KENYA BUSINESS CHANNEL

The Voice of KEPSA

A KENYA PRIVATE SECTOR ALLIANCE PUBLICATION

DECEMBER 2024

Export Potential Under AfCFTA:

Leading Export Sectors to Unlocking the Future of Trade for Businesses

KEPSA KENYA PRIVATE SECTOR ALLIANCE

20TH ANNIVERSARY

TWO DECADES OF

PARTNERSHIPS & PUBLIC PRIVATE DIALOGUE

+ **Joint Ventures :** A Successful Market Entry Strategy?

+ **Breaking Barriers:** How Companies Can Unlock Trade Potential In Africa


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EDITOR'S NOTE

I extend our heartfelt gratitude to all KEPSA Members and readers for your unwavering support throughout 2024. Together, we have achieved remarkable milestones, navigated significant challenges, and demonstrated extraordinary resilience and optimism.

As we approach the end of the year, we are pleased to present another insightful publication. This edition delves into the export potential of the East African Community (EAC) within the framework of the African Continental Free Trade Area (AfCFTA), highlighting the most promising sectors for business growth. The AfCFTA is designed to eliminate barriers to intra-African trade, opening up substantial opportunities for EAC member countries, particularly in areas such as Agriculture, Manufacturing, Technology and Services, Infrastructure and Logistics, and Textiles and Apparel.

We invite you to engage with us and reach out for any assistance you may need to expand your business and successfully navigate export markets. Together, let's look forward to a prosperous 2025. From the KEPSA family, we wish you all a joyful holiday season!

Josephine Wawira

Corporate Communications Manager,
Kenya Private Sector Alliance

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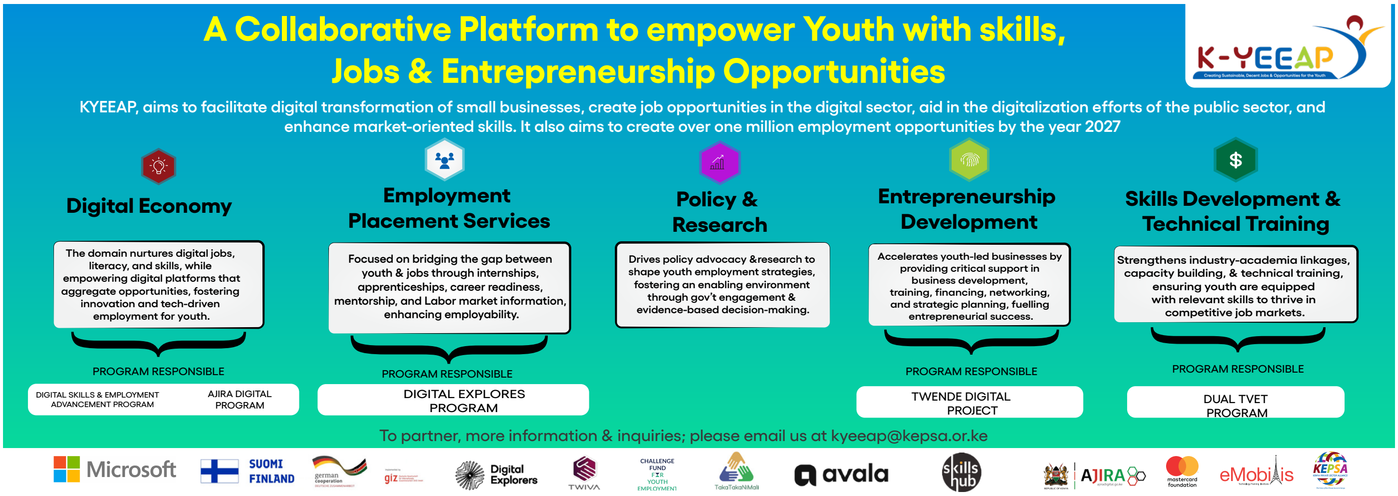
A Collaborative Platform to empower Youth with skills, Jobs & Entrepreneurship Opportunities
K-YEEAP
KYEEAP, aims to facilitate digital transformation of small businesses, create job opportunities in the digital sector, aid in the digitalization efforts of the public sector, and enhance market-oriented skills. It also aims to create over one million employment opportunities by the year 2027
Digital Economy
The domain nurtures digital jobs, literacy, and skills, while empowering digital platforms that aggregate opportunities, fostering innovation and tech-driven employment for youth.
PROGRAM RESPONSIBLE
DIGITAL SKILLS & EMPLOYMENT ADVANCEMENT PROGRAM
AJIRA DIGITAL PROGRAM
Employment Placement Services
Focused on bridging the gap between youth & jobs through internships, apprenticeships, career readiness, mentorship, and Labor market information, enhancing employability.
PROGRAM RESPONSIBLE
DIGITAL EXPLORES PROGRAM
Policy & Research
Drives policy advocacy &research to shape youth employment strategies, fostering an enabling environment through gov't engagement & evidence-based decision-making.
Entrepreneurship Development
Accelerates youth-led businesses by providing critical support in business development, training, financing, networking, and strategic planning, fuelling entrepreneurial success.
PROGRAM RESPONSIBLE
TWENDE DIGITAL PROJECT
Skills Development & Technical Training
Strengthens industry-academia linkages, capacity building, & technical training, ensuring youth are equipped with relevant skills to thrive in competitive job markets.
PROGRAM RESPONSIBLE
DUAL TVET PROGRAM
To partner, more information & inquiries; please email us at kyeeap@kepsa.or.ke


TWO DECADES OF
Chief Guest
H.E Dr William Samoei Ruto EGH
C.G.H. President Of The Republic Of Kenya And Commander-In-Chief Of The Kenya Defence Forces


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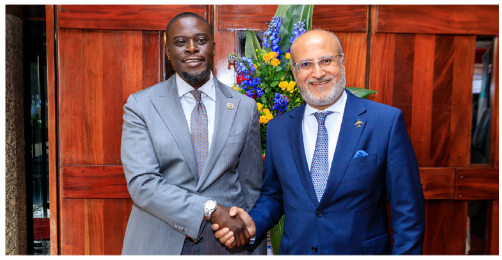
KEPSA
KENYA PRIVATE SECTOR ALLIANCE

20TH ANNIVERSARY

TWO DECADES OF
PARTNERSHIPS & PUBLIC PRIVATE DIALOGUE

SPECIAL PULLOUT








TWO DECADES OF PARTNERSHIPS & PUBLIC PRIVATE DIALOGUE

On 10th December 2024, KEPSA commemorated its **20th anniversary,** marking two decades of achievements that have significantly impacted Kenya's private sector and economic landscape since its establishment in 2003. The event, held at the KICC, Nairobi, provided an opportunity for the KEPSA stakeholders to reflect upon the organization's journey, highlight key successes, and outline future aspirations to strengthen the country's economic sustainability and global competitiveness in 2025 and beyond.

The event included a full-day marketplace and exhibitions, where KEPSA members showcased and sold their goods and services. This allowed Kenyans to experience and celebrate the diverse offerings of businesses in the country. It was followed by a high-level engagement session graced by H.E. Dr. William Samoei Ruto, CGH., President of the Republic of Kenya and Commander-in-Chief of the Kenya Defence Forces. It ended with a networking cocktail for Members.

Watch key highlights of the celebrations here:
https://youtu.be/Vg8E94oygDA

20 Years of KEPSA:

A Driving Force for Kenya's Private Sector and Economic Growth

By Carole Kariuki
CEO, KEPSA

The Kenya Private Sector Alliance (KEPSA) was founded in 2003 to unify the voice of the private sector during a time when the late President Mwai Kibaki's new government sought collaboration. Recognizing the confusion caused by numerous organizations claiming representation with conflicting short-term solutions, we aimed to establish an umbrella body that would provide essential leadership and direction. This initiative was crucial for engaging the government on policies that would enhance the business environment in Kenya, paving the way for progress and prosperity. At that crucial juncture, it became clear that a robust partnership with the government of the day was essential for the business community to flourish. This understanding fueled the private sector to take the initiative to create KEPSA. It was a turning point we're proud of as we celebrate this milestone because, for the first time, leaders from different associations and federations across different sectors, who before that were working in silos, rallied together, uniting their strengths to craft an economic recovery strategy in close collaboration with the government.

In June 2010, former President Uhuru Kenyatta's Government tasked KEPSA with implementing the Kenya Youth Empowerment Project (KYEP). This initiative aimed to provide youth with work experience and skills through training and internships in both formal and informal sectors, addressing employment demand and supply issues. The pilot program took place in Nairobi, Mombasa, and Kisumu, offering two months of training followed by four months of work experience. A total of 20,384 youth (47% female) received training, and 13,289 (49% female) were placed in internships, surpassing the targets of 15,000 and 10,000, respectively. The project also successfully placed an average of 75% of interns in paid jobs, while about 10% pursued further skills development. This program, which became synonymous with KEPSA among the youth at that time, paved the way for a myriad of similar projects over the years. Collectively, these projects have gone a long way in addressing the challenge of youth employment in a coordinated and harmonized manner.

On December 10th, 2024, we marked 20 years of KEPSA playing a key role as a convening power in the business environment, investments, enterprise development, youth, and jobs. In the past 20 years, we've worked with three presidents, navigating different administrations but always holding firm to one constant: the private sector's critical role in driving Kenya's economic growth. Through our established public-private dialogue mechanisms, we rally the private sector to collectively engage in organized discussions with key stakeholders and the government as a social and economic partner on cross-cutting policy issues affecting business development and investment.

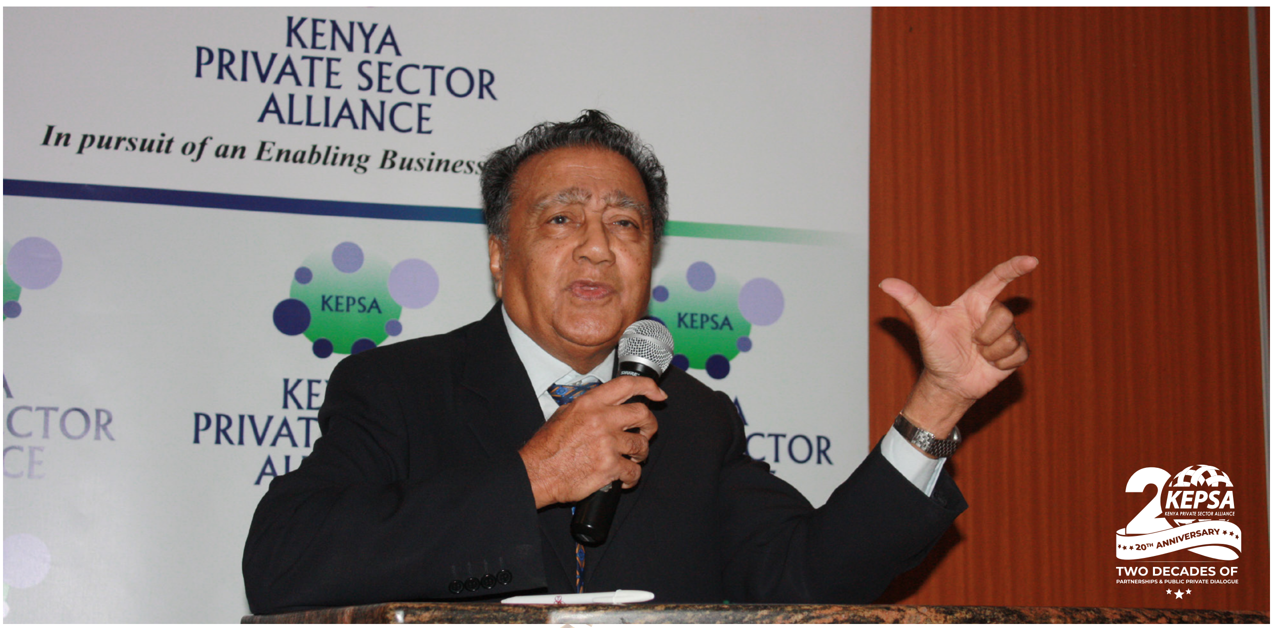
The Kenya Private Sector Alliance (KEPSA) was founded in 2003 to unify the voice of the private sector.

We have made tremendous strides, resulting in impressive economic growth over the last two decades. This has primarily been made possible by our ability to champion policy advocacy through these public-private dialogue mechanisms, ensuring that the private sector's voice is heard within the three arms of the Government of Kenya: the Executive, Parliament, and Judiciary.

As a result, we have held various landmark engagements over the years. Notably, in 2024, our focus on the business environment saw us hold all engagements, including the Presidential Roundtables, which offered strategic engagement with the Head of state on national socio-economic issues. KEPSA's engagements with H.E. Dr. William Ruto focused on economic discussions, gathering and resolving various concerns from the private sector that impact the ease of doing business - a culmination of the various deliberations under the Ministry of Industry, Trade and Investment. They addressed key competitiveness drivers, including the cost of raw materials, logistics, cost and tenure of credit, labor productivity, and cost of utilities.
Other engagements included the 6th Speaker's Roundtable with the Senate, which set the legislative interventions agenda for FY 2024/25 to boost county economic competitiveness and drive Kenya's business growth in a changing geopolitical landscape. The 7th Speaker's Roundtable with the National Assembly aimed at driving sector-specific reforms, fostering innovation, and creating a business environment that thrives on clear, forward-looking regulation.

