



MITI
State Department of Industry



VIWANDA MONTHLY BULLETIN

September 2025 Vol I

KENYA LAUNCHES VIPINGO ECONOMIC ZONE TO DRIVE INDUSTRIAL GROWTH



President William Ruto has launched Vipingo Special Economic Zone in Kilifi, reinforcing Kenya's drive to become Africa's industrial leader.

The mega project is projected to attract over \$3 billion in investments and create more than 35,000 direct jobs, plus thousands of indirect positions.

The president emphasized that Kenya's 38 special economic zones, 111 export processing zones, green energy capacity, young workforce, and natural resources position the country as Africa's gateway to the 1.4 billion-person continental market. He said strategic reforms, stable policies, competitive incentives, and modern infrastructure support Kenya's ambition to remain the region's top investment destination.





THE KENYA JAPAN INVESTMENT FORUM, BEYOND AUTOMOTIVE

President William Ruto, attended the Kenya Japan Investment forum held in Yokohama, Japan, alongside the Principal Secretary for Industry Dr. Juma Mukhwana.

The forum focused on investment opportunities in Kenya, reflecting the country's ongoing efforts to attract foreign direct investment and diversify its economic partnerships. President Ruto emphasized on increasing exports to Japan in a bid to strategically achieve a more balanced trade relationship, moving beyond Kenya's traditional role as an importer of Japanese goods and technology.

This shift toward export expansion will help reduce Kenya's trade deficit while creating new revenue streams for local industries and producers.



Japan's position as Kenya's third-largest partner in direct foreign investment highlights the already substantial economic relationship between the two countries. Kenya's stable political environment, growing economy, and strategic location as a gateway to the broader East African market, positions it at a vantage point for local manufacturing.

The concentration of Japanese investment in Kenya's automotive assembly and manufacturing sectors is a testament of Japan's confidence in Kenya's industrial capabilities and its potential as a manufacturing hub for the East African region. The attendance of over 120 investors at the forum demonstrated significant private sector interest in Kenya-Japan economic cooperation. The diversity of attendees beyond automotive manufacturing, indicated Kenya's potential for expanded investment across multiple industries such as technology, infrastructure, agriculture, and services.





Republic of Kenya

MITI

State Department of Industry

THE AFRICAN SILICON SAVANNA

The government remains committed to positioning Konza Technopolis as Africa's Silicon Savannah a hub for innovation, ICT, trade, and tourism, aligned with Kenya Vision 2030



In a meeting focused on the progress of Africa's Silicon Savannah, Cabinet Secretary for Trade Investment and Industry, Lee Kinyanjui together with the Principal Secretary for Industry Dr. Juma Mukwana, engaged ICT Cabinet Secretary William Kabogo at Konza Technopolis, marking the first stage of engagement between the two Ministries.

Konza City, one of Kenya's most ambitious Vision 2030 flagship projects is central to this agenda, with the high-level roundtable discussions and cross-sectoral collaboration paving the way for further elevation of the initiative.

Also, present were: CS for Tourism Rebecca Miano, PS ICT John Tanui and PS Investment and Promotion Abubakar Hassan, among others.





MITI

State Department of Industry

KENYA UGANDA UNLOCKS TRADE BARRIERS ALONG THEIR BORDER



Kenya and Uganda have resolved to eliminate all existing tariff and non-tariff barriers hindering trade between the two countries and fully align all trade related commitments to the EAC treaty and protocols.

This follows a directive by H.E William Ruto and H.E Yoweri Museveni during their bilateral engagement held in Nairobi, Kenya from 30th to 31st July 2025, that Ministers responsible for trade of both countries urgently convene a meeting to resolve the trade barriers.

In a joint communique issued at Mbale, Uganda the Cabinet Secretary for Investments Trade and Industry Lee Kinyanjui and his Ugandan counterpart Gen. Wilson Mbasu also agreed to clear the congestion of trucks along key cross border points including Malaba, Busia, Suam and Lwakhakha to ensure free flow of goods, services and people.

Present was the Principal Secretaries Dr Juma Mukhwana (Industry) and Regina Ombam (Trade), among other state officials.



KENYA'S CAIPs TARGETS 2.8 PERCENT SHARE OF

Industry PS Dr. Juma Mukhwana engaged the diplomatic community on Kenya's Industrialization journey, showcasing the development of the Special Economic Zones -SEZs- in Naivasha, Dongo Kundu and Vipingo.

Dr. Mukhwana noted that, Kenya aimed at increasing Africa's contribution to the manufacturing sector globally from the current 2.8 percent. He added "We are currently constructing County Aggregation and Industrial Parks (CAIPs) in all counties and these parks are here to ensure that manufacturers are able to access benefits under SEZs and EPZs as the country pushes towards becoming an industrial powerhouse in the region".

Dr. Mukhwana further noted that "Kenya serves as an entry point to the rest of Africa and it is through our vantage points such as the Indian Ocean and our great infrastructure that the international community can get access to the huge market of 1.4 billion people in Africa."



Dr. Mukhwana also noted that the Government was in the process of extending the standard gauge railway to the SEZ in Naivasha, saying that this would not only increase trade but promote tourism and other economic activities in the areas.

The PS also highlighted 'Buy Kenya, Build Kenya' initiative as strategic in ensuring that agencies and manufacturers utilize local content.





Embu and Meru CAIPs, ready for Investors, Kinyanjui

The construction of the Meru County Aggregation and Industrial Park is 97% complete. It is well equipped with cold storage facilities and ready for investor occupation.

Ministry of Investments, Trade and Industry CS Hon. Lee Kinyanjui, toured the facility and praised the County Government leadership led by Governor Isaac Mutuma, for completing construction on time using allocated resources.



