



Ministry of Investments Trade and Industry
State Department for Industry

SEPTEMBER 2026

VIWANDA *Bulletin*



CAIPS: A RACE TOWARDS REVAMPED MANUFACTURING

As the first eight County aggregation and industrial parks polish up their structures, its a race against raw material mobilization for those eying value addition of key value chains in the Counties.

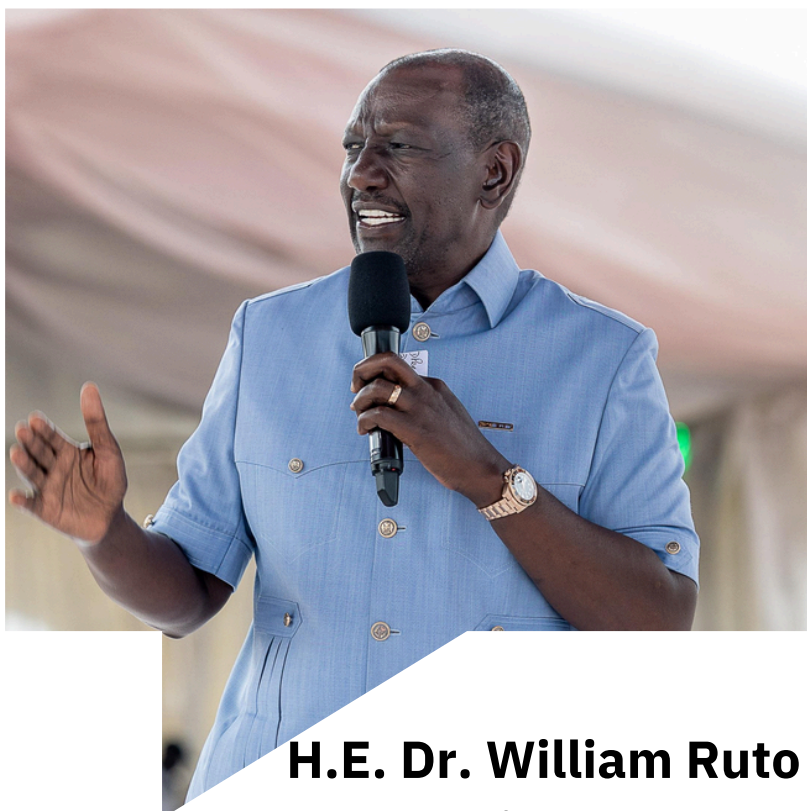
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Value Addition First...

“ We will no longer continue to export raw materials from Kenya. All our raw materials, including Magadi here, are going to be added value in Kenya.

We are going to have glass factories in Kenya. We are going to have chemical industries in Kenya. We are going to hire Kenyan young people and we are going to use Kenyan talent.”



H.E. Dr. William Ruto
The President

“ The government will continue to support investors in exports. As we open up international markets through economic partnership agreements, we must also ensure we have enough produce to meet demand.

As a strategic policy, the government is clear, and His Excellency President William Ruto is spearheading efforts to power agro- industrialization. Working with partners such as Kakuzi and through SEZs, EPZs and county Aggregation and Industrial Parks, the intention is to transform agricultural produce into high-value products for domestic, regional and global markets.”



Lee Kinyanjui
CS, Investments, Trade and Industry

MAGADI SODA: A GAME CHANGER FOR KENYA'S INDUSTRIALISATION

For more than a century, one of Kenya's most valuable industrial minerals has been extracted from the floor of the Great Rift Valley at Lake Magadi.

We have dug it out. We have processed it to soda ash. We have put it on trains and trucks. We have transported it to Mombasa. And, overwhelmingly, we have shipped it overseas. Other countries have then used our soda ash to manufacture glass, detergents, chemicals and numerous industrial products - creating factories, jobs, technology and wealth. Then, in some instances, Africa buys the finished products back.

