



COUNCIL OF GOVERNORS

The Big Four blueprint – The in's and out's of the Manufacturing pillar

The four-point agenda by President Uhuru Kenyatta, outlines what the government will be focusing on in his last presidential term to improve the living standards of Kenyans, grow the economy and leave a lasting legacy. The Big Four Agenda items are: food security, manufacturing, affordable universal health care and affordable housing.

UHURU'S Action Plan

- Enhance Manufacturing
- Enhance Food and Nutrition Security
- Provide Affordable Housing
- Provide Universal Health Cover

1. What are the four aspirations of the manufacturing pillar?

Of the four key agenda, manufacturing features heavily and may continue to do so since production of quality goods in large quantity, promises to turn around the country's economic capacity.

BIG FOUR ASPIRATIONS – Manufacturing Pillar



↑ Raise manufacturing
CONTRIBUTION TO
GDP from **9%** to
15%



↑ **Move to top**
50 in the EASE OF
DOING BUSINESS
ranking globally



↑ **5X** increase in FDI
INFLOWS



↑ Create
1,000,000
ADDITIONAL JOBS

2. What aspects of the manufacturing industry will be transformed by 2022?

In order to achieve the four aspirations of the manufacturing pillar, the country's manufacturing industry will focus on;



Ministry of Industry, Trade & Cooperatives

3. You mentioned 1,000,000 additional jobs will be created. How will that work?

Yes, through the eight (8) priority sectors, not only will a million new jobs be created in the next three (3) years, Machakos Leather Park will be completed; 50,000 women and youth will be trained in textile and the 'Buy Kenya' policy will be developed which will boost the construction materials of the housing pillar

Sector	Target by 2022
1. Textile apparel/Cotton	↑ export from this sector from \$350m to \$ 2bn; 500,000 cotton jobs & 100,000 apparel jobs created; Train 50,000 youth & women
2. Leather	Make 200 million shoes and therefore ↑ exports from \$ 140m - \$ 500m; Create 50,000 new jobs; complete Machakos leather park and identify 3 other parks
3. Agro processing (Tea, Dairy, Meat)	↑ 16% - 50%; Create 1000 Small and Medium Enterprises (SMEs) and 200,000 jobs; Map tea, coffee, sugar, dairy, crops value chain
4. Fish processing	\$200m fish feed investment; Create 20,000 jobs and Design aqua – culture Special Economic Zone in lake Victoria
5. Construction materials	Transform from a 470m to a 1Bn sector; Create 10,000 new jobs and Develop a 'Buy Kenya' policy ≥ 70% of housing material
6. Oil, Mining & Gas	Attract 1 global scale player in the mining value add
7. ICT	Phone, Laptops, TV assembly plant; Create 10,000 new jobs
8. Iron & Steel	Attract \$ 1 bn new investment

Kenya Association of Manufacturers

4. What is the role of the County Governments in all this?

To secure the future of the manufacturing sector, it is important to access land, an effective public service and skilled workers. The County Government should;

Situational Analysis	Actions by the County Government
There are gaps in the human skill with growing mismatch between available skills and the market demands and weak linkages between training institutions and the industry	<ul style="list-style-type: none"> ○ Implementing the technical and vocational education and training (TVET) project with the main goal of improving access to technical and vocational jobs and economic opportunities by the youth in Kenya.
Land remains one of the basic factors of production County Governments do not have land banks designated for industrial development	<ul style="list-style-type: none"> ○ Proactively create land banks earmarked for industry and County and National level of government ○ Advocate for speedy digitization of land registry ○ Prompt issuance of title deeds including for SMEs
An efficient, responsive and effective public administration is necessary If the manufacturing sector agenda is to grow. Thus, efforts to revitalize public services delivery, fight against corruption and reduction of loss of public funds will go a long way in creating a fit-for-purpose workforce.	<ul style="list-style-type: none"> ○ Strengthening performance contracting

5. The National Government has no role in all this?

The Ministry of Industry, Trade & Cooperatives has proposed initiatives they want to carry out by **June 2019** in order to not only create an enabling legal & policy environment but to also increase investments, production, create markets and accessibility of the produce.

<u>Proposed initiatives</u>	<u>Target</u>
Development of Athi- River Textile Hub	100% complete by FY 2017/18
Procurements of machines to modernize Rivatex	Purchase 2 by FY 2017/18
Provision of Industrial Training at Kenya Industrial Training Institute	Train 2000 students by June 2018
Number of new investment proposals registered	Register 150 proposals by June 2018
Gazette Export Processing Zones (EPZs)	Gazette 5 by June 2018
Increase value of exports from EPZ	Kshs. 2.000,000,000 by June 2018
Create jobs at EPZs	3000 new jobs created by June 2018
Construction of Basic infrastructure facilities for Kenya Leather Park (Kenani Machakos)	Construct 8 Km of road; 100% Completion of the wall; 50% construction of Common effluent Treatment Plant (CETP) by June 2019
Increased awareness by process owners and improve in ranking for doing business 2019	Ranked top 80 globally by June 2019

Train Small and Medium Enterprises (SMEs)	Collaboration with County governments to train 34,850 SMEs country
Implementation of Kenya Youth Employment and Opportunities Project (KYEOP)	Target 1,130 youth to take up the Kshs. 45.2 Million grant on http://mis.kyeop.go.ke/ by June 2018
Upgrade laboratories in Kisumu and Nairobi	100% upgrade by June 2018
Provide common Leather manufacturing facilities at Kariokor	Train 3000 cobbler's by June 2019
Increase innovation and productivity in select private sector firms through the Kenya Industry and Entrepreneurship Project (KIEP)	To strengthen innovation and entrepreneurship: For incubators, accelerators, and technology boot camp providers; and SME linkages and upgrading by June 2019

Useful Links

<http://www.president.go.ke/enhancing-manufacturing/>

<http://kam.co.ke/kam/wp-content/uploads/2018/10/KAM-Manufacturing-Deep-Dive-Report-2018.pdf>

<http://mis.kyeop.go.ke/>

<http://kippra.or.ke/big-four-agenda-manufacturing/>

<http://kam.co.ke/kam/wp-content/uploads/2018/02/2018-Manufacturing-Priority-Agenda.pdf>