealth creation, broaden the economy and reverse the growing unemployment rate.

Dr. EHUD is the Project Director, Ajira Digital and Youth Employment Program at Kenya Private Sector Alliance (KEPSA)



KEPSA engagement with AZIMIO - One Kenya presidential candidate Hon. Raila Odinga



KEPSA engagement with the Jubilee Party gubernatorial candidate for Nairobi County, Polycarp Igathe



KEPSA-NDICCC Roundtable on 25th May 2022



KEPSA engagement with AZIMIO - One Kenya presidential candidate Hon. Raila Odinga



KEPSA engagement with the United Democratic Alliance (UDA) gubernatorial candidate for Nairobi County, Johnson Sakaja



KEPSA CEO making an address at the High-Level Meeting of the General Assembly on Financing for Peacebuilding on 28th April 2022



Engagement with H.E Ellen Sirleaf Johnson, March 15, 2022 - Serena Hotel



KEPSA engagement with AZIMIO - One Kenya presidential candidate Hon. Raila Odinga



KEPSA founding chair Dr. Manu Chandaria sharing a light moment with the Chief Justice Hon. Martha Koome on 15th march 2022



KEPSA Head of projects, Harrison Ngatia and CEO Carole Kariuki receiving the donation of Ksh 2.2 Million from NSE Vice Chair, Paul Mwai and CEO, Geoffrey Odundo



KEPSA Participates in Kenya's side event at the fifth session of the United Nations Environment Assembly (UNEA-5.2) on Transition From Linear to Circular Economy, on 4th March 2022 at the UNON Grounds, Gigiri



Meeting between KEPSA Education Sector and CS Prof. Magoha - April 22, 2022



Women in Leadership and in Business Engagement forum with Martha Karua on 3rd June 2022 at Villa Rosa Kempinski



KEPSA membership team visit at Astral Aviation Training Centre in Limuru on 14th April 2022



Presidential Roundtable for the private sector commitment to the 2 billion tree cover campaign - May 27, 2022



The KEPSA CJ Roundtable on 15th March 2022



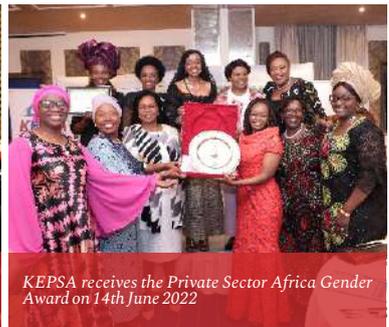
The inaugural Private Sector Gender Policy Launch in Nairobi on 24th March 2022



MKENYA DAIMA 2022 Launch, March 10, 2022 - Panafriic Hotel



Mkenya Daima Initiative Chair Dr. Vimal Shah at the 3rd National Students Convention on Youth, Peace, and Election at KICC, 1st April 2022



KEPSA receives the Private Sector Africa Gender Award on 14th June 2022



KEPSA BUSINESS ASSOCIATIONS

1	Agricultural Employers' Association	26	Institute of Certified Secretaries	51	Kenya Transporters Association of Kenya
2	Agrochemicals Association of Kenya	27	Institution of Engineering Technologists and Technicians	52	Kenya Water Industry Association
3	American Chamber of Commerce Kenya	28	Institution of Engineers of Kenya	53	Leasing Association of Kenya
4	Association of Consulting Engineers of Kenya	29	Japan External Trade Organization	54	Medical Technology Industry Association of Kenya (MEDAK)
5	Association of Gaming Operators	30	Kenya Association of Air Operators	55	National Association of Private Universities of Kenya
6	Association of Kenya Feed Manufacturers	31	Kenya Association of International Schools	56	National Society for Women Entrepreneurs Kenya
7	Association of Kenya Insurers	32	Kenya Association of Manufacturers	57	Oil & Gas Contractors Association of Kenya
8	British Chambers of Commerce Kenya	33	Kenya Association of Pharmaceutical Industry	58	Organization of Women in International Trade
9	Business Ireland Kenya Association	34	Kenya Association of Travel Agents	59	Petroleum Outlets Association of Kenya
10	Car Importers Association of Kenya	35	Kenya Association of Women Business Owners	60	Pharmaceutical Society of Kenya
11	Chartered Institute of Arbitrators (Kenya Branch)	36	Kenya Association of Women in Tourism	61	Protective Security Industry Association
12	Delegation of German Industry & Commerce in Kenya	37	Kenya Auto Bazaar Association	62	Public relations society of Kenya
13	Domain Registrars Association of Kenya	38	Kenya Bankers Association	63	Retail Trade Association of Kenya
14	East African Private Equity & Venture Capital Association	39	Kenya Forex & Remittance Association	64	Roads & Civil Engineering Contractors Association
15	East African Tea Trade Association	40	Kenya Healthcare Federation	65	Seed Trade Association of Kenya
16	Electricity Sector Association of Kenya	41	Kenya Institute of Supplies Management	66	SME Founders Association
17	Electronic Cargo Tracking Systems Providers Association of Kenya	42	Kenya International Freight & Warehousing Association	67	Technology Service Providers Association of Kenya
18	Environment Institute of Kenya	43	Kenya Motor Industry Association	68	The Architectural Association of Kenya
19	European Business Council	44	Kenya Oil & Gas Association	69	The Chartered Institute of Arbitrators (K)
20	Event Managers Association of Kenya	45	Kenya Private Schools Association	70	The Kenya Association of Pharmaceutical Industry
21	Federation of Kenya Employers	46	Kenya Property Developers Association	71	The Kenya Flower Council
22	French Society of Kenya	47	Kenya Renewable Energy Association	72	The SME Support Centre Limited
23	Geothermal Association of Kenya	48	Kenya Ships Agents Association	73	Town & County Planners Association of Kenya
24	Institute of Surveyors of Kenya	49	Kenya Tea Growers Association	74	United Business Association
25	Institute of Certified Public Accountants of Kenya	50	Kenya Tourism Federation	75	Women in Business Community Network