President William Ruto's insistence that Kenya's natural resources must support value addition, manufacturing and jobs at home represents an important turning point in our industrialisation journey. The Government's intervention at Magadi, and the President's insistence that incoming investors should establish glass and chemical manufacturing facilities in Kenya, is bigger than Magadi. It raises one of the most important economic questions facing Kenya and Africa today: Why should Africa continue exporting the building blocks of industrialisation instead of using them to industrialise?

Soda ash is not an ordinary mineral. It is an industrial building block. It is a critical input in glass manufacturing and is also used in detergents, chemicals and numerous industrial processes. For decades, the overwhelming majority of Magadi's soda ash production has been exported to overseas markets, including the Indian subcontinent. Think about what that means.



Industry PS. Dr Juma Mukhwana

Kenya possesses the mineral. Kenya bears the environmental footprint of extracting it. Kenyan infrastructure helps move it. Yet much of the downstream industrial value has historically been created elsewhere. We have effectively been exporting not merely soda ash. We have been exporting potential factories, potential jobs, technology and opportunities for our engineers, chemists, technicians, transporters, entrepreneurs and young people. President Ruto's intervention therefore deserves support because it challenges a development model Africa has followed for far too long: dig it, ship it and buy it back. No continent industrialised that way. Africa cannot industrialise that way either.

From Magadi to an industrial ecosystem, the opportunity at Magadi is enormous. Instead of thinking of Magadi merely as a mining operation, we should begin thinking of it as the nucleus of a major Kenyan chemical and glass manufacturing ecosystem.

Imagine a large modern glass manufacturing complex supplied by Kenyan soda ash. Imagine Kenya manufacturing more of the glass required for buildings, windows, bottles, food and beverage packaging, pharmaceuticals, laboratories and other industries. Imagine chemical manufacturers locating close to the raw material.

Around those anchor industries would emerge transport companies, packaging businesses, engineering firms, maintenance companies, laboratories, logistics providers, equipment suppliers and hundreds of SMEs. That is how industrial clusters develop. One factory creates demand for another. One industry creates capabilities that attract another. One skilled worker trains another. One supplier becomes ten suppliers. Soon, an area previously known principally for extracting a mineral becomes known for manufacturing products. That should be the future of Magadi. And it should become a model for Africa. Our minerals must become magnets for factories...

DP Kindiki convenes special CAIPs meeting, to fast-track Operationalization



Deputy President Prof. Kithure Kindiki addresses the 30th Ordinary Session of the Intergovernmental Budget and Economic Council (IBEC) on 24/8/2026. CoG Chair Ahmed Abdullahi (insert)



The allocation is intended to support 13 remaining County Aggregation and Industrial Parks. IBEC's resolution places emphasis on enabling infrastructure, suggesting that the meeting will examine the facilities and services required before the parks can become fully operational.

The Council also directed the two levels of government to work together on the implementation of the projects.

The CAIPs programme is part of the government's broader effort to promote industrial and economic activity at the county level. The projects are expected to provide infrastructure that can support value addition and manufacturing activities within counties.

Kindiki, who chairs IBEC, signed the communiqué together with Wajir Governor Ahmed Abdullahi, the chairperson of the Council of Governors.

The Council also urged the Senate to fast-track the conclusion of the County Governments Additional Allocations Bill, 2026, to facilitate the timely disbursement of resources to counties.

The developments place renewed attention on the financing and implementation of CAIPs as the national and county governments seek to address outstanding infrastructure requirements.

Deputy President Prof. Kithure Kindiki has called on state agencies and counties to fast-track the completion & operationalization of County Aggregation and Industrial Parks (CAIPs) across the country.

Speaking during a specialized deliberation meeting, held at the Deputy President's official residence in Karen, the DP successfully executed an agenda focused on eliminating infrastructure and funding bottlenecks to unlock local manufacturing.

The meeting, brought together officials from eight priority counties to assess the status of infrastructure required to support the parks and agree on measures to facilitate their timely completion and commissioning. The eight counties are Meru, Embu, Kirinyaga, Kisii, Garissa, Wajir, Busia and Migori.