Furthermore, the Chief Justice Roundtable aimed to enhance a favorable judicial environment through judicial accessibility and streamlined judicial processes that promote justice and economic growth, enhance the ease of doing business, and foster sustainable development and competitiveness in Kenya and globally. The EAC Secretary General Roundtable was pivotal for driving regional economic integration, improving the business climate, and ensuring that the private sector's voice is heard in policymaking. It underscored the importance of collaboration between the public and private sectors in achieving a more integrated and prosperous East African region, ultimately enhancing the ease of doing business and fostering Kenya's competitiveness in the region and globally.

Different Ministerial Stakeholder Forums provided dialogue platforms with various Cabinet Secretaries on sector-specific issues affecting the private sector. The Council of Governors Roundtable provided a platform for collaboration with county governments on devolution and economic growth. This year, we also launched the Regional Economic Blocs Roundtable, which will form the engagement mechanism of devolving



KEPSA to the counties through the six regional economic blocs. These engagements in policy advocacy have brought great success to the private sector and the country's economy.

As a result, our interventions now go beyond policy to enterprise development. Through various national and international partners, we have implemented over 50 projects to provide businesses with essential training and financial linkages, facilitate access to new markets, and unlock investment opportunities.
We have also invested in youth through skills and jobs, creating about 1 million decent and productive jobs across different ages, scaling over 30,985 SMEs – 51% of whom are women, and linking more than 300,000 youth to employment opportunities through projects like the Ajira Digital Program and the Jiinue Growth Program. These partnerships have underscored a key truth: the private sector is not just a participant in Kenya's economic growth but an enabler of that growth.
Today, we bring together local and foreign business associations, federations, chambers of commerce, professional bodies that are sectoral umbrella bodies and individual sectoral business membership organizations, corporates, from multinationals to large and medium-sized companies, SMEs, and start-ups from all sectors of the economy across all parts of the country. This gives KEPSA a direct and indirect reach of over 2 million businesses.

We are organized into 16 sector boards that mirror government ministries and reflect our economy's structure. These include Mining and Blue Economy; Trade and Industry; Education; Public Finance; Energy and Extractives; Land and Housing; Environment, Water and Natural Resources; Security; ICT and Digital Economy; Sports, Arts and Culture; Transport and Infrastructure; Agriculture; Tourism; Health; and Labour. Each of our members belongs to one of these sector boards based on their private dialogue needs. From the sector boards, we sieve through and generate content and

The tremendous strides, resulting in impressive economic growth over the last two decades, has primarily been made by our ability to champion policy advocacy through these public-private dialogue mechanisms, ***ensuring that the private sector's voice is heard*** within the three arms of the Government of Kenya.

consensus on issues for direct engagement with policymakers through the various Public-Private dialogue platforms with government and other stakeholders.

Over the years, our members have also consistently stepped up during moments of national crisis. For instance, during the COVID-19 pandemic, when the country faced unprecedented challenges, KEPSA rallied businesses to respond. The private sector heeded the call, contributing in-kind and cash to support healthcare systems, provide essential supplies, and sustain livelihoods during the global shutdown. At a time when commodity prices, world trade, international tourism, capital flows, and diaspora remittances had collapsed, the private sector came together, supporting each other, the government, and, most importantly, helping Kenyans remain united and hopeful. Our rallied efforts helped us all recover from the pandemic, and while some of the impacts remain, we weathered the period in the true Kenyan spirit.

More recently, during the devastating floods, we witnessed the incredible generosity of private citizens and businesses, coming together to provide much-needed relief to affected communities. KEPSA recognized the urgent need for coordinated action to alleviate the suffering and provide critical support to those affected by floods, and through our social arm, KEPSA Foundation, we issued a rallying call to mobilize private sector support for donations towards this cause under the Private Sector Flood Response Initiative.

We worked with government ministries, non-profit organizations, local communities, and our members, including the Chandaria Foundation, SHOFCO, Mama Doing Good, Global Peace Foundation, and Team Pankaj Foundation, on this multifaceted response initiative, which reached over 10,000 households, providing them with assorted food items and medical supplies. These efforts, compounded by climate mitigation policy interventions, went a long way in helping address immediate needs and facilitate long-term recovery efforts for vulnerable communities in the face of climatic impacts. These moments remain beacons of hope for Kenya and remind us that we are strongest when we work together "in common bond united."

With only six years left towards the realization of Vision 2030 which aims to create a prosperous and globally competitive nation with a high quality of life by 2030, we must increase our efforts to transform the Kenyan industry while creating a clean and secure environment for Kenyans.

However, we must also acknowledge that enhancing competitiveness remains a critical challenge today. The cost of doing business in Kenya remains high, driven by expensive energy, inefficiencies in logistics, and unpredictable regulatory policies. These challenges impact our ability to compete effectively in global markets.

To address these issues, KEPSA's National Business Agenda III (NBA III: 2022-2030) provides a roadmap for addressing the private sector's structural challenges. This agenda focuses on five key pillars: affordable utilities, access to affordable financing, skilled labor and productivity, reduced logistics and trade costs, and streamlined trade and investment policies. These pillars are not just aspirations—they are actionable strategies with the potential to bear fruit through public-private partnerships. As we continue to advocate for effective reforms to reduce energy costs, streamline trade logistics, and improve tax and regulatory frameworks, we will strengthen Kenya's participation in regional and global value chains, which are essential to opening new markets for local businesses. By addressing these barriers, the private sector can unlock its full potential, attract more investment, and position Kenya as a competitive global player.

Access to affordable financing is another persistent hurdle, particularly for SMEs and startups that drive innovation and job creation. High interest rates and stringent lending conditions limit their ability to grow and scale. While KEPSA has collaborated with the National Treasury to develop frameworks like the Green Fiscal Incentives Policy, unlocking sufficient funding for sustainable projects remains a challenge.

The skills gap in Kenya's labor market also demands urgent attention. While we have a youthful and dynamic workforce, the mismatch between education and industry needs results in low productivity and increased business operational costs. Regulatory uncertainty further compounds these issues. Despite progress in streamlining regulations, businesses continue to face a complex and often unpredictable tax regime, with frequent changes and inconsistent enforcement. This creates an environment of uncertainty that discourages investment and stifles innovation.

With only six years left towards the realization of Vision 2030, we must increase our efforts to transform the Kenyan industry while creating a clean and secure environment for Kenyans.

Perhaps the most pressing challenge is climate change, which poses significant risks to Kenya's economy. With over 84% of the country classified as arid or semi-arid, extreme weather events such as droughts, floods, and erratic rainfall disrupt supply chains, reduce agricultural output, and strain infrastructure. Addressing these risks will require greater investment in climate adaptation and sustainable practices, supported by increased access to green financing.

Yet, despite these challenges, the private sector's resilience offers hope. KEPSA remains committed to fostering public-private dialogue to create a stable, predictable business environment. KEPSA and its members will continue to engage the government through structured dialogue as a social and economic partner, as we have done over the last twenty years, from the lowest to the highest level of the three arms of government.

Additionally, I believe that investing in green and digital economies will enhance Kenya's competitiveness and build resilience against future disruptions. Strengthening partnerships between educational institutions and industry will help bridge the skills gap while expanding Kenya's participation in regional and global value chains. This will open new markets and boost exports, thus enabling a business environment that delivers Kenya's global competitiveness.

We look to the future with optimism. The challenges are real, but so are the opportunities. With continued collaboration, innovation, and strategic investment, Kenya's private sector can overcome these obstacles and thrive in a rapidly evolving global economy. The private sector has always been the engine of Kenya's economic growth. Now, it is poised to be the engine of our future prosperity.

I also want to express our gratitude to all our members and partners for being part of this journey. We couldn't have made it without your shared vision. As we continue to grow, we call on those who have yet to join us; we're only stronger and more effective when all the businesses come together. As for us, we remain committed to diligently serving you and contributing to Kenya's socioeconomic development. Let us celebrate this milestone as we look forward to more years of building a resilient, sustainable, and inclusive economy that benefits all Kenyans.

The author is the CEO of the Kenya Private Sector Alliance (KEPSA). She can be reached at communications@kepsa.or.ke.

KEPSA 20th AGM - 19 JUNE 2024

"This 20th anniversary is not just a time to reflect on our past successes but a stepping stone to even greater heights. Our journey has been defined by resilience, innovation, and collective effort. Together, we will continue to adapt, grow, and achieve even greater success in the years to come."

Dr Jas Bedi, KEPSA
Chairperson - Kenya Private Sector Alliance (KEPSA)

Link to the full video:
https://youtu.be/kzTHtx4_TRQ

As KEPSA marks 20 years of leading Kenya's private sector, we are not only celebrating two decades of excellence but also embarking on a journey of envisioning what the next twenty years hold for our beloved Kenya.

This marks more than just a milestone; it is a testament to the power of collaboration, resilience, and vision. Over the years, KEPSA has grown into a beacon of leadership, innovation, and advocacy, bridging the gap between the private and public sectors. Together, we have championed policies that have fuelled economic growth, empowered youth, and created countless opportunities that have positively impacted millions of lives. As we reflect on our journey, let us take a moment to honour the visionaries who, 20 years ago, dared dream of a unified private sector voice—a voice that has become instrumental in shaping Kenya's socio-economic landscape. We stand on the shoulders of giants, and their unwavering commitment inspires us to think boldly and act decisively as we navigate the future.

But this celebration is not just about looking back—it is about looking forward. Picture Kenya in 2044: a nation where prosperity is inclusive, innovation drives sustainable development, and every individual has the opportunity to thrive. This vision calls us to action today. I encourage each of you to connect, share, and collaborate. Let this be a space where ideas flow freely, partnerships are forged, and new possibilities take shape. Together, let us redefine what it means to lead, innovate, and transform.

The stories we share, the aspirations we nurture, and the actions we commit to this coming year will echo for generations to come. Let us honor our past, embrace our present, and illuminate the path to a brighter, more prosperous Kenya. Thank you for being part of this incredible journey. Together, we can and will shape the Kenya we dream of.

Link to the video: **https://youtu.be/AaRvHx54_qU**

Dr. Ehud Gachugu, HSC.,
Ag. Deputy CEO and Global Director, Youth, Jobs, and Ajira Digital Program - Kenya Private Sector Alliance (KEPSA)

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"It is a good opportunity for us to look into partnerships and what we can do together. I want to commend many of your members because some of the interventions we have done in the city have been with your members. I'm grateful because since we launched our cash-free policy in Nairobi County, many of you have complied. Our revenue streams are now digitized, and we have raised our revenues; this year, we hit about 13 billion from the previous 8 billion."

H.E. Johnson Sakaja,
Governor of Nairobi City County

Link to the full video:
https://youtu.be/Dfuob3cgvTw

"20 years ago, when I was Minister for Planning and National Development in the NARC Government, NARC had just taken over after many years of struggle, and we were all excited. I could not believe the interest people showed in trying to get a blueprint for the future of this nation. But what happened in Leisure Lodge in Mombasa to discuss about this future is what birthed KEPSA. Today, the vision of creating KEPSA is self-evident in an economy that registered 7% growth from 2003 to 2007 from -0.2%."

H.E. Prof. Anyang' Nyong'o,
Governor of Kisumu County

Link to the full video:
https://youtu.be/v4GQIPVa8xY

"I want to congratulate KEPSA because, in 20 years, you have really made a huge contribution to the development of our country, especially in terms of economic growth. As a Ministry, we have had a very close engagement with KEPSA, even now, as we discuss the Tax Laws, which are very critical in ensuring that we have a predictable investment environment, and also the Business Laws Amendment Bill, all these pieces of legislations have a very big input from KEPSA."

H.E. Hon. Salim Mvurya,
Cabinet Secretary for Investments, Trade and Industry

Link to the full video:
https://youtu.be/z4ELzskF7yo

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"I assure you of the government's and my personal support as we advance our partnership to unlock Kenya's full potential. From 2025, we will introduce quarterly dialogue sessions with the private sector to address bottlenecks to doing business and explore opportunities for deeper collaboration."

H.E. Dr. William Ruto,
President of the Republic of Kenya

Link to the full video:
https://youtu.be/vnRhRPuCj2U

In a Fireside Chat session with the President, moderated by Ms Carole Kariuki, KEPSA CEO, President Ruto confirmed that the government is implementing various initiatives to ease business operations. These included the introduction of the Business Laws (Amendment) Bill, 2024, prioritizing local manufacturers in procurement and addressing fiscal challenges by reducing inflation, stabilizing exchange rates, and reassessing public expenditure to focus on necessities like education.

Link to the full video:
https://youtu.be/CCJcPno2yIE


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Export Potential Under AfCFTA:

Leading Export Sectors to Unlocking the Future of Trade for Businesses

CHAIR'S MESSAGE

DR. JASWINDER BEDI
KEPSA CHAIRPERSON

Kenya stands at a transformative juncture, ready to harness the African Continental Free Trade Area (AfCFTA) as a catalyst for economic growth and integration. With the AfCFTA projected to boost Africa's GDP by $450 billion by 2035, the opportunities for intra-African trade are unparalleled. Currently, intra-African trade represents just 15% of total trade, a stark contrast to 60% in Asia and 70% in Europe. This gap underscores the untapped potential within Africa, which Kenya is uniquely positioned to unlock.