KEPSA CORPORATE MEMBERS

1	Actis Africa Limited	35	Bedi Investments Limited
2	Adept Technologies Limited	36	Benchmark Distributors Limited
3	Africa Health Business Limited	37	Bidco Africa Limited
4	Africa Practice East Africa Limited	38	Biogas Power Holdings (EA) Limited
5	Agence Ushauri	39	Blackberry House Limited
6	Agri Experience Limited	40	BOC Kenya Limited
7	AIG Kenya Limited	41	Bollore Africa Logistics (K) Limited
8	Airtel Networks Kenya Limited	42	Booktalk Africa Limited
9	Akiira Geothermal Limited	43	Bridge International Academies Limited
10	Alfluence International Limited	44	Bridotty Group Limited
11	All for cars International Limited	45	Bright Vision Media Limited
12	All Stars Mtumba Kenya Limited	46	British American Tobacco Plc
13	Alternatives Africa Limited	47	Brookside Dairy Limited
14	Amazon Web Services	48	Bumblebee Sports and fitness Limited
15	AMG Realtors Limited	49	Burn Manufacturing USA LLC
16	Anchor Marketing Limited	50	Card Group East Africa Ltd
17	Apec Consortium Limited	51	Carepay Limited
18	App 4 jobs Limited	52	CDC East Africa Advisers
19	APT Commodities	53	Centum Investment Company Limited
20	Arc Africa Limited	54	Cerberrus Engineering Limited
21	Artroid Design World Arts	55	Cetros Company Limited
22	Asal Frontiers Limited	56	Chandaria Industries Limited
23	Associated Battery Manufacturers East Africa Limited	57	Chawang Engineering Enterprises Limited
24	Astral Aviation Limited	58	Christ Community
24	ATC Kenya Operations Limited	59	Citibank N.A Kenya
26	AvoGreen Supplies Limited	60	City Drop Ventures
27	B.Braun Medical (K) Limited	61	CKL Africa Limited
28	B2B Africa Limited	62	CMA CGM Kenya Limited
29	Bamburi Cement Limited	63	Co ca Cola East & Central Africa
30	Base Titanium Limited	64	Control Risks East Africa Limited
31	BASF East Africa Limited	65	Corprisk Africa Limited
32	Bata Shoe Company PLC	66	Co rprisk International Limited
33	Beaurick General Supplies	67	CPF Group
34	Bechtel-BNT Construction & Engineering Kenya Limited	68	Crown Solutions Limited