The 30th Ordinary Session of the Intergovernmental Budget and Economic Council (IBEC) directed that a specific CAIPs meeting be convened with the counties to deliberate on the "enabler infrastructure status, commissioning and operationalization"

of their respective parks.

It also provided a platform for the national and county governments to agree on actions required to ensure the projects are completed and commissioned on time.

The IBEC also directed the National Treasury and the Ministry of Investments, Trade and Industry, working with the Office of the Deputy President and the Council of Governors, to engage Parliament over funding for the remaining CAIPs.

The Council wants Parliament to reinstate Sh3.25 billion allocated under the County Governments Additional Allocations Bill (CGAAB), 2026.



DP Prof. Kithure Kindiki, CSs, Governors and PSs keenly follow proceedings at the 30th Ordinary Session of the Intergovernmental Budget and Economic Council (IBEC) on 24/8/2026.

Kenani Leather Park Attracts US\$3–4m Investment Targets 50,000 Jobs

By Gloria Gicheru/ KNA

The government has officially commissioned and handed over the first warehouse at the Kenya Leather Industrial Park in Kinanie, Athi River, to the first private investor, marking a major milestone in Kenya's quest to revive its leather industry.

Principal Secretary for the State Department for Industry, Dr. Juma Mukhwana, commissioned the facility and handed it over to Realeather Limited, the first investor to set up operations at the park.

Speaking during the commissioning ceremony at Kinanie, Dr. Mukhwana congratulated Realeather Limited for pioneering investment in the park and challenged the firm to commence operations immediately.

"There is a shortage since we don't have enough leather for the Kenyan market and so we urge the investor to start immediately to bring in the machines and workforce," Dr. Mukhwana said.

The PS said Kenya needs to significantly scale up leather production to meet demand in the local, East African Community and international markets, noting that the government has targeted bilateral frameworks to drive domestic value addition.

He expressed optimism that the entry of the first investor would ignite more interest in the sector and called on the Kenya Leather Development Council (KLDC) to develop investor-friendly policies to attract more firms to establish tanneries and leather value-addition factories at the park.



PS Juma Mukhwana with Realeather and Jason int'l ltd at Kenania leather industrial park

The PS reaffirmed that the government had invested significant resources in the park, including land, an effluent treatment plant, roads, electricity and water, to create an enabling environment for private investment.

Kenya's leather sector is supported by a large livestock population and a growing domestic and regional market hence the urgent need for KLDC to onboard more investors to ensure that the park fully exploits the available opportunities. "We want this park in 10 years to employ another 50,000 people, Dr. Mukwana emphasized.

Realeather Managing Director Kennedy Waiyaki said the partners would invest between 3 million and 4 million dollars in a leather processing factory, initially focusing

on suede leather.

He added the availability of infrastructure, particularly the effluent treatment system, influenced their decision to invest at KLIP. "One of the major challenges of investing in a tannery in Africa is effluent. But here the effluent is taken care of by the effluent treatment plant," he said.

The factory is expected to employ 200 people initially, with the workforce projected to grow to between 500 and 1,000 employees as the business expands. Waiyaki also said the company would eventually expand into leather goods and accessories, building on Jason International's experience in manufacturing leather gloves, suede shoes and other leather products.



CS Kinyanjui Calls for Harmonized Standards for Africa

BY Theuri Mwangi

Cabinet Secretary for Investments, Trade and Industry, Lee Kinyanjui has called for harmonization of accredited Kstandards across African Countries. Kinyanjui, who officiated the 32nd African Organisation for Standardisation (ARSO) assembly, underscored that for recognition of the standardization certificates to occur across the African states, trust in competence was required.

The high level discussions on the World Banks', World Development Report, 2025, on Standards for Development provided a platform to deepen continental cooperation; to strengthen confidence in African products and ensure quality does not become a barrier to trade, but be a driver of competitiveness, value addition, consumer confidence and African industrialization.

Hon. Kinyanjui while addressing the delegates from the member states noted that, "Going forward, regional efforts can be strengthened through digitally verifiable certificates, aligned border procedures, reliable inspection and testing facilities, coordinated risk management, and targeted SME support."

While referring to the need to support the acceptance of certificates issued by competent and recognized African Institutions, the CS noted the need for trust across borders in a bid to reduce the number of times that SMEs were required to prove compliance with the same requirements in the other country.

This, he noted, would ensure that the African Continental Free Trade Area(AfCTA), market access, remains a reality.

Kinyanjui also remarked that accreditation, peer assessment, proficiency testing, transparent surveillance and rapid

Cabinet Secretary for Investments, Trade and Industry Lee Kinyanjui addressing ARSO Assembly member states



"Harmonized standards must facilitate safe & predictable markets access."
CS Kinyanjui.

information-sharing on non-compliance were essential, adding that,"Recognition must be risk-based and must protect consumers; it cannot mean the absence of regulatory control."

Also present during the high-level panel discussion was Industrialisation Secretary, Prof. Erastus Gatebe, who further supported the CS's remarks noting the important role the privates sector played in the standidisation system.

"Industry, academia, consumer representatives and other stakeholders participate in standards development through multi-stakeholder technical committees. This helps ensure that standards respond to industrial realities, technological developments, consumer interests and market-access requirements."



Industrializati on Secretary, Prof. Erastus Gatebe speaks at the ARSO



MINISTRY OF INVESTMENTS, TRADE AND INDUSTRY

STATE DEPARTMENT FOR INDUSTRY

PUBLIC NOTICE

THE DRAFT NATIONAL INDUSTRIALIZATION POLICY

The Ministry of Investments, Trade and Industry in collaboration with relevant Ministries, Departments and Agencies has developed a draft National Industrialization Policy, 2026 to guide the development of the Industrialization Transformation in Kenya. The policy also aims to make Industrialization a major engine of economic growth and employment by revitalize and enhance the competitiveness and sustainability of industrial sector in Kenya and within the region.

Pursuant to Article 10(2) (a) of the Constitution of Kenya, that provides for National Values and Principles of Governance including participation of the people, the Ministry through this Notice, hereby invites interested members of the public and stakeholders to give their comments on the draft National Industrialization Policy during the public participation forums which shall be held from 9.00 a.m-12.00 noon at the following venues and dates;

DATE	COUNTIES	VENUE
Monday 12 nd October 2026	Laikipia, Samburu, Isiolo and Marsabit	Isiolo Catholic Pastoral Center-Isiolo
	Bomet, Nyamira, Kisii and Narok	Kisii Agricultural Training Center Hall - Kisii
	Garissa, Wajir and Mandera	Government Guest House – Garissa
Tuesday 13 th October 2026	Tharaka Nithi, Meru and Embu	Kamundi Hall - Meru
	Tana River, Kilifi and Lamu	Takaye Social Hall – Malindi
	Homa Bay, Kisumu, Siaya and Migori	Mama Grace Onyango Cultural and Social Center (Formerly Kisumu Social Center) - Kisumu
Wednesday 14 th October 2026	Nyeri, Nyandarua, Kirinyaga, Murang'a	Nyeri Cultural Center - Nyeri
	Kwale and Mombasa	Tononoka Social Hall - Mombasa
	Busia, Bungoma, Vihiga and Kakamega	Kenya Red Cross Society Hall, Kanduyi-Bungoma
Thursday 15 th October 2026	Nakuru, Kericho and Baringo	Kenya National Library Services – Nakuru
	Taita Taveta	Dan Mwanzo Hall – Voi
	Trans-Nzoia and West Pokot	Kitale Museum Hall – Kitale
Friday 16 th October 2026	Machakos, Kitui and Makueni	Wote Social Hall – Wote
	Turkana	Lodwar Vocational Training Centre – Lodwar
	Uasin Gishu, Nandi and Elgeyo Marakwet	Home Craft Centre– Pioneer Eldoret
Wednesday 21st October 2026	Nairobi, Kajiado and Kiambu	Kenya Institute of Curriculum Development (KICD)– Nairobi

Members of the Public and Stakeholders may also send their comments and feedback through written submissions using the “Draft National Industrialization Policy, 2026 Memorandum Submission Template” available at <https://industrialization.go.ke/downloads> to the following email address nip@industrialization.go.ke or through **P.O BOX 30418-00100** on or before **Friday 23rd October, 2026**. The Draft National Industrialization Policy may be downloaded from website <https://industrialization.go.ke/public-notice-draft-national-industrialization-policy>.