Meru county is among the major food producers for the region and the country at large, hence the need to increase production, both for food and manufacturing.

The CS highlighted that value-added products fetch 5 times better prices than raw commodities. He implored investors to take up space at

implored investors to take up space at the CAIP, where they will aggregate all products, get them processed and sell them in international markets at much better prices. The Industrial Park is envisioned to link farmers with markets, curb post-harvest losses and create job opportunities for the both skilled and non-skilled personnel. The CS also visited the Embu CAIP alongside Governor,

Cecily Mbarire. The governor expressed hope that the Embu CAIP project, now at 88 percent completion, would soon be fully operationalised. Investor's Conference to be held early next year. "There will be inter-county trade to ensure sustainability in production at these CAIPs all year round," she added.





Republic of Kenya

MITI

State Department of Industry

GOVERNMENT TO OPEN SUGAR IMPORT WINDOW AMID SHORTAGE



The government is set to open a special window for the importation of raw sugar to sustain industrial sugar production, which has been crippled by a nationwide shortage of cane.

Investments, Trade and Industry Cabinet Secretary (CS) Lee Kinyanjui said Kenya faced a shortage of nearly 400,000 metric tonnes of sugar, a deficit that has left billions of shillings' worth of investments in the sector idle. The importation, which is being considered by the government, he said, would specifically target raw sugar for refining into industrial sugar used in food, beverages, pharmaceuticals, and distilleries.

Speaking during a fact-finding tour of Kibos Sugar and Allied Industries in Kisumu on Thursday,

Kinyanjui, who was accompanied by Principal Secretaries Dr. Juma Mukhwana (Industry) and Regina Akoth (Trade), said the move was expected to stabilize the sugar sector and save the exchequer money spent on importing industrial sugar.

“We don't have enough raw sugar to process industrial sugar. As a result, we have to import because factories such as this one in Kibos, which cost over Sh. 2 billion to set up, have not worked since 2016,” the CS said.

The importation plan, he said was a short-term intervention adding that the government has developed a robust programme to work with farmers and county governments to expand cane production and achieve self-sufficiency within two to three years.

The government, he added, has placed sugar factories under watch to strengthen their outreach programmes to cane farmers throughout-grower schemes, with the aim of ensuring steady supply to mills.





Republic of Kenya

MITI
State Department of Industry

Expanding Jobs Creation Through Cotton Value Addition



Under the Bottom-Up Economic Transformation Agenda (BETA), the Kenyan government has revitalized the cotton and textile industry through a comprehensive value chain approach.

Key interventions include the distribution of improved cotton seeds (including imports from Cameroon and Togo), increased farm-gate prices to motivate farmers, and the modernization of ginneries and textile facilities such as Rivatex and Thika cloth mills. The government has also developed supportive policies, promoted local fabric use through public procurement, and partnered with counties and the private sector to strengthen production and processing. These efforts aim to boost cotton production, create thousands of jobs, and stimulate rural economic growth across Kenya's cotton-growing regions.



For more information



@IndustryKE



IndustrializatoinKE



info@industrialization.go.ke



www.industrilization.go.ke



Cotton, textile and apparel sector collaborations between Kenya and China



Industrialization Secretary Professor Erastus Gatebe noted the potential in partnerships and collaborations for Kenya's Cotton, Textile, and Apparel sector. Professor Gatebe noted that key areas that needed to be looked into were in capacity building, joint research and development initiatives and investment as the country moves towards being a middle -level income earning economy.

Speaking when he hosted representatives from the Chinese Embassy in his office, the Secretary further highlighted the Government's efforts in enacting policies that ensure there is ease of doing business in Kenya.

He added “the Government has embarked on the operationalization of the County Aggregation and Industrial Parks which is aimed at enhancing development in all counties.”

This operationalization, he added, depended on the Counties’ resource endowment in production and manufacturing of their produce.

The discussions also focused on how to identify opportunities for mutual collaboration and growth in the industry sector with Prof. Gatebe, assuring that the Government was on track to endure that collaboration between the two Governments in areas of development.





Republic of Kenya

MITI

State Department of Industry

Government, Industry Forge for Local Content in Automobile Assembly for

The Cabinet Secretary for Investment, Trade and Industry (MITI), Lee Kinyanjui has urged local assemblers of automobiles to utilize locally assembled parts to spur growth in the sector and generate jobs.

The CS, who committed to fast-tracking the National Automotive Bill, 2022, noted the potential of the sector to absorb up to 50,000 Kenyans, calling on Kenyans to support the policies being proposed to drive more capacity for local manufacturing.

"The Automotive bill will open up the potential of this sector. The loose parts that are being created in this country can create thousands of jobs if upscaled," he added. Kinyanjui, who graced the groundbreaking of Isuzu East Africa's Parts Distribution Centre in Lukenya, Machakos County, lauded the commercial vehicles sector for utilizing locally made parts, noting that tax benefits will be extended to the value chain.



"Kenya is an advanced economy that can draw a niche in this sector given the level of technology advancement and years of experience in the sector," noted the industrialist, assuring of MITI support to the industry. Industry PS Dr. Juma Mukhwana noted the Motor Assemblies and Motorcycle Assembly regulations lacked an Act of Parliament on which they were anchored, necessitating the enactment of the Bill. The PS also regretted the lack of a policy to regulate the End of Life for vehicles, noted that the Bill would cure the gaps allowing decommissioning of parts, lying idle in yards.

"About 30, 000 vehicles on the National Transport and Safety Authority (NTSA) database that have not been decommissioned that could be used as spare parts and steel supply in the automotive industry.