KEPSA CORPORATE MEMBERS

69	Crystal River Products Limited	103	Farm Africa Limited
70	Dalberg Global Development Advisors	104	Fashion Eden
71	Dallas Technoprises	105	Firstfin Africa Direct Limited
72	Daproim Africa Limited	106	Flamingo Horticulture Kenya Limited
73	Darda Taxyridders Limited	107	Flomsa Limited
74	Davis & Shirliff Limited	108	Fo rtescue Future Industries Kenya Limited
75	Decapoli Engineering	109	Fourth Generation Capital Limited
76	Dee & Dee Royal Limited	110	Freight Forwarders Kenya Limited
77	Deloitte Limited	111	Frontier Investment Management Africa Limited
78	Dessra Ventures Limited	112	G4S Kenya Limited
79	DHL Worldwide Express Kenya Limited	113	G-Ajiri Fiedtechs Limited
80	Diamond Engineering Company Limited	114	Galana Oil Kenya Limited
81	Dorion Associates	115	Ganatra Plant & Equipment Limited
82	Doshi & Company (Hardware) Limited	116	GE East Africa Services Limited
83	Dow Chemical East Africa	117	Genie Telkom
84	East African Breweries	118	Gennis Consulting Limited
85	E-Cart Services Limited	119	Gerivia Advocates LLP
86	Ecoener Ingenieria Kenya Limited	120	Gertrudes' Children's Hospital
87	Edu Plus Africa Limited	121	Glabal and Rapid services
88	Elecster Kenya Limited	122	Global Standards Certification Limited
89	Elgon Kenya Limited	123	Globeleq Africa Holdings Limited
90	Elimu Digital Media Limited	124	GlovoApp Kenya Limited
91	Emma's Knoll Logistics & supplies Limited	125	Godel Limited
92	Emobilis Technology Academy	126	Good Testimony Junior School Limited
93	E-Moto Limited	127	Google Kenya Limited
94	Empire Feeds Limited	128	Grain Industries Limited
95	English Press Limited	129	Grant Thornton Consulting Limited
96	Errands Guy Eplatform Limited	130	Growthpad Digital Consulting
97	Eselle Group Company Limited	131	Guardnow Security Group(K)
98	Essikip Limited	132	Halal Premier International
99	Expertise Global Consulting Limited	133	Healthy U Two Thousand Limited
100	Express Communications Company Limited	134	Hiventy Africa Limited
101	Facebook	135	HMG Works Limited
102	FAPCL Group Limited	136	Hospit ality Systems Consultants Limited

KEPSA CORPORATE MEMBERS

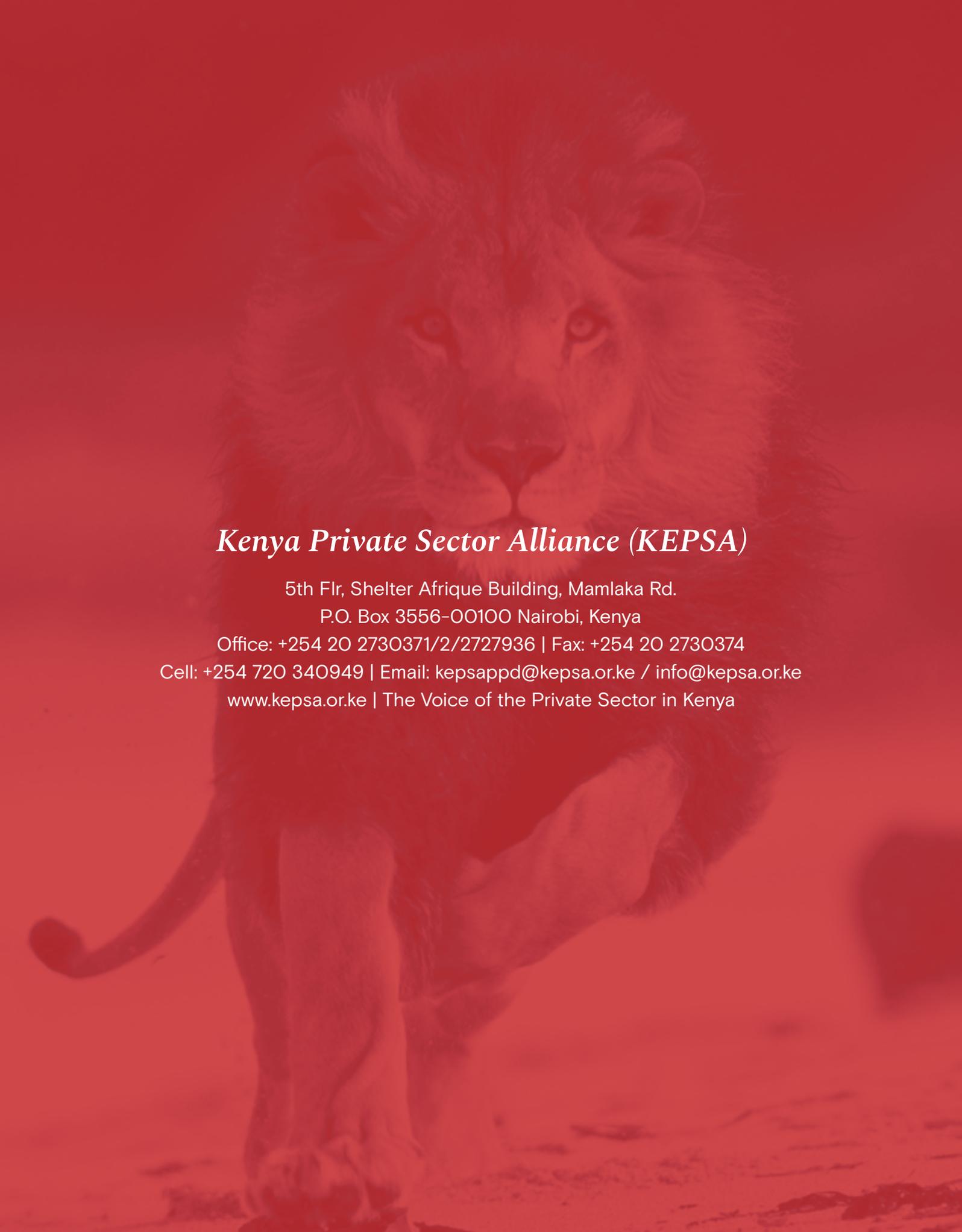
137	Huawei Technologies Kenya Company Limited	171	Kijani Green Limited
138	Hudson Agencies	172	Kiptinness & Odhiambo Associates
139	IBM East Africa Limited	173	Klen Gas Suppliers
140	Ignite Trade Africa	174	KOKO Networks Limited
141	Image Registrars Limited	175	Komaza Forestry Limited
142	Imperial Housing Group Limited	176	Konza Technopolis Development
143	Incentro Africa	177	KPMG Kenya
144	Institute of Public Finance	178	KTDA Management Limited
145	Intercity Secure Homes Limited	179	Larsen and Toubro Limited
146	Interintel Technologies Limited	180	Lawyers Hub Kenya
147	Intermatt Limited	181	Liaison Group (I.B) Limited
148	Ipsos Limited	182	Light for the World
149	Isuzu East Africa	183	Liyana Traders Limited
150	Jamii Telecommunications Limited	184	Liquid Telecommunication Kenya
151	Jawabu Interiors	185	Little Einsteins East Africa
152	JC solutions Limited	186	Lori Systems Limited
153	Jijenge Credit Limited	187	LRMG Proprietary Limited
154	JNO Advocates LLP	188	Ludique Works
155	Jobsikaz Afrique Limited	189	Lued (A) Chemicals Ltd
156	johnson & johnson middle east fz-llc	190	Lukenya High School Limited
157	Juza Africa Limited	191	Mabati Rolling Mills Limited
158	kaleidoscope Consultants	192	Madison Group Limited
159	Keekapu Grocers Limited	193	Maersk Kenya Limited
160	Kenchic Limited	194	Majik Water Technologies Limited
161	Kengas Link Limited	195	Mantrac Kenya Limited
162	Kenya Climate Innovation Center	196	Mars Wrigley and confectionery
163	Kenya Development Corporation	197	Marubeni Corporation
164	Kenya Kazi services Limited	198	Mbuni Artifacts Exporters & Importers
165	Kenya Markets Trust	199	Medi link Lab & Surgical Limited
166	Kenya Network Information Centre	200	Melvin Marsh International Limited
167	Kenya Pipeline Company Limited	201	Merican Limited
168	Kenya Power & Lighting Company	202	Meridiam SAS Ethiopia Branch
169	Kenya Tea Packers Limited	203	Millennial Speak Limited
170	Kenya Wine Agencies Limited	204	Milly Glassworks Limited