SDI Showcases Industrialization Agenda at 2026 ASK Mombasa International Show

By Cecilia Mwanja

The State Department for Industry (SDI) participated in the 2026 ASK Mombasa International Show at Jomo Kenyatta Showground, Mkomani, under the theme “Promoting Climate-Smart Agriculture and Trade Initiatives for Sustainable Economic Growth.”

The official opening was presided over by the Cabinet Secretary for Agriculture and Livestock Development, Hon. Mutahi Kagwe, who highlighted the untapped agricultural potential of the Coast region and called for increased production, value addition, technology adoption and improved market access.

Led by Director for Enterprise Development, Madam Hannah Kiarie, the SDI team showcased Government initiatives in enterprise development, manufacturing, value addition and CAIPS projects.



Director of Industries (Enterprise Development) Hannah Kiarie leads SDI team at the ASK show in Mombasa

“Government strategy is to secure the nations food supply and turn Agriculture into a primary driver of economic growth through sustained investment .”

- CS, Mutahi Kagwe.

The team engaged MSMEs, entrepreneurs, manufacturers, investors and members of the public through information-sharing on value addition and Agro - processing, skills development and employment creation and investment through the CAIPS Projects, Industrialization and manufacturing agenda as a major driver of economic growth and employment.

The team also created awareness on its Kenya Industrial Training Institute (KITI) that equips Kenyans with practical skills to make , build , repairs innovate and create jobs where industrialisation starts with skilled people. The participation highlighted the strong link between agriculture and industrialisation, particularly through agro-processing and value addition, which support job creation, market expansion and increased value from locally produced goods.

The exhibition provided a platform for SDI to promote local manufacturing, enterprise competitiveness, sustainable production and inclusive economic growth, in line with the Government’s industrialisation agenda.





A student instals electricity during a demo at Kenya Industrial Training

Senate ICT Committee Examines Digital Technologies for Combating Illicit Alcohol

By Jackline Mwamburi

The Senate Standing Committee on Information, Communication and Technology has called for stronger use of digital technology, product traceability and inter-agency coordination to combat counterfeit and illicit alcohol to protect consumers in Kenya.

The Committee held discussions with the Chief Executive Officer of the Anti-Counterfeit Authority (ACA), Dr Robi M. King'a, on the proposed use of digital authentication systems to address the growing challenge.

The meeting heard that illicit alcohol is a broader problem than counterfeit products and includes smuggled, tax-leaked, substandard, adulterated, unlicensed artisanal and surrogate alcohol. ACA noted that counterfeit alcohol is only one component of the problem and can involve the illegal use of protected brands, labels, bottles, caps and seals, as well as the refilling of genuinely branded bottles with illicit contents.

Dr King'a told the Committee that available seizure data pointed to a predominantly domestic illicit-alcohol problem, with 77 per cent of seized alcohol in ACA-cited data being locally manufactured, 15 per cent imported and eight per cent of unknown origin. However, the Authority cautioned that the figures should not be treated as representative of the national market without details on the methodology and period covered.

The Committee was also informed that the Anti-Counterfeit Integrated Management System (AIMS), which currently supports intellectual-property recordation and import-related declarations, does not comprehensively cover locally manufactured alcohol, local bottling, contract manufacturing, refilling, packaging suppliers and domestic distribution.

The system also cannot independently verify excise payments, product safety, standards compliance, licensing or the lawful use of ethanol.



ACA CEO, DR. Mbugua Njoroge appears before the Senate ICT Committee

77%
of seized alcohol is
locally
manufactured

To address these gaps, ACA proposed the phased introduction of anti-counterfeit security devices for high-risk products, including alcoholic beverages. Each product would be assigned a unique identifier linked to a secure ACA-controlled record, allowing consumers and enforcement agencies to verify authenticity while generating information that could help identify suspicious activities. The proposed system would complement existing regulatory measures such as KRA excise stamps and KEBS certification marks rather than duplicate them.

Under the proposed interoperable framework, ACA would verify product and brand authenticity, KRA would confirm excise status, KEBS would verify standards and certification, while county governments would provide licensing information. ACA said legislative amendments would be necessary to extend the current security-device framework to locally manufactured goods and to regulate local manufacturers, authorised bottlers and

contract manufacturers while protecting security devices from cloning, tampering and unauthorised reuse.

The Authority further proposed a national technology architecture linking authentication, tax and customs, standards and safety, licensing, supply-chain events, consumer verification and enforcement data. The architecture would allow agencies to exchange information through secure interfaces while retaining their respective legal mandates and responsibilities. The meeting heard that counterfeiters are increasingly employing sophisticated methods to defeat authentication systems, including cloning genuine QR codes, reusing genuine bottles and labels, substituting contents, manipulating digital accounts, replaying valid serial numbers and selling illicit products through social media and closed messaging platforms. To address these threats, ACA proposed the use of secure identifiers, tamper-evident packaging, scan analytics, batch validation, anomaly detection, cybersecurity measures, physical inspections and laboratory testing. The Authority stressed that a QR code on its own cannot guarantee the authenticity or safety of an alcoholic product.

PB Supports Expansion of Local Pharmaceutical Manufacturing

By Lyz Furaha

The Pharmacy and Poisons Board (PPB) is supporting 13 pharmaceutical manufacturers that are progressing towards establishing production facilities in Kenya.

The companies are Med Aditus, Kenya Biovax Institute, Biopharma Limited in Gatundu-Thika, Full Care Limited, Tanatis Global Limited, Crown Healthcare, Regal Pharmaceuticals through its new penicillin plant, Spora International, Recon Health, the KEMRI Production Facility, Zuventus Limited, Aviazure Limited and Galaxy Pharmaceuticals.

The manufacturers are at different stages of plant construction, equipment installation, pharmaceutical quality-system development and regulatory preparation. Their investment is expected to increase the availability of locally manufactured health products, create skilled employment and strengthen Kenya's ability to supply regional markets.

PPB Chief Executive Officer Dr Ahmed I. Mohamed said the Board is providing regulatory guidance to help the manufacturers meet the required standards while safeguarding public health.

"The entry of new manufacturers demonstrates growing confidence in Kenya's pharmaceutical sector. Our responsibility is to provide a clear and predictable regulatory pathway that enables these investments to progress while ensuring that every locally manufactured product meets stringent standards of quality, safety and efficacy," Dr Mohamed said.



PPB regulates the manufacture, importation, distribution and use of health products and technologies under the Pharmacy and Poisons Act, Cap. 244.

The Board's support includes regulatory clinics, technical advisory meetings, capacity-building programmes and Good Manufacturing Practice inspections. These inspections are conducted routinely and based on the risks associated with individual facilities and products.

Although Kenya has established capacity to manufacture finished pharmaceutical products, local production of active pharmaceutical ingredients and excipients remains limited. These inputs are essential to medicine production but are largely imported.

"Our ambition must extend beyond packaging and producing finished medicines.

Kenya needs to progressively develop the capacity to manufacture pharmaceutical ingredients and other critical inputs locally, reducing dependence on imports and strengthening the resilience of our supply chains," Dr Mohamed said.

The regulatory support programme seeks to increase the utilisation of existing manufacturing capacity by 70 per cent and develop the technical capability required to produce selected high-volume pharmaceutical ingredients and excipients locally.

PPB is also working with stakeholders