In 2023, Kenya recorded a trade surplus of $1.8 billion with East African Community (EAC) partners, reflecting its strong regional trade performance. The private sector, contributing over 70% to GDP and employing 90% of the workforce, is pivotal in leveraging the AfCFTA framework. Key sectors like manufacturing, which contributes 7.6% to GDP, and agriculture, which sustains over 40% of the population, are primed to benefit from expanded market access and export diversification. However, to fully capitalize on AfCFTA's promise, Kenya must overcome critical infrastructure deficits, with annual investment needs estimated at $130–$170 billion for transport networks, energy systems, and digital connectivity. Transformative projects like the Lamu Port-South Sudan-Ethiopia Transport (LAPSSET) Corridor are essential to enhancing logistics and solidifying Kenya's position as a central trade hub.

Despite the potential, challenges persist. High energy costs, limited access to affordable credit, and regulatory inefficiencies remain significant barriers. KEPSA is at the forefront of advocating for reforms to address these hurdles, focusing on value addition in agriculture and manufacturing to boost competitiveness. Expanding agro-processing, for example, could double horticultural export revenues by unlocking new continental markets.

The broader impact of AfCFTA extends beyond trade it is projected to lift 30 million Africans out of extreme poverty and create 18 million jobs annually by 2030. Simplifying customs procedures and reducing red tape could increase intra-African exports by 109%, driven primarily by manufactured goods. Kenya's entrepreneurial spirit and abundant resources position it as a leader in driving this integration.

AfCFTA is more than a trade agreement; it is an economic revolution poised to reshape Africa's trade landscape. By addressing existing challenges with bold reforms and strategic investments, Kenya can champion a new era of economic prosperity and integration, not only for itself but for the entire continent. Together, let us seize this opportunity to lead Africa's journey toward shared growth and resilience.

Unlocking Africa's Economic Potential: Seizing Opportunities with AfCFTA

By Doris Olutende

The African Continental Free Trade Area (AfCFTA) is not merely a trade agreement; it is a bold and transformative vision for Africa's economic future. Imagine a Kenyan agro-processing firm that, once confined to local markets, now thrives by exporting processed avocado products to vibrant West African markets. This inspiring evolution, fueled by AfCFTA's reduction of trade barriers and the harmonisation of tariffs, showcases the immense opportunities that await businesses ready to embrace this continental framework. At the Kenya Private Sector Alliance (KEPSA), we are energised by such success stories. We are committed to empowering Kenyan enterprises with the insights and tools they need to excel in this dynamic era of intra-African trade.

In this December edition of the Kenya Business Channel, we invite you to explore how key export sectors—agriculture, manufacturing, technology, and logistics—can unlock unprecedented growth under AfCFTA. As of mid-2024, agriculture contributes approximately 25% to Kenya's GDP, underscoring its critical role in economic prosperity and sustaining livelihoods for over 40% of our population. This sector is not just about food production; it is a cornerstone of our national identity and a catalyst for innovation and entrepreneurship.

Through engaging expert interviews, compelling case studies, and actionable strategies, we aim to ignite your imagination and inspire you to think bigger, innovate fearlessly, and act decisively. With intra-African trade projected to surge by 52% by 2025 (World Bank) and Kenyan horticultural exports reaching an impressive $1.21 billion in 2023, the growth potential is not just promising but transformative. This edition serves as your comprehensive guide for navigating the AfCFTA landscape and seizing the wealth of opportunities it presents.

Let us dream boldly, collaborate passionately, and act with purpose. KEPSA stands as your unwavering partner on this journey, advocating for policy reforms, fostering robust public-private partnerships, and spearheading capacity-building initiatives. The success of our agro-processing firms is merely the beginning of what we can achieve together. By harnessing our collective strengths, we can create a ripple effect of growth, sustainability, and inclusivity that positions Kenyan businesses at the forefront of Africa's trade renaissance.

This is our moment to shine, a moment filled with promise and potential. I invite you to join us on this extraordinary journey toward shared prosperity. Together, let us unlock the full potential of our continent and take charge of transforming Africa's economic landscape for generations to come.

The writer is the Public-Private Dialogue Manager at KEPSA.

AFCFTA: SHAPING AFRICA'S FUTURE THROUGH REGIONAL INTEGRATION

A catalyst for driving economic growth and sustainable prosperity

By Kyesubire Talitwala-Greigg

It is fascinating how deep the historical roots of intra-African trade are. They date back to ancient times and evolved through distinct eras shaped by economic and political developments.

The Foundation:

In the pre-colonial era, Africa's vibrant trade networks connected regions and fostered economic exchange. The Trans-Saharan Trade linked North Africa with West Africa, exchanging salt, gold, ivory, and slaves. Along the East African coast, the Indian Ocean Trade thrived, with city-states like Kilwa and Mombasa trading spices, textiles, and precious metals with India, Arabia, and China. In the north, the Nile Valley Trade enabled trade along the Nile trading agricultural produce, pottery, and other goods.

The arrival of European colonial rule shifted Africa's trade dynamics. The Colonial Powers established trade routes designed to extract raw materials for export to Europe. This system suppressed intra-African trade and exploited local economies, as colonial policies favoured trade with the colonising powers over the regional economic exchange. Additionally, due to higher returns, locals shunned the struggle to get goods across the continent.

In the aftermath of independence, African nations gradually sought to reverse the colonial legacy by fostering regional cooperation through organisations like the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC), and the East African Community (EAC), among others. These were formed to promote regional integration and intra-African trade but remain insufficient. Though they encouraged regional trade, more is needed to facilitate greater volumes of intra-African trade.

A New Era of African Trade:

The 2018 establishment of the African Continental Free Trade Area (AfCFTA) marked a significant turning point for trade due to its goal of eliminating tariffs and reducing trade barriers to boost trade across the continent. It presents a transformative opportunity to overcome persistent challenges, including colonial legacies, inadequate infrastructure, and political instability, revitalise trade and unlock Africa's vast economic potential.

With a combined GDP of over $3 trillion and a population of over 1.3 billion, the African market has incredible potential for growth and development. The AfCFTA offers previously unseen and impossible opportunities for market expansion and boosted exports through lowered tariffs and reduced trade barriers.

However fundamentally different things are or can be, the AfCFTA is not a magic bullet or sudden solution. It is built on the premise of increased trade in specialised sectors and expansion of trade in existing profitable sectors. Like all trade agreements, some sectors promise more so let's look at those.

1. Agriculture

Africa's vast agricultural potential is a cornerstone of the continent's economic growth. Agriculture employs 60% of the population, contributes significantly to GDP and is a crztical source of raw materials for industries, which helps eradicate poverty, hunger and unemployment. The AfCFTA offers an opportunity to amplify agriculture's impact by creating a single market that enables the movement of agricultural goods and services across borders.

The Key Sub-Sectors to watch include:
Cereals and grains: Wheat, maize, rice, and sorghum
Fruits and vegetables: Tropical fruits, berries, and root crops
Livestock: Beef, poultry, and dairy products
Horticulture: Flowers, cut foliage, and ornamental plants

2. Manufacturing

In the past, Africa has primarily exported raw materials and received limited returns. The shift to manufacturing offers a two-pronged benefit; it develops specialised skills in the workforce and increases product prices leading to greater revenue and profit. Manufacturing will reduce the dependence on volatile global markets, stabilise supply chains, foster entrepreneurship and reduce trade imbalances. This transition aligns with the AfCFTA's goals of greater competitiveness and positioning Africa as a key player in global value chains. As a major driver of industrialisation and economic diversification, manufacturing in conjunction with AfCFTA could accelerate growth across Africa.

The key sub-sectors to consider would be:
Automotive: Vehicle assembly, components manufacturing
Food and beverage processing: Processed foods, beverages
Pharmaceuticals: Medicines, medical devices

3. Technology and Services

The digital and technology sectors are some of the most vibrant and dynamic drivers of economic growth, industrial reorganising, and creating opportunities for innovation that support wealth creation. These sectors hold immense potential for African businesses to bridge developmental gaps, enhance productivity and connect the continent with global markets. The AfCFTA is pivotal to unlocking the promotion of digital trade, facilitating cross-border data flow and stimulating the growth of e-commerce and digital services. AfCFTA emphasises the need to develop digital skills and equip workers with the needed expertise to compete in the global digital economy and drive inclusive sustainable growth. Key subsectors to watch are fintech, e-commerce, digital infrastructure and software development which foster innovation and boost economic activity.

The intention is to pursue businesses that provide:
Information and communication technology (ICT): Software development, telecommunications, cyber security
Financial services: Banking, insurance, fintech
Business process outsourcing (BPO): Call centres, back-office services
Education and training: Online education, vocational training

4. Infrastructure and Logistics

A robust infrastructure network will be a game changer to facilitate trade and economic growth. Currently, it is abnormally expensive, time-consuming and inefficient to move products across the continent. The AfCFTA can drive investment in transportation networks, railways, ports and airports to reduce cost and delivery times to make our products more competitive and increase economic integration. The AfCFTA can also drive the modernisation of customs procedures to streamline the clearance of goods, thus helping reduce trade costs and improve efficiency. Establishing regional hubs would enhance supply chain efficiency, and allow easier access to raw materials and smoother goods distribution. Addressing these gaps will enable greater participation in international markets.

5. Textiles and Apparel

There is significant potential for the textiles and apparel industry to become a key export earner for African countries. Africa has access to high-quality cotton and makes fabrics with beautiful patterns and textures using traditional methods to produce textiles and apparel. The AfCFTA will promote integration, value addition and technology exchanges that are pivotal to boosting regional production. This push will facilitate greater access to global markets for textiles and apparel products. This would specifically support skills development and infrastructure by producing but not limited to:

Clothing: T-shirts, shirts, dresses, and trousers
Fabrics: Cotton, linen, and synthetic fabrics
Accessories: Bags, shoes, and hats

The Way Forward

The fully implemented AfCFTA is a historic opportunity for Africa to harness and unleash its economic potential. Africa can become a global powerhouse by focusing on these key export sectors, addressing the challenges and leveraging the power of regional integration. Even as we look at the opportunities in the AfCFTA, the most important realisation is that we will not harness these opportunities as individual traders or producers. The demand for consistent high-quality and great quantities of goods is challenging for most businesses.

The power of the AfCFTA is in aggregation. Aggregation is needed to grow enough food, mine raw materials, fill containers as they leave and return to Africa, and harness financial services. Aggregation also includes business leaders joining and engaging in business organisations and associations to ensure access to capacity building, and financial services. The AfCFTA is: Africa's tool and pathway to substantive and sustainable economic growth.

The author is an AfCFTA Champion, Co-Founder of Marketing and Product Development at Afrikan MSME Collective and Lead Storyteller at Akiko Stories.

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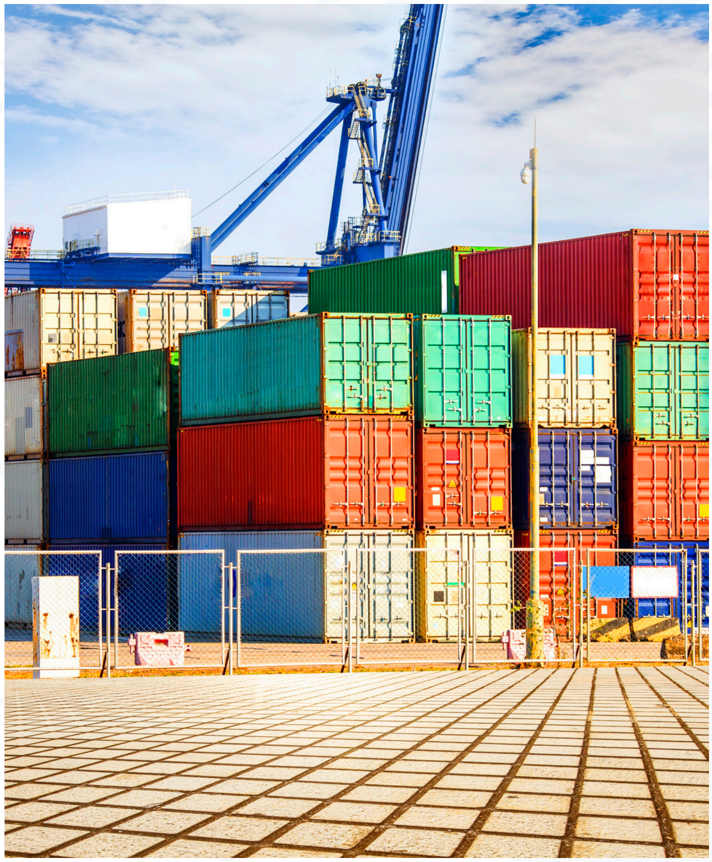


CHALLENGES *and* OPPORTUNITIES: PREPARING BUSINESSES TO BE EXPORT READY

KEPSA to provide export support to 40 export-ready SMEs through the ERRA Program

By Agatha Juma

Intra-Africa trade accounts for 15.4% of total African exports. This means that for all the products Africans produce for export markets, we only trade with our fellow Africans 1/6 of these products. You'd think it is easier to trade with your neighbors than with those far away.

Kenya's intra-African exports amounted to about US$3 billion. Uganda, Tanzania, Egypt, and South Africa are Kenya's main trading partners in Africa, accounting for 62% of its intra-African trade in goods.

There are many reasons why we don't trade much within the continent. One of the big ones is that many Micro, Small, and Medium Enterprises (MSMEs), who are expected to benefit significantly from intra-African trade, remain unaware of these initiatives that could facilitate the growth of their businesses.
Even the ones who are aware find the processes and the trade facilitation jargon both intimidating and off-putting.

The African Continental Free Trade Area (AfCFTA) is expected to ease trade and investment flows. It has been established that AfCFTA creates a huge market opportunity for MSMEs across Africa. It creates a single market of 54 countries, eliminating trade barriers and encouraging economic integration. The aim is to boost trade by promoting the free movement of goods and services. The AfCFTA has a combined population of 1.3 billion, offering businesses a vast consumer base. Removing tariffs and trade barriers promotes increased efficiency and economies of scale. It encourages foreign direct investment, creating a competitive and dynamic business environment.

Through the AfCFTA, businesses can explore new markets, forge partnerships, and contribute to the sustainable economic development of the African continent.

The challenges in implementing the AfCFTA result from insufficient awareness of the ongoing initiatives, slow progress in harmonizing standards, customs, and trade laws among partner states, and the limited capacity of small businesses to seize opportunities due to firm-level technical and financial constraints.
KEPSA is implementing a project that supports SMEs in understanding and taking advantage of export trade opportunities within the continent. The program is funded by USAID's Economic Recovery & Resilience Activity (ERRA), a five-year program funded by the United States Agency for International Development (USAID) through TradeMark Africa (TMA).

In the first phase of the project, we will boost the capacity of 160 SMEs through capacity building, export readiness training, and addressing trade facilitation barriers. In addition, we will provide export support to 40 export-ready SMEs.

We are currently recruiting SMEs into the program. If you are (or know) a company producing goods you could export within the continent, contact us at eotieno@kepsa.or.ke for registration. We encourage women and youth-owned/youth-led SMEs to take advantage of this opportunity.

KEPSA is also developing a curriculum tailored to SMEs exporting under AfCFTA to ensure a fit-for-purpose and sustainable capacity-enhancing activity. The training will be conducted by trainers drawn from business support organizations, who will, in turn, share the knowledge with their members continuously. In addition, all the enterprises who undergo the training will receive a customized and simplified exporter guide and toolkit as reference material for their export journey.

We look forward to working with you as we increase the volume and value of our exports within the continent.

Learn More:
https://kepsa.or.ke/kepsanews/usaid-and-kepsa-announce-partnership-to-boost-kenyan-sme-competitiveness-within-the-afcfta

The writer is the Public Private Dialogue Consultant at the Kenya Private Sector Alliance (KEPSA).

A DATA-DRIVEN PATH TO PROSPERITY

By Jeremiah Kiplagat

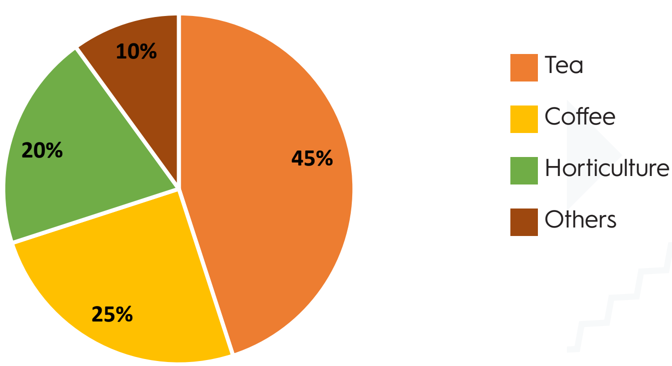
A Bold Leap into Africa's Future

Imagine walking through a vibrant marketplace in Lagos, where the rich aroma of Kenyan tea mingles with the bright colours of fresh avocados and beautifully crafted textiles. Picture farmers in Machakos proudly exporting succulent dried mangoes to Senegal while tech innovators in Nairobi revolutionize mobile banking across Ethiopia. This isn't just a dream; it's a vision that is rapidly becoming reality under the African Continental Free Trade Area (AfCFTA), the largest free trade area in the world by member countries.

For Kenya, this moment presents an extraordinary opportunity: access to a market of 1.3 billion people, reduced trade barriers, and the chance to lead the continent into a new era of prosperity. But to harness this potential, we need data-driven strategies, innovative thinking, and collaborative efforts. Are you ready to be part of this exciting journey?

Kenya's Current Export Landscape:
Thriving Amidst Challenges
Kenya has long been a beacon of export prowess, particularly in agriculture. In 2023, agriculture contributed approximately 20% to the GDP, with tea, coffee, and horticulture being the main export commodities.

Kenya's Export Contribution by Sector

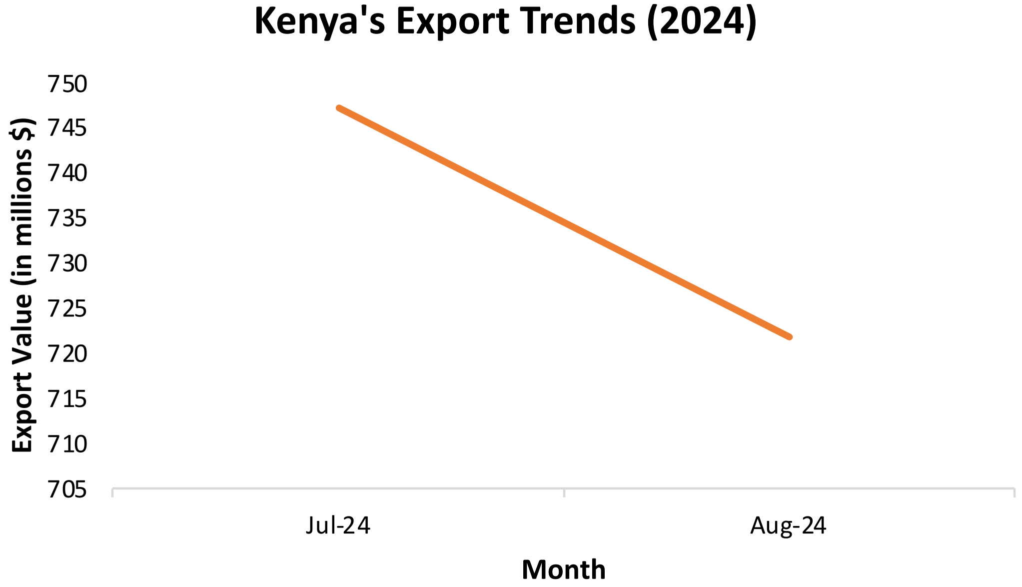


Yet, despite these figures, Kenya faced challenges:
Total exports decreased by approximately 8.17%, with earnings dropping from $13.85 billion in 2022 to around $12.72 billion in 2023. This decline was attributed to decreased global demand and increased competition for key products.

Key Export Partners

To better visualize Kenya's export landscape, here's a chart illustrating the primary export partners and their contributions:

Despite these partnerships, total exports dipped from **$747.2 million** in July 2024 to $721.9 million in August 2024 due to rising costs and declining demand.



Sector Spotlight:
Real Stories of Kenyan Success

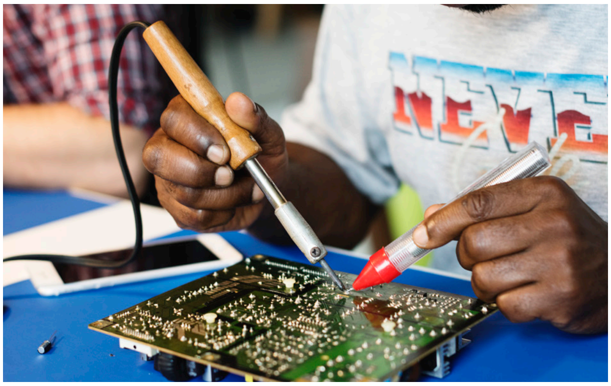
In the face of adversity, Kenyan businesses are seizing the opportunities presented by AfCFTA and transforming their operations:

In Agriculture: A prime example of this transformation is Mwikali Foods, a company dedicated to enhancing the agricultural sector in Kenya. Originally focused on exporting raw mangoes, Mwikali Foods recognised the potential for greater profitability and market reach through value addition. By transitioning to the production of dried mango slices, the company not only achieved a remarkable 30% increase in revenue but also created over 150 new jobs for local workers. This shift not only supports local farmers by sourcing mangoes directly from them but also contributes to food security by providing a longer-lasting product that meets growing consumer demand for healthy snacks. Mwikali Foods exemplifies how Kenyan enterprises can leverage regional trade agreements like AfCFTA to innovate, grow, and positively impact their communities.

In Technology:
M-Pesa Global has rapidly onboarded over 4.4 million users in Ethiopia since its launch in August 2023. This expansion showcases Kenya's prowess in technological innovation within mobile money services. M-Pesa allows seamless money transfers between Kenya and Ethiopia, significantly enhancing financial connectivity between the two nations. This rapid growth reflects the increasing demand for mobile money services in a country where traditional banking has often lagged.

In Textiles and Apparel:
Lake Apparel Ltd is actively exploring opportunities under the African Continental Free Trade Area (AfCFTA) to supply affordable school uniforms to both Rwanda and Tanzania. By leveraging these new trade opportunities, Lake Apparel Ltd aims to meet local demand for quality educational attire and position itself as a competitive player in the East African textile market. This strategic move aligns with broader trends where Kenyan manufacturers are increasingly looking beyond domestic markets to enhance their competitiveness through exports.

These success stories are not just statistics; they are proof that with determination and strategic planning, Kenyan businesses can thrive on a continental scale.



Challenges:
Navigating the Roadblocks

Despite these achievements, significant challenges remain that could impede progress:

- **Border Delays:** Inconsistent customs processes can lead to frustrating delays at borders.
- **Infrastructure Gaps:** High logistics costs make it difficult for manufacturers to meet growing regional demand.
- **Finance Shortfalls:** Over 80% of Kenyan SMEs lack sufficient capital for scaling operations.

Addressing these challenges head-on is crucial for unlocking Kenya's full export potential and it starts with you!

Strategies:
How Kenyan Businesses Can Thrive

To navigate these obstacles effectively, Kenyan businesses should consider implementing these proactive strategies:

- **Leverage AfCFTA Tools:** Utilize resources like the AfCFTA e-Tariff Book to identify new markets and streamline trade processes.
- **Embrace Technology:** Platforms such as *Digifarm* can connect farmers directly with buyers across Africa, reducing inefficiencies.
- **Build Partnerships:** Collaborating with other African businesses can unlock new market opportunities and create synergistic value chains.
- **Upskill the Workforce:** Investing in training programs ensures that Kenyan products meet international standards, enhancing competitiveness.

Policy Recommendations:
Laying the Groundwork for Growth

Achieving success under AfCFTA requires strong collaboration between government and the private sector:

1. Invest in Infrastructure: Completing projects like the LAPSSET Corridor will significantly lower transport costs and improve connectivity.
2. Harmonize Customs Processes: Streamlining border regulations will eliminate costly delays and facilitate smoother trade flows.
3. Support SMEs: Establishing trade finance funds can empower small businesses to scale and compete regionally.
4. 4. Promote "Brand Kenya": Campaigns showcasing the quality and reliability of Kenyan products will enhance their appeal in African markets.

Seizing the AfCFTA Opportunity

Kenya stands on the brink of a transformative trade revolution! The inspiring stories of Mwikali Foods, and Lake Apparel Ltd illustrate how businesses can thrive under AfCFTA frameworks. By addressing challenges through data-driven insights and fostering innovation, Kenya can unlock its full export potential.

At KEPSA, we are dedicated to guiding businesses through this exciting journey. Together, we can position Kenya not just as a participant in AfCFTA but as a leader driving Africa's economic renaissance.

Call for partnership

Are you an entrepreneur looking to expand your horizons? A policymaker aiming to create an environment conducive to growth? Or simply someone passionate about Kenya's economic future? Join us in championing this cause! Your participation is vital as we work together to shape a brighter future for Kenya and the entire continent! Let's seize this opportunity together we can make history!

Mr. Kiplagat is a Researcher and Data Analyst at KEPSA.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AFRICA'S HIDDEN ACE: SUPPLY CHAIN PRACTICE ROLE IN HARNESSING THE AfCFTA'S CUMULATIVE RULES OF ORIGIN

By Eric Ndume

In the complex realm of international trade, rules of origin often serve as the understated architects of success. These criteria determine a product's national origin and are pivotal in securing preferential treatment under trade agreements. For African enterprises eager to tap into the expansive opportunities presented by the African Continental Free Trade Area (AfCFTA), a deep understanding of these rules, especially the cumulative ones, is the key to unlocking new markets and streamlining supply chains.

DEMYSTIFYING THE RULES OF ORIGIN

At their essence, rules of origin are guidelines used to establish where a product was made. They are essential for applying tariffs, quotas, and trade remedies, preventing non-member countries from exploiting lower tariffs by routing products through member nations—a practice known as trade deflection.

There are two primary categories:
Non-Preferential Rules of Origin: Applied universally for statistical and regulatory purposes.
Preferential Rules of Origin: Specific to trade agreements, ensuring that only goods originating from member countries benefit from negotiated advantages like reduced tariffs.

Mastering these rules is akin to cracking a complex code an essential step for any business serious about international commerce.

AFCFTA'S UNIQUE OFFERING: THE POWER OF CUMULATION

Operational since January 2021, the AfCFTA stands as a monumental agreement aiming to unite 54 African nations into a single market. Central to its potential success is the cumulative rules of origin, which allow producers to treat inputs from any member country as if they were local content. This principle of cumulation is transformative:

- **Bilateral Cumulation:** Between two countries.
- **Diagonal Cumulation:** Among multiple countries sharing identical rules of origin.
- **Full Cumulation:** All processing within member countries counts towards the origin, regardless of where materials originate.

The AfCFTA adopts full cumulation, encouraging businesses to source materials and add value across member states. This approach not only simplifies compliance but also fosters regional integration and industrial growth.