KEPSA CORPORATE MEMBERS

205	Milush Enterprise Limited	239	Panafrican Equipment Kenya Limited
206	Mini Me Kids	240	Paytree Group Limited
207	MK Light Africa Right Limited	241	Pearltek Kenya Limited
208	M-KOPA Kenya Limited	242	Pick-A-lot
209	Monsanto East Africa	243	PKF Kenya
210	Moringa School Limited	244	Planon Solutions Limited
211	MW& Company Advocates LLP	245	POA Internet Kenya Limited
212	Mwembe and Mwembe Associates	246	Polucon Services Kenya Limited
213	Myfugo Innovation Limited	247	Ponea Health Limited
214	Nairobi Bottlers Limited	248	Prideinn Hotels & Investment Limited
215	Nairobi Securities Exchange	249	Primavera Farms Limited
216	Nation Media Group	250	Priori Technologies Limited
217	Natra Tech E.A Ltd	251	Procter & Gamble Distribution East Africa Limited
218	NCBA Bank Kenya Plc	252	PTG Limited
219	Nemsi Holdings Limited	253	Ravenswood Limited
220	Netcore Links Limited	254	Re networks East Africa Limited
221	Nexton Limited	255	Rescue Integrated Initiative Limited
222	Norkan Beauty Boutique	256	Resolution Health Limited
223	Nouveta Limited	257	Rift Valley Highway Limited
224	Nurse in Hand	258	Robson Harris Advocates LLP
225	Nutri You Farm & Shop Ltd	259	Ronalds Limited Liability Partnership
226	Nyambok & Company Investments Limited	260	Royal Flora Holland Kenya Limited
227	Oakar Services Limited	261	Royal Tots Daycare and Nursery Kiambeni Limited
228	OBG Company Limited	262	RSM Eastern Africa LLP
229	OCP Kenya Limited	263	RWK & Associates CPA(K)
230	Ogilvy Public Relations	264	Safaricom Limited
231	One Acre Fund	265	Saillon Pharma Limited
232	One Health Limited	266	Sanergy Limited
233	OpenBusiness Africa Limited	267	SAP East Africa
234	Optiven Limited	268	Sarai Afrique Limited
235	Oracle Corporation Systems Kenya	269	Sarova Hotels Limited
236	Origen Fresh EPZ Limited	270	Sayani Investments Limited
237	Oliver K. Limited	271	Schneider Electric (K) Limited
238	Osho Chemical Industries Limited	272	Scope and Impact Limited

KEPSA CORPORATE MEMBERS

273	Senaca East Africa Limited	308	The Karen Hospital
274	Sewe International Limited	309	Tira Studio
275	SGS Kenya Limited	310	Tibu Health Limited
276	Shammah International Agency Limited	311	Tokoyasu Solutions Limited
277	Shartlon Security and Private Investigation Services Company Ltd	312	Torrent East Africa Limited
278	Sheth Naturals Limited	313	Trinity Energy
279	ShopIT Limited	314	Trinity Magnolia Printers
280	Silikon Consulting Group Limited	315	Trulink Solutions Limited
281	Simba Corporation Limited	316	Tunga Tunga Hcrafts
282	Skiqa Group Limited	317	Twiga Foods Limited
283	SNDBX International	318	Uber Kenya Limited
284	Snetor East Africa Limited	319	Ultravetis East Africa Limited
285	Social Performance Advisory Limited	320	Upfield Kmeya Limited
286	SOJITZ East Africa	321	Urembo Hub Limited
287	Sokowatch Limited	322	Uwezo Wetu Foundation
288	Solid Link International Limited	323	Vantage Homes Limited
289	Songa Capital Limited	324	Vegemark Limited
290	Sowitec Kenya Limited	325	Veggie Ville Limited
291	Spart Freight Logistics Limited	326	Victory Farms Limited
292	St Bakhita School Limited	327	Vintage Baby Kenya Limited
293	Stanbic Bank	328	VISA International Service Association
294	Standard Chartered Bank Kenya Limited	329	VitalRay Health Solutions
295	Star Beam Ventures Limited	330	Viva Africa Consulting LLP
296	Strauss Strong Group Limited	331	Vivo Energy Kenya Limited
297	SUADEO Technologies Limited	332	Wanderlust Diaries Limited
298	Sunculture Kenya Limited	333	Waste Electrical and Electronic Equipment Centre (WEEE Centre)
299	Sunvine Africa Limited	334	Wells Fargo Limited
300	Tactive Consulting Group Limited	335	Wellwise Healthcare Solutions Limited
301	Tamokwe Agency Limited	336	Western seed
302	Tata Chemicals Magadi Limited	337	Westminister Trade & Tax LLP
303	Tech Innovators Network Think Tank Limited	338	Winnie's Pure Health Products Limited
304	Telescope Medical Technologies	339	Woolworths (K) PTY LTD
305	Telesky Limited	340	Work Experience and Mentorship Academy Ltd
306	Tetra Pak Limited	341	Zawadi Brand Solutions Ltd
307	The Alternative Accomodation Network	342	Zenka Digital Limited



Kenya Private Sector Alliance (KEPSA)

5th Flr, Shelter Afrique Building, Mamlaka Rd.

P.O. Box 3556-00100 Nairobi, Kenya

Office: +254 20 2730371/2/2727936 | Fax: +254 20 2730374

Cell: +254 720 340949 | Email: kepsappd@kepsa.or.ke / info@kepsa.or.ke

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