EUROPEAN UNION'S SUCCESS STORY: A BLUEPRINT FOR AFRICA

The European Union (EU) provides a compelling example of how cumulative rules of origin can enhance trade and economic integration. The EU's Pan-Euro-Mediterranean (PEM) cumulation system allows for diagonal cumulation among participating countries, streamlining supply chains and boosting competitiveness.

In the EU, supply chain professionals have been instrumental in maximizing the benefits of cumulative rules of origin by:

- **Mapping Regional Resources:** Identifying optimal sourcing options across member states.
- **Navigating Complex Regulations:** Ensuring compliance with rules of origin to maintain preferential access.
- **Optimizing Logistics:** Efficiently coordinating cross-border transportation.

For instance, the automotive industry in Europe thrives on a network of suppliers spread across various countries. A vehicle manufactured in Germany might include electronics from the Czech Republic, upholstery from Italy, and steel from Sweden. Supply chain experts orchestrate this intricate network, ensuring that the final product qualifies as EU-originating, thereby enjoying tariff-free movement within the bloc.

CHALLENGES AND OPPORTUNITIES IN AFRICA

Implementing rules of origin in Africa presents unique challenges:

- **Infrastructure Gaps:** Improving but limited transportation networks can hinder the smooth flow of goods.
- **Regulatory Variations:** Differences in customs procedures and standards across countries can complicate compliance.
- **Capacity Constraints:** Many businesses may lack the expertise to navigate complex rules of origin.

However, these challenges also present opportunities for innovation and growth. To capitalize on the AfCFTA's cumulative rules of origin, companies should:

- **Deeply Understand the Rules:** Familiarize themselves with the specific origin criteria for their products, as the AfCFTA's rules are often product-specific.
- **Leverage Full Cumulation:** Utilize processing and materials from multiple member countries. For example, a textile producer in Ethiopia could source cotton from Benin and dyes from Egypt, still qualifying for preferential treatment when exporting finished garments to South Africa.
- **Invest in Compliance Expertise:** Equip their supply chain teams with the knowledge to navigate rules of origin, including documentation and certification processes.
- **Build Regional Partnerships:** Collaborate with suppliers and manufacturers across Africa to create integrated value chains.

Supply chain professionals play a crucial role in this strategy. Their expertise is vital in:

- **Optimizing Sourcing Strategies:** Identifying cost-effective inputs from member countries to enhance competitiveness.
- **Ensuring Regulatory Compliance:** Navigating customs regulations to avoid delays or penalties.
- **Enhancing Agility:** Responding swiftly to market changes by leveraging a diversified supplier base.

CHARTING A PATH FORWARD

The AfCFTA presents a historic opportunity to reshape Africa's economic landscape. The agreement's success depends significantly on businesses' ability to navigate its complexities. Supply chain professionals hold the keys to this endeavor. By mastering the cumulative rules of origin and optimizing supply chains accordingly, they can unlock new markets and drive growth.

Ultimately, the real reward isn't just access to new markets or reduced tariffs; it's the potential to foster a more interconnected and prosperous Africa. The possibilities are vast and promising for businesses willing to invest in understanding and leveraging these trade provisions.

The writer is a Senior Procurement Officer at the Kenya Private Sector Alliance (KEPSA).

AfCFTA: A TRANSFORMATIVE FRAMEWORK WITH THE POTENTIAL TO RESHAPE AFRICA'S ECONOMIC FUTURE

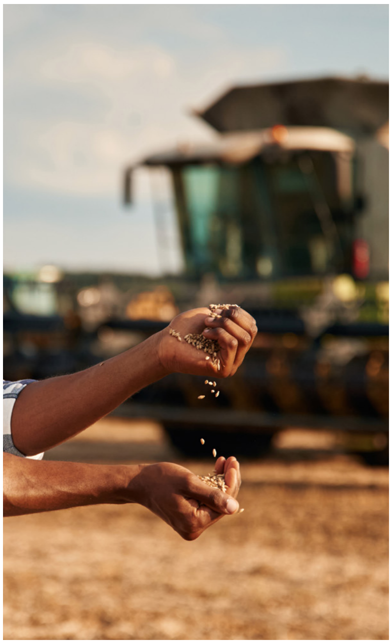
By Christine Nkatha

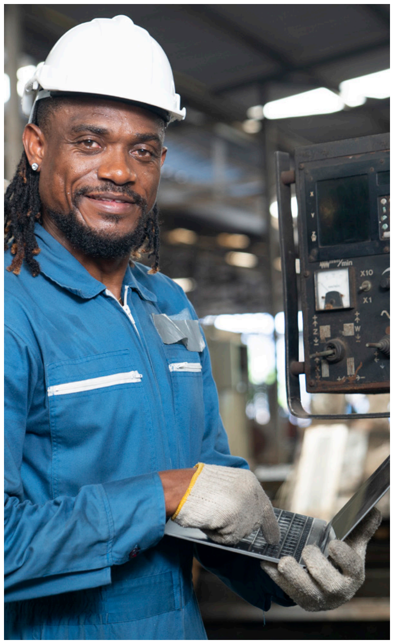
The African Continental Free Trade Area (AfCFTA) is the world's largest free trade area by the number of member states, bringing a majority of African countries together under a single economic framework. AfCFTA was established in 2018 and came into force on 30 May 2019, with the primary objective of creating a single continental market. AfCFTA is a flagship initiative of Agenda 2063: The Africa We Want, the African Union's long-term development strategy aimed at transforming Africa into a global economic powerhouse.

Encompassing a market of more than 1.3 billion people across the vast and diverse African continent, AfCFTA aims to boost intra-African trade by reducing trade barriers and fostering economic cooperation. This initiative creates unprecedented opportunities for African investors and businesses to unlock the continent's potential to drive economic growth, boost industrialization and elevate the living standards for millions by connecting with one of the world's most dynamic and rapidly growing regions.

AfCFTA is projected to increase intra-African trade by 52.3 percent by eliminating import duties, and it could potentially double this growth if non-tariff barriers are also reduced.

Intra-African trade levels have historically been significantly low due to challenges such as high tariffs, non-tariff barriers, poor infrastructure, limited industrialization, and political instability, among others. AfCFTA is designed to overcome these barriers by lowering tariffs, aligning trade regulations, and promoting infrastructure development to enhance trade across the continent. Therefore, businesses (both international and local) have a unique opportunity to tap into the unique potential created by AfCFTA. As countries increasingly commit to the full implementation of AfCFTA, identifying key export sectors that hold promise is crucial for businesses aiming to expand their reach and capitalize on emerging opportunities.





The following are some of the leading export sectors that stand to benefit the most from AfCFTA, transforming the landscape of African trade and unlocking new avenues for growth.

Agriculture and Agribusiness

Agriculture is the backbone of most African countries' economies, accounting for approximately one-third of the continent's Gross Domestic Product (GDP) and providing a livelihood for 50% of the African population. Considering its significant role in the continent's economy, the agricultural sector is positioned for growth and expansion under the AfCFTA agreement through intra-African trade. African countries with thriving cocoa, tea, coffee, and horticulture industries could explore broader markets within Africa, which were previously constrained by high import duties. Moreover, the intra-African trade of staple foods will alleviate food insecurity, creating a self-sufficient continent.

Manufacturing

AfCFTA has the potential to boost Africa's manufacturers by providing broader market access and reduced trade barriers. The manufacturing sector in Kenya has previously lagged behind due to fragmented markets, reliance on imports, and limited industrial capacity. The African continent creates a large market of over 1.3 billion people, offering manufacturers access to a broader customer base.

With reduced trade barriers, African countries are encouraged to move away from heavy reliance on imports and explore opportunities for value-added manufacturing and it becomes more cost-effective for manufacturers to trade within the continent, leading to increased intra-African trade volumes. Textiles, apparel, pharmaceuticals and automotive components are likely to become leading export segments within the manufacturing sector. Through AfCFTA, African manufacturers can achieve economies of scale and improve product standards to meet regional needs, fostering a self-reliant industrial ecosystem.

Mining

Ranked among the top producers of mineral commodities, Africa is set to benefit from the global shift towards renewable energy, with the continent's mining industry playing a role in sourcing and supplying these critical minerals for use in clean energy initiatives. Countries such as South Africa, the Democratic Republic of Congo (DRC), and Zambia have a competitive edge in mining, and AfCFTA could enhance their export capabilities by improving regional infrastructure and fostering regulatory harmonization.

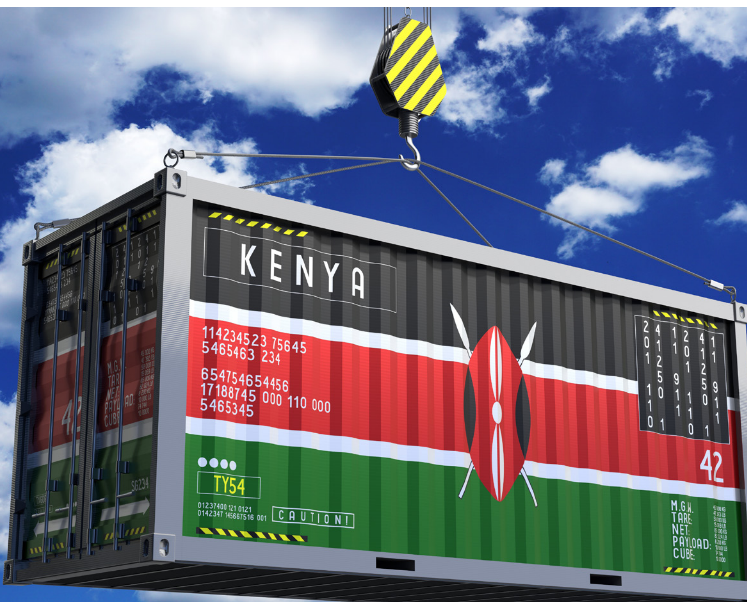
However, to fully harness the benefits of AfCFTA, Africa must shift from simply exporting raw materials to processing them domestically. Processing minerals locally adds value, creates jobs, and stimulates economic diversification. Through regional collaboration, African countries can invest in mineral beneficiation and reduce dependency on foreign processing, enabling more resilient and sustainable supply chains.

Expansion of the above sectors and resultant opportunities will have a direct impact on creation of employment, seamless labor flow, skills transfer and knowledge sharing, occasioned by reduced restrictions among the AfCFTA member states.

The Next Steps...

While AfCFTA offers substantial opportunities, there are also challenges that need to be addressed, such as infrastructure limitations and bureaucratic hurdles. To fully leverage on AfCFTA's benefits, Governments and stakeholders must collaborate to implement supportive policies and improve trade infrastructure.

For instance, the Special Economic Zones (SEZs) are strategic in promoting the agenda of the AfCFTA. SEZs are designated areas within a country that offer business-enabling policies, tax incentives, improved infrastructure to promote industrialization, and streamlined customs processes, creating a conducive environment for businesses to thrive.



Many African countries are actively developing SEZs to support key export sectors. By reducing operational costs and providing businesses with essential facilities, SEZs make it easier for companies to scale up production, meet international standards, and export competitively within Africa. As African countries continue to develop and optimize SEZs, these zones will become integral to the continent's economic transformation, helping to unlock the full potential of African trade and position African businesses on the global stage.

The African Continental Free Trade Area is more than a trade agreement; it is a transformative framework with the potential to reshape Africa's economic future. By focusing on key export sectors, agriculture, manufacturing and mining—businesses can unlock substantial new opportunities and contribute to a more interconnected, resilient Africa. As businesses navigate AfCFTA's evolving landscape, they will need to adapt to regulatory changes, prioritize value addition, and seek cross-border collaborations.

The writer is an Associate at Viva Africa Consulting LLP.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2025 EXPORT TIPS FOR BUSINESSES

JOINT VENTURES - A *SUCCESSFUL* MARKET ENTRY STRATEGY?

By Gregor Pannike, LL.M., MBA

Among various effective market entry options, establishing a joint venture, often with a local partner or partners in the respective target market, can offer a competitive, effective, and successful market entry option. Joint ventures are two or more businesses intending to combine their resources and capabilities either through a contractual arrangement (unincorporated joint venture) or by virtue of an incorporated or formal structure with the aim of pursuing a predefined commercial goal.

A common Joint Venture setup is where an international investor partners with a well-established and reputed local partner to combine their specific company resources and expertise to create a competitive advantage in the relevant foreign market.

The deliberations below concern an incorporated joint venture structure.

The particular contributions and legal obligations might vary depending, for example, on the select business model, the risk appetite of each partner, and respective mid or long-term strategy in the relevant market, among other factors.

However, common joint venture structures are based on the fact that the foreign investor contributes equity or financing facilities, critical know-how such as IP rights, strong brand value and brand recognition, trade secrets, superior products and services, sophisticated manufacturing abilities, and international management and marketing expertise and the local partner majorly provides access to its extensive local customer and business partner database, distribution channels and trained sales personnel, local business and regulatory know how essential in order to adapt foreign business models to local requirements and local assets such as land, warehousing, assembly lines and car fleet.

What is important in the first step in selecting the right partner in a foreign market?

From a legal and risk management standpoint, it would be essential to conduct thorough legal and reputational due diligence on the envisaged partner organization. This process includes due diligence on its shareholders, beneficial owners, and company officials to mitigate potential compliance or legal risks that might affect the sustainability of a future venture or even tarnish the reputational integrity of the foreign investor or the local partner.

Other important key aspects that need to be screened would be to examine if the prospective partner is facing any upcoming or pending litigation procedures or court/governmental enforcement actions, tax evasion cases, or is subject to current or past corruption, AML/CFT or financial sanction violation related cases and if any bankruptcy procedures are impending.

Besides an assessment of the financial stability and soundness of a potential local partner, due diligence on its promised company resources and commercial capabilities is recommended to verify if pre-agreed contributions decisive for the success of the joint venture are indeed available and up to the standard and expectation of the foreign partner.

How can one initiate and manage joint venture negotiations effectively?

By entering joint venture discussions, it would be essential for both parties to capture at the outset all critical verbal agreements, promises, expectations and goals financially, commercially, and particularly legally. The best practice is to draft an initial terms sheet reflecting joint understandings and key provisions reached during the notations. This draft will be a working document to be updated throughout the negotiation process.

A common misconception in joint venture discussions is that it is prudent to start first with the legal negotiations among the party's representatives. However, a more efficient and sensible approach would be to initiate such partnership negotiations by conceptualizing and aligning on a well-thought-out market entry strategy, joint business plan, and budget discussions. Once those commercial and financial aspects are duly addressed, the legal negations can start, taking into consideration commercial and financial consents achieved between the parties during their discussions. What are the legal and structural considerations of a joint venture? Once the negotiations are finalised a detailed shareholders' agreement or joint venture agreement will drafted based on the earlier agreed term sheet.

The shareholders' agreement serves as a comprehensive rulebook and constitution of the joint venture for the parties comprising not only legal but also largely commercial and financial obligations of respective joint venture parties.

Depending on the selected business model and specific requirements defined by the parties for the envisaged joint venture, key legal provisions might vary and need to be customized according to the concrete transactional structure. Some of the key provisions and aspects to be taken into consideration are the following:

Allocation of share capital: It's imperative for the parties to (pre-)agree on the allocation of the shares amongst them and hence obtaining shareholder control of the joint venture company which is often correlated with management control and a requirement for consolidated financial statements. Further, it needs to be taken into account that contributions by the shareholder of the joint venture are defined as prorate in line with the company shares held by the relevant partner.

Governance and Management of the joint venture company: A critical discussion between the partners is how many board members each party can nominate and hence, who will control the board as a key decision body of the joint venture entity. The board also has the authority to either appoint the company manager or to define his powers, day-to-day duties and reporting obligations. Often the shareholder with the majority shareholding and risk taking would be the one controlling the board. But this is not true in all incidents e.g. due to foreign ownership restrictions.

IP Rights Protection: As mentioned above, in many cases, the foreign investor contributes crucial trade secrets and IP Rights such as trademarks, wordmarks, patents, or copyrights to the joint venture, creating a competitive advantage in the target market. The foreign investor would have a significant interest in leveraging commercially and protecting comprehensively his so-granted IP Rights by prior registration of the specific IP Rights with the competent trademark office and drafting of IP Licensing agreements between the foreign partner and the joint venture entity.

Termination and Dissolution of joint venture: It is critical for the parties to agree on termination reasons, which shall lead to immediate termination, and those reasons that will grant a party grace period for reification, if rectifiable. Since both parties most likely invested significant resources into the joint venture, a termination and, thereafter, dissolution of the company would inflict a significant financial loss to the partners, among other serious legal and reputational consequences. Hence, a carefully drafted termination clause is recommended.

Exclusivity and Non-Competition: In view of the fact that both partners contribute significant funding and company resources to the joint venture in order to provide for the success of the undertaking, both parties would have a serious interest that the joint venture is an exclusive venture and none of the parties establishes in parallel a business same or similar to the joint venture company.

As outlined above, establishing a joint venture between a foreign investor and a local partner can be an extremely successful and efficient market entry option by combining both parties' specific expertise, company resources, and know-how. However, it is critical from the beginning to plan, structure, and manage the negotiation, drafting, and setup process professionally and inclusively in order to avoid any unaddressed legal gaps or to prevent frustration among the parties due to lack of communication and guidance.

How Can We Help?

At Pannike+Partners, our experienced lawyers are well experienced in advising on complex M&A and Joint Venture transactions with cross-border nexus. We assist you from the initial due diligence, conceptualising, negotiation, drafting and registration stage until the completion of the transaction in a safe and effective manner. We would be delighted to guide you through the entire process as part of your extended team.

Mr Pannike is the Managing Partner at Pannike+Partners.
E-Mail: g.pannike@pannike-partners.com

BREAKING BARRIERS: HOW COMPANIES CAN *UNLOCK* TRADE POTENTIAL IN AFRICA

By Dr. Mary Mugo

Africa is on the verge of a historic economic shift, with the African Continental Free Trade Area (AfCFTA) as the driving force. As an author, consultant, and strategist, I see AfCFTA as more than just a treaty; it is the key to unlocking the continent's enormous trading potential. Businesses of all sizes can rise to the challenge of this transforming journey with the appropriate strategy and leadership. Unlocking opportunities requires resilience, understanding, and the ability to put ideas into action. African enterprises must adopt this to capitalize on the future of trade.

The Potential of the AfCFTA: A New Era for African Trade

With 55 countries, 1.3 billion people, and a combined GDP of approximately $3.4 trillion, the AfCFTA is the world's largest free trade zone. It aims to reduce trade barriers, boost economic integration, and eliminate tariffs on 90% of commodities. However, what does this mean for local businesses?

To begin with, the AfCFTA creates new markets. Kenyan furniture companies can now sell directly to Senegalese customers without incurring high taxes. A small and medium-sized Ghanaian business may distribute its handcrafted textiles to Zambia with fewer logistical challenges. AfCFTA is a game changer for enterprises that previously struggled to expand beyond their local or regional markets. Additionally, the pact encourages competition.

This may sound daunting, but competition is what drives creation. Innovative and high-quality enterprises will not only survive but also thrive. The African Continental Free Trade Area market rewards those who are prepared to modify and expand. In my book The Winning Strategy, I look at the numerous growth and expansion strategies that businesses can employ, providing practical guidance to help them develop and prosper in ever-changing markets.

Building the Future of Trade: Actions Companies Need to Take

It takes deliberate action to realise Africa's trade potential. These are some critical steps organizations can take to position themselves for success under the AfCFTA.

1. **Gain an understanding of market dynamics.**

"Knowledge is power." Businesses need to invest in market research to learn about consumer preferences, pricing strategies, and demand trends across many geographies. What works well in North Africa, for example, may need to be adapted for the West African market. In my book Communicate to Convert: Your Ultimate Marketing Communication Guide, I stress the value of understanding your target and customizing your message. This idea is relevant in this situation. Companies must match the specific requirements of each market they target with their goods and services.

2. **Make Use of Technology to Increase Trade Efficiency.**

Technology plays a vital role in facilitating international trade. Digital payment systems, supply chain management tools, and e-commerce platforms streamline processes and provide access to unexplored markets. Digital technologies are especially useful for SMEs as they can lower expenses and increase productivity. Adopting technology is now essential to modern trade; it is no longer an option.

3. **Invest in Capacity Building**

To function in a bigger, more competitive market, businesses need to build the competencies and skills necessary. This entails training employees, modernising manufacturing procedures, and guaranteeing adherence to global standards. I stress in the book, Dissecting the Heart of Leadership the importance of creating teams that are not only competent but also driven and flexible. The leaders of growth spurred by the AfCFTA will be characterized by these attributes.

4. **Cooperate Across Boundaries**

In a market as diverse as Africa's, partnerships and collaborations are crucial. To penetrate new markets, companies can look into strategic alliances, franchising, and joint ventures. The way regional manufacturers work with logistics providers to address infrastructural difficulties is a fantastic example. Not only does collaboration increase reach, but it also strengthens resilience.

5. **Adapt to Regulatory Frameworks**

Even if the AfCFTA lowers trade obstacles, negotiating the legal and regulatory environments of several nations is still difficult. Companies need to be aware of the latest developments and make sure that local and regional laws are followed.

Opening Up Key Sectors for Growth

Africa's trade revival is expected to be driven by a few industries. Companies in these industries ought to take advantage of their strategic significance.

Agriculture:

Despite its enormous agricultural potential, Africa is a net importer of food, which presents several opportunities for agribusinesses to grow and export. Turning raw produce into completed goods, or value addition, will be essential to increasing profitability.

Manufacturing:

Industrialisation needs to shift from exporting raw materials to manufacturing finished goods. AfCFTA promotes "Made in Africa" goods and incentivises companies to engage in this value chain.

Technology:

The digital revolution in Africa is speeding up. Rapid growth in fintech, e-learning, and health tech advances is opening up export markets for tech entrepreneurs.

Tourism and Creative Industries:

Africans are distinctive in their creative and cultural sectors. Businesses in the music, fashion, and film industries have a huge opportunity to export African culture around the world.

> The AfCFTA is the world's largest free trade zone with **55 countries, 1.3 billion people,** and a combined GDP of approximately **$3.4 trillion.**

Overcoming Challenges in Unlocking Trade
Despite the enormous opportunities presented by the AfCFTA, difficulties nevertheless exist. Lack of infrastructure, non-tariff barriers, and financing availability continue to be major challenges. However, obstacles are actually opportunities waiting to be discovered. Public-private partnerships can help alleviate the energy, logistical, and transportation deficits. Companies can combine resources to construct the necessary infrastructure. Similarly, utilising AfCFTA's financial tools, such as PAPSS, and collaborating with regional development banks can help alleviate financing difficulties.

Non-tariff barriers including regulatory complexity and customs delays necessitate lobbying and teamwork. Companies should work with policy organisations and trade associations to overcome these obstacles.

The Secrets to Success: Strategy and Leadership

The two cornerstones that will keep companies afloat in this new century are strategy and leadership. I stress the value of flexibility and long-term vision in my book The Winning Strategy. To succeed under the AfCFTA, one must change their perspective from one of the rivals to one of the partners in a common growth goal. An important aspect of leadership is building resilience. Being resilient means not only overcoming setbacks but also growing stronger as a result of them. Companies that survive the initial difficulties of the AfCFTA will become market leaders.

A Call to Action:
African Businesses, Now is Your Time!
The AfCFTA is more than just a trade agreement; it is a strong call to action for African companies. Although the potential is enormous, they call for audacious action, strategic planning, and unwavering execution. My message to all of the entrepreneurs, small business owners, and corporate executives who are reading this is straightforward: seize the moment. Make alliances, innovate, and invest in knowledge. The future of African trade depends on action, not just words.

Together, let's dismantle obstacles, close gaps, and create companies that not only compete but also lead. As you begin this adventure, I encourage you to explore the concepts in my books; ***The Winning Strategy: How to Use Strategic Planning to Build Effective Organization; Growing A Business Empire: How to Effectively Manage Leadership Succession for Organizational Growth; How to Thrive & Influence Your Workplace; Dissecting the Heart of Leadership*** AND ***Communicate to Convert: Your Ultimate Marketing Communication Guide.*** These volumes are more than simply books; they are manuals for thriving in an era of opportunity. You may buy them on Amazon or at the Nuria Bookstore in Kenya.

You hold the power to shape Africa's trading destiny. Will you unlock it? That is the question.

Dr. Mugo is a Consultant, Author & Senior Lecturer in Strategy, Governance and Leadership

Email: mugojemima@gmail.com
Website: www.marymugo.com

mastercard foundation

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HARNESSING THE POWER OF AfCFTA: *A NEW DAWN FOR AFRICAN BUSINESSES*

By Ayusa Ondieki

The African Continental Free Trade Area (AfCFTA) presents enormous opportunities for Small and Medium Enterprises (SMEs) to engage in intra-African trade. For instance, Nigeria currently imports flowers from Amsterdam while exporting palm oil to India and China. On the other hand, Kenya imports palm oil from Malaysia and exports flowers to Amsterdam. Despite these trade flows, Nigeria and Kenya are not trading directly with each other. This stagnation can be attributed to complex customs procedures, a lack of harmonised standards, limited awareness, and inadequate market access—challenges that the AfCFTA aims to address.

As the second-largest Free Trade Area (FTA) in the world, following the World Trade Organization, AfCFTA facilitates trade between countries by removing tariff and quota barriers. This initiative creates a single market of over 1.3 billion people, granting SMEs access to an expansive consumer base. Currently, intra-African trade is only at 16%, significantly lower than Europe's 70% and Asia's 51%. AfCFTA is viewed as a crucial solution to boosting this intra-regional trade. To take full advantage of these opportunities, African SMEs can focus on several strategies:

1. Building Strong Business Relationships:
Engaging in trade fairs, conferences, and industry events can help SMEs connect with potential buyers, distributors, and suppliers. Events such as the Changamka Festival by the Kenya Association of Manufacturers (KAM), the East Africa MSME Trade Fair, and the KEPSA Annual SME Conference provide excellent platforms for SMEs to showcase their products not just in Kenya, but across Africa. Trade missions organised by various institutions can also open up bilateral trade opportunities.

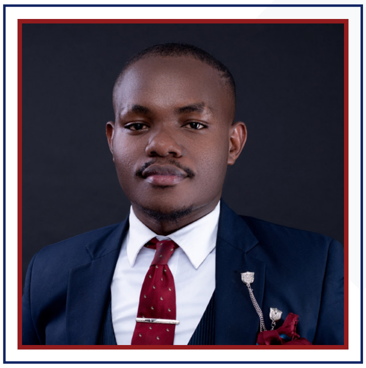
2. Value Addition to African Commodities: Many African economies rely heavily on exporting raw commodities, which limits their capacity to diversify exports and makes them vulnerable to global price fluctuations. By investing in agro-processing and mineral processing, countries can enhance the value of their exports. For example, instead of just exporting raw cotton, countries could establish textile industries to produce garments. Similarly, investing in facilities for processing iron ore into steel can significantly increase the value of mineral resources.

3. Embracing E-Commerce: Digital technologies are essential for SMEs to overcome geographical barriers and expand their market reach. With more than 70% of Africa's population under the age of 30, this youthful demographic is poised to drive innovation and entrepreneurship. E-commerce bridges physical divides and minimises bureaucratic hurdles, facilitating smoother trade across borders.

4. Enhancing the Services Sector: The services sector plays a crucial role in supporting trade, especially in financial services and transportation logistics. Banks facilitate trade through foreign exchange, insurance, and mobile payments, while logistics companies provide essential services like freight forwarding, warehousing, and customs clearance for cross-border trade. Specialised services such as cold chain logistics and hazardous materials handling are also vital for businesses engaged in international trade.

The AfCFTA offers a tremendous opportunity for businesses to broaden their market presence, not just in goods but also in the services sector that supports the entire value chain. The reduction of trade barriers and customs complexities is expected to enhance trade volumes. While challenges related to coordinating 55 different countries remain, initiating trade relationships—such as Kenya exporting flowers to Nigeria and simultaneously importing crude palm oil—would demonstrate the potential benefits of this trade framework.

Mr Ondieki is the Operations Manager at Seven Twenty Holdings LTD and Vice-Chair for the Kenya Association of Manufacturers (KAM) SME Hub.



FUTURE-PROOFING THE YOUTH IN THE DIGITAL ECONOMY:

SKILLS, SUSTAINABILITY, AND STRATEGIES FOR 2025 AND BEYOND

By Wilhard Don Nalisi

In 2025 and beyond, the digital economy will continue to reshape industries, redefine jobs, and create new opportunities for growth and innovation. As the backbone of Kenya's labour force, the youth must equip themselves with future-ready digital skills to remain competitive in the global and local job markets. As the business landscape becomes increasingly digitized, youth empowerment in digital literacy is not just an option—it is a necessity.

The Rise of the Digital Economy

Globally, the digital economy is projected to grow exponentially, with sectors such as e-commerce, artificial intelligence (AI), cloud computing, and fintech taking center stage. Digital platforms in Kenya have revolutionized how businesses operate, creating opportunities for SMEs, freelancers, and large corporations. Initiatives such as mobile money (M-PESA) and digital marketplaces have positioned Kenya as a leader in digital transformation across Africa.

However, for Kenyan youth to capitalize on these opportunities, they need more than basic digital literacy—they need advanced skills, such as social media marketing, data analytics, content creation, e-commerce management, and coding.

These skills will help young professionals become active participants in a rapidly evolving digital economy while addressing challenges such as unemployment, skills mismatch, and underemployment.

Case Study: KEPSA Ajira Digital Program

One initiative that has made significant strides in empowering Kenyan youth in the digital space is the KEPSA Ajira Digital Program. Supported by the Ministry of ICT and Innovation, this program has successfully trained thousands of young people on digital skills, enabling them to access online work and freelance opportunities. Through targeted training, mentorship, and linkages to global platforms, Ajira Digital has bridged the gap between education and the labour market.

The program's success lies in its ability to address real-world challenges. For instance, by training youth on how to access and thrive in online work platforms like Upwork, Fiverr, and Toptal, Ajira has provided a sustainable income stream for many who previously struggled to find formal employment. Moreover, KEPSA's partnership with stakeholders such as Mastercard Foundation has ensured the program is inclusive, reaching youth in underserved communities. Business leaders can learn from KEPSA's model of collaboration between public and private sectors to create sustainable programs that empower the next generation of professionals. Ajira's impact demonstrates that when young people are equipped with the right tools and skills, they can contribute meaningfully to economic growth while addressing challenges such as poverty and inequality.

What Youth Must Do to Stay Competitive in 2025 and Beyond

As businesses increasingly adopt digital tools and practices, Kenyan youth must take deliberate steps to remain relevant. Here are three key strategies for future-proofing their careers:

1. Embrace Lifelong Learning

The digital landscape is dynamic, with new tools, platforms, and technologies emerging regularly. Young professionals must adopt a growth mindset and invest in continuous learning. Platforms such as Coursera, LinkedIn Learning, and Google Digital Skills for Africa offer free and affordable courses on high-demand skills. Moreover, certifications in areas such as AI, data science, and digital marketing will give them a competitive edge.

2. Leverage Technology for Sustainability

The youth can align their skills with global priorities, such as sustainability and green technology. For example, digital tools can help businesses reduce their carbon footprint through remote work, paperless operations, and energy-efficient solutions. Youth entrepreneurs can develop tech-based solutions for local challenges, such as waste management or access to clean energy, while contributing to the larger goals of sustainability.

3. Build Personal Brands and Networks

In the digital age, personal branding is a powerful tool for career growth. Young professionals should use social media platforms like LinkedIn, Instagram, and Twitter to showcase their skills, connect with potential employers, and access mentorship opportunities. Networking with industry leaders and joining professional groups can open new opportunities.

Kenyan youth to capitalize on growing opportunities, they need more than basic digital literacy—they need advanced skills, such as **social media marketing, data analytics, content creation, e-commerce management**, and **coding.**

How Businesses Can Support Youth in the Digital Economy

For the digital economy to thrive, businesses have a critical role in empowering youth. Employers can invest in upskilling their workforce, particularly entry-level employees, by offering training programs, mentorship, and exposure to cutting-edge technologies. Additionally, businesses can collaborate with organizations such as KEPSA to support community-based programs that address unemployment and skills gaps.

By embracing diversity and inclusion, businesses can create environments where young professionals feel valued and empowered to contribute their unique perspectives and talents. For example, hiring remotely from different regions of Kenya can bring fresh insights while addressing regional disparities in access to jobs and resources.

Looking Ahead

The digital economy presents unprecedented opportunities for youth empowerment and economic growth in Kenya. As we look toward 2025, the focus must be on equipping young people with the skills, tools, and networks they need to succeed in a fast-paced, technology-driven world.

Programs such as Ajira Digital have shown that with the right interventions, youth can unlock their potential and contribute to a thriving, inclusive economy.

For businesses, investing in youth is not just a moral imperative—it is a strategic move. By nurturing the next generation of digital professionals, businesses can drive innovation, enhance productivity, and stay ahead in an increasingly competitive market. Together, we can create a future where the digital economy is a powerful force for empowerment, inclusion, and sustainability.

As we enter this transformative era, the message is clear: the youth are not just participants in the digital economy—they are the architects of its future. Let's empower them to build a world that works for everyone.

The writer is a Digital & Communication Consultant at the Kenya Private Sector Alliance (KEPSA).

ENTREPRENEURSHIP *AND* SME GROWTH

KATYA NATURES' JOURNEY FROM **HEALING** TO **GROWTH** WITH THE ***JIINUE GROWTH PROGRAM***

(Pictured) Jackline Wangai from Katya Natures attending the Investor Readiness Training held at Nokras Silver Oak Hotel-Embu October 31, 2024

I'm Jackline Wangai, part of the management team at Katya Natures, where we specialize in crafting goat milk soap—our primary product that's been transformative for people with all skin types. Enriched with neem oil, our soap provides additional skin benefits and has become the heart of our story.

This journey began from a deeply personal place. My son was battling eczema, and after countless treatments failed, I discovered the skin-soothing properties of goat milk. I created a homemade soap for him, and the results were incredible—his skin began to heal. Encouraged by this success, I shared the product with friends who had similar struggles, and with their feedback, I refined the formula. Eventually, we reached a standard that was certified by KEBS, making it ready for commercial use. Today, we offer two main options: a 100g goat milk soap for KSh 240 and a 150g goat milk soap enriched with neem for KSh 750.

Katya Natures is truly a team effort. I manage alongside five full-time employees—a director, an accountant, a production lead, a saleswoman, and a delivery coordinator. We're committed to maintaining the highest standards, and our glowing Google reviews tell us we're meeting our customers' needs.

Our growth has brought new challenges. We're preparing for a potential listing with Naivas, one of Kenya's largest supermarket chains, which would require us to scale production significantly. Financial support is critical for us to meet this demand, as bulk production requires upfront investment. This is where the Jiinue Growth Program funding will be transformative. Through this Investor Readiness training, I've gained practical insights on LPOs and invoice discounting, helping me better understand the financial processes essential for our upcoming expansion. With this knowledge—and the potential financial support from Jiinue—we're more confident about handling larger orders without disrupting our relationships with current distributors.

Thank you Jiinue Growth Program for preparing us for the next phase of our business growth and I can't wait to see where this journey takes us as we work to bring the benefits of goat milk soap to more people across Kenya.

Website: *https://katyanatures.co.ke/*
Instagram: *katya_natures*

AUGUST - DECEMBER 2024

PICTORIAL

H.E. Dr. William Ruto, President of the Republic of Kenya being welcomed by the National Police Service Band shortly after arriving at the KICC for the KEPSA@20 Celebration.

KEPSA CEO Meeting With KEPROBA CEO - October 8, 2024

KEPSA Signs Data Sharing Agreement With Inside Edge Analytics Limited - October 9, 2024

4th National Agriculture Summit - October 1, 2024

Ministry Of Investments, Trade And Industry Forum On Legislative And Policy Reforms September 13, 2024

Launch Of Chandaria Mwatate Tree Nursery - September 6, 2024

Launch Of Carbon Credits Partnership - September 25, 2024

KEPSA Visit To Konza Petrocity Fuel Depot- August 30, 2024

KENYA2EQUAL Briefing Session - August 22, 2024

Jiinue Growth Program Kisumu Training Launch At Jumuia Hotel - September 10, 2024

KEPSA Inaugural Annual SME Conference, Awards And Exhibition - August 23, 2024

Investor Readiness Training Launch In Mombasa Under The Jiinue Growth Program - August 14 &15, 2024

KEPSA-DHL SME Export Readiness Workshop_ August 15, 2024

KEPSA - EAC Secretary General Roundtable - August 14, 2024

Digital Economy Stakeholders Forum - August 12, 20224

KEPSA - ODPC Launch Of The Data Protection Training Programme - July 31, 2024

Signing Ceremony For The USAID -ERRA Standard Grant At TMA - JULY 24, 2024

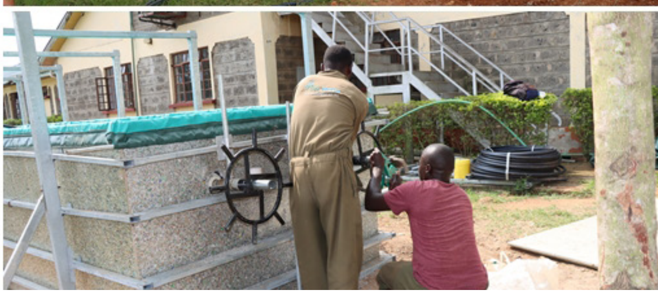
Chief Justice Roundtable - July 16, 2024

9th Circular Economy Conference and Awards

South Africa Circular Economy Hotspot

KEPSA UTAMADUNI DAY - OCTOBER 4, 2024

Signing of the KEPSA-Regional Economic Blocs Public-Private Dialogue (PPD) Mechanism



SMEP Project Migori _ Installation of Bio Gas

Kenya Plastic Pact - 2025 Strategy Meeting with Members

KENYA BUSINESS CHANNEL
The Voice of KEPSA

KEPSA
KENYA PRIVATE SECTOR ALLIANCE
The Voice of the Private Sector in Kenya

ADVERTISING RATES *for the* KEPSA MAGAZINE

WHO WE ARE

The Kenya Private Sector Alliance (KEPSA) is the apex body of the private sector in Kenya. KEPSA brings together business associations, trade associations, corporates, multinational companies, SMEs and start-ups from all sectors of the economy under one umbrella to enable them to speak with one voice when engaging the Government and other stakeholders on cross-cutting policy issues affecting private sector development, supporting businesses on training, opportunities to network for business, financial linkages, mentoring, access to markets, value chains and access to investment opportunities. The membership categories have been developed to meet the size of all businesses.

ABOUT THE MAGAZINE

Kenya Business Channel is a KEPSA Magazine, which is published quarterly and focuses on issues affecting the private sector players and the general economic outlook in Kenya and beyond. The objective of the publication is to promote business excellence by highlighting policies and regulations affecting businesses, analysing emerging trends in the corporate world and sharing organizations' and individuals' perspectives on the business environment.

TARGET AUDIENCE

- Business Association
- Corporates
- Multinational Organisations
- Government Ministries & State Agencies
- Development Partners

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- Scope: It is the only magazine in Kenya that highlights all the Private Sector industries.
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- Quality: The magazine is of high quality and professionally packaged.
- Content: It has targeted editorial content from top business leaders who are seasoned writers.
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3.	Quarter Page	75,000
4.	Front cover(inside)	230,000
5.	Back cover(inside)	200,000
6.	Back cover(outside)	215,000

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KEPSA
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2024

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1	Agricultural Employers' Association
2	Agrochemicals Association of Kenya
3	Association of Consulting Engineers of Kenya
4	Association of Gaming Operators of Kenya
5	Association of Kenya Insurers
6	Association of Women in Energy and Extractives
7	British Business Association of Kenya
8	Business Ireland kenya Association
9	Business Processes Outsourcing Association of Kenya
10	Car Importers Association of Kenya
11	Chartered Institute of Arbitrators
12	Delegation of German Industry and Commerce of Kenya
13	East Africa Venture Capital Association
14	East African Tea Trade Association
15	Electricity Sector Association of Kenya
16	Environment Institute of Kenya
17	Federation of Kenya Employers
18	Federation of Public Transport Sector
19	Institute of Certified Public Accountants of Kenya
20	Institution of Engineers of Kenya
21	Institution of Surveyors of Kenya
22	Kenya Association of Air Operators
23	Kenya Association of International Schools
24	Kenya Association of Manufacturers
25	Kenya Association of Pharmaceutical Industry
26	Kenya Association of Travel Agents
27	Kenya Association of Women Business Owners
28	Kenya Auto Bazaar Association
29	Kenya Bankers Association
30	Kenya Forex & Remittance Association
31	Kenya Green Building Society
32	Kenya Healthcare Federation

33	Kenya Institute of Supplies Management
34	Kenya Oil & Gas Association
35	Kenya Private Schools Association
36	Kenya Property Developers Association
37	Kenya Renewable Energy Association
38	Kenya Ships Agents Association
39	Kenya Tea Growers Association
40	Kenya Tourism Federation
41	Kenya Transport Association of Kenya
42	Law Society Of Kenya
43	Leasing Association of Kenya
44	Macnut Association of Kenya
45	Marketing Society of Kenya
46	Medical Technology Association of Kenya
47	National Association of Private Universities in Kenya
48	Oil and Gas Contractors Association
49	Packaging producer Responsibility Organization
50	Petroleum Outlets Association of Kenya (POAK)
51	Pharmaceuticals Society of Kenya
52	Protective Security Industry Association
53	Retail Traders Association Of Kenya
54	Rural Private Hospitals Associations of Kenya
55	Safaricom Dealers Association
56	Seed Trade Association of Kenya
57	Shippers Council of Eastern Africa
58	Technology Service Providers of Kenya
59	The Architectural Association of Kenya
60	The Institute of Human Resource Management
61	The Kenya Flower Council
62	Town and County Planners Association of Kenya
63	United Business Association
64	Water Service Providers Association

KEPSA MEMBERS 2024

CORPORATE ORGANIZATIONS

1	A thousand Ships limited
2	Adeoli Limited
3	Adept Technologies Limited
4	Africa Digital Media Institute Limited
5	Africa Health Business Limited
6	Africa Practice East Africa Limited
7	Africa Risk Management and compliance Partners Limited
8	Agema Analysts Limited
9	AGL Kenya Limited
10	AIG Kenya Insurance Company Limited
11	Airtel Networks
12	Alfajiri Healthcare Limited
13	Alternatives Africa Limited
14	AMG Realtors Limited
15	Amitruck Limited
16	Apec Consortium Limited
17	Associated Battery Manufacturers (E.A) Limited
18	Astral Aviation Limited
19	ATC Kenya Operations Limited
20	Athousand Ships Limited
21	B Braun Medical Kenya Limited
22	B2B Africa Limited
23	Bamburi Cement Plc
24	Bank of Africa Kenya Limited
25	Base Titanium Limited
26	Bata Shoe Company PLC
27	Bayer East Africa Limited
28	Bedi Investments Limited
29	Benchmark Distributors Limited
30	Betterlyt Investment Company Limited
31	Bidco Africa Limited
32	Biogas Power Holdings E.A Limited
33	BM Musau & Co Advocates llp
34	Bob Morgan Services Limited
35	BOC Kenya PLC
36	Bolt Support Kenya Limited
37	Boreka Group Foundation
38	Boston Petroleum Limited
39	Bowmans Coulson Harney llp
40	Bridge International Academies
41	Bright Vision Media Limited
42	British American Tobacco Plc
43	Brookside Dairy Limited
44	Built For Good Africa
45	Burn Manufacturing USA LLC
46	Canto Systems Limited

47	Carepay Limited
48	Centum Investment Company Limited
49	Cerberrus Engineering Limited
50	Chandaria Group
51	Chepkuto Advocates
52	CIM Credit Kenya Limited
53	Citadel Africa Family Business
54	Citibank N.A
55	CKL Africa Limited
56	Climate Link Kenya Limited
57	Cloudpay Limited
58	CM Advocates LLP
59	CMA CGM Kenya Limited
60	Coca Cola East & Central Africa
61	Coca-Cola Beverages Limited
62	Coffee Brothers Limited
63	Content Provider Services Africa Limited
64	CPF Financial Services Limited
65	Crown Solutions Limited (Crown Healthcare)
66	Dance Unite Africa
67	Data Alma Limited
68	Davis and Shirtliff Limited
69	De Heus animal Nutrition Limited
70	Deloitte and Touche LLP
71	DHL Worldwide Express Kenya Limited
72	Dorion Africa Limited
73	Dow Chemical East Africa Limited
74	Down To Earth Technologies
75	Drop Access Limited
76	Eabx Public Limited Company
77	Earthlungs Reforestration Foundation
78	East Africa Breweries Limited
79	Ebis (K) Limited
80	E-Cart Services Limited (Jumia Ltd)
81	Ecobank Kenya Limited
82	EIDU Education Limited
83	Elecster Kenya Limited
84	Elgon Kenya Limited
85	Elimu Holdings
86	Eminence Global Communication
87	Emma's Knoll Logistics & supplies Limited
88	Emobilis Technology Academy
89	English Press Limited
90	Essart Limited
91	Esselle Group
92	Expertise Global Consulting Limited

CORPORATE ORGANIZATIONS

93	Express Communication
94	Facebook Limited
95	Flamingo Horticulture
96	Fortescue Future Industries Kenya Limited
97	Fourth Generation Capital Limited
98	Frametech Equipment Limited
99	Freight Forwarders Kenya Limited
100	Freight Soko Limited
101	Freightway Global Solutions
102	Fruitss Leadership Africa
103	Fulfillment Resources centre
104	G4S Security Services Limited
105	Galana Oil Kenya Limited
106	Ganatra Plant Equipments Limited
107	Gatsby Africa
108	Genex Consulting Limited
109	Gennis Consulting Limited
110	Gertrudes Childrens Hospital
111	Gikera & Vadgama Advocates
112	Glacier Products Limited
113	Global Standards Certification Limited
114	Globeleq Kenya Limited
115	Good Testimony Junior School Limited
116	Google Kenya Limited
117	Gotovate Africa Safaris Limited
118	Green Fusion Limited
119	Growthpad Digital Consulting
120	Hasbah Kenya Limited
121	Hays Corporate Advisory llp
122	HCS Affiliates Group Limited
123	Healthy U Two Thousand
124	Hiventy Africa Limited
125	Hospitality Systems Consultants Limited
126	Hostpinnacle Cloud Limited
127	Hychem Group Limited
128	IBM East Africa Limited
129	Ideal Appliances Limited
130	Impax Business Solutions
131	Indisputable Limited
132	Institute of Public Finance
133	Intercity Secure Homes Limited
134	Invhestia Africa Limited
135	Ipsos Limited
136	Iristel Kenya Limited
137	Ison Xperiences Kenya Limited
138	Isuzu East Africa

139	IX Africa Data Cetre Limited
140	Jadfad Limited
141	Jambojet Limited
142	Jamii Telecommunications Limited
143	Jijenge Credit Limited
144	Johnson & Johnson Middle East FZ
145	Junky Bins Limited
146	Kaleidoscope Consultants Limited
147	Kamcan Properties Limited
148	KCB Bank Kenya Limited
149	Kenbright Holdings Limited
150	Kenchic Limited
151	Kenya Bixa Limited
152	Kenya Commerce Exchange Service (KENEX)
153	Kenya Development Corporation
154	Kenya Kazi Services Limited
155	Kenya Pipeline Company Limited
156	Kenya Power & Lighting Company
157	Kenya Tea Packers Limited
158	Kenya Wine Agencies Limited
159	Kerry Kenya Limited
160	Kibo Africa Limited
161	Kijani Green
162	Kiptiness & Odhiambo Associates
163	KOASave Africa Limited
164	Koko Networks Limited
165	Konza Technopolis Development
166	KPMG Advisory Services Limited
167	KTDA Management Services Limited
168	Langues Des Champions
169	Larsen and Toubro Limited
170	Lawyers Hub Kenya
171	Leapfrog Advisory Limited
172	Liaison Group (I.B) Limited
173	Light for the world
174	Lineplast Group Limited
175	Liquid intelligent Technologies
176	Lizaya Training Company Limited
177	LPC Global Logistics Limited
178	Lukenya Schools
179	Lupat Cleaning Services Limited
180	Mabati Rolling Mills Limited
181	Maersk Kenya Limited
182	Mambo Pambo Ventures Limited
183	Mars Wringley Confectionery
184	Marubeni Corporation

KEPSA MEMBERS 2024

CORPORATE ORGANIZATIONS

185	Medilink Lab & Surgical Limited
186	Melvin Marsh
187	Microsoft East Africa
188	Microsoft East Africa Limited
189	Minet Kenya Insurance Brokers Limited
190	MMW Advocates llp
191	Montgomery Events East Africa Limited
192	Moringa School Limited
193	Motivate Africa Limited
194	MTN Business (Kenya) Limited
195	Musty Distribution Limited
196	Mwakawa Investments Limited
197	Nairobi Securities Exchange Plc
198	Namanga Kidz Zone
199	Nation Media Group
200	NCBA Bank Kenya PLC
201	Nedbank Limited
202	Niobi Kenya Limited
203	Nitram Accountants Africa llp
204	Njogu and Associates Advocates LLP
205	Nova Gardens Limited
206	Novotel Nairobi Westlands
207	Nurisha Trust Kibondeni College
208	Oakar Services Limited
209	OBG Company Limited
210	OCP Kenya Limited
211	Ogilvy Public Relations
212	Ola Energy Kenya Limited
213	Oliver K Limited
214	One Acre Fund
215	Optiven Enterprises Limited
216	Osho Chemical IndustriesLimited
217	Pan African Entrepreneurs Services
218	Pankaj Foundation
219	Peach Tech Limited
220	Phasian Consulting Limited
221	Phindor Limited
222	Planon Solutions Limited
223	Poa Internet Kenya Limited
224	Polucon Services Limited
225	Practical Action
226	Pricewaterhouse Coopers Limited
227	PrideInn Group
228	Prime Health Pharma Limited
229	PTG Travel Limited
230	Q-Sourcing Limited

231	Quickmart Kenya Limited
232	Red August Group
233	Rentco Africa Limited
234	Rentworks East Africa Limited
235	Ridewell Technology Africa Limited
236	Riley Falcon Securities
237	Riverside Water Deflouridation Consultants Limited
238	Rizy Link Safaris Limited
239	Ronalds Limited Liability Partnership
240	Royal Floraholland Kenya
241	Royal Tots Daycare and Nursery Kiembeni Limited
242	RSM Eastern Africa Consulting Limited
243	Rubis Energy Kenya Public Limited Company
244	Safaricom Limited
245	Sanergy Limited
246	SAP East Africa Limited
247	Sapient Consulting Group Limited
248	Sarai Afrique Limited
249	Sarova Hotels Limited
250	Sayani Investments Limited
251	Seko Minayo & Company Advocates
252	Senaca East Africa Limited
253	Sendy Kenya Marketplace Limited
254	Sensei Institute of Technology Limited
255	Senses Hub Limited
256	Separ International
257	Sewe International Limited
258	SGS Kenya Limited
259	Shartlon Security and Private Investigation
260	She Phoebe Global
261	Sheth Naturals Limited
262	Shiprazor Limited
263	ShopIT Limited
264	Skiqa Group Limited
265	Smart Application International Limited
266	Sojitz East Africa Limited
267	Songa Capital Limted
268	South- End Tech Limited
269	SOWITEC Kenya Limited
270	SP Advisory
271	Spearhead Africa Limited
272	Spurking Holdings Limited
273	St Bakhita School Limited
274	St. Nicholas Juniour School
275	Standard Chartered Bank Kenya Limited
276	STIHL East Africa Limited

CORPORATE ORGANIZATIONS

277	SUADEO Technologies Limited
278	Sub-Sahara Pouch Company Limited
279	Sunculture Kenya Limited
280	Suni Smart Energy Limited
281	Sunripe (1976) Limited
282	Synergetic Development Investment
283	Tano Digital Kenya Limited
284	Tata Chemicals Magadi Limited
285	Telenor Services Limited
286	Tetra Pak Limited
287	The Alternative Accomodation Network
288	The Boston Consulting Group
289	The Karen Hospital Limited
290	The Knowledge Warehouse Limited
291	The Riara Group of School
292	The Youth Cafe Limited
293	Tibu Health
294	Tiffa Research Limited
295	TikTok Pte
296	Toner World Limited
297	Torrent East Africa Limited
298	Trinity Energy Limited
299	Trinity Magnolia Printer Limited
300	Tullow Kenya B.V.
301	Uber Kenya Limited
302	Ultravetis E.A. Limited
303	Umsizi Llp
304	Unicorn Valley Technologies
305	Van Woustraat Limited
306	Victory Farms Limited
307	Visiondrill Technology
308	Viva Africa Consulting LLP
309	Vivo Energy Kenya Limited
310	Watu Credit Limited
311	Wells Fargo Limited
312	Wema House School Limited
313	Western Seed Company Limited
314	Winnies Pure Health Products Limited
315	WISEe Cooperative Society Limited
316	Woolworths (K) PTY LTD
317	Zandaux Kenya Limited
318	Zawadi Brand Solutions Limited
319	Zenka Digital Limited
320	Zydii Limited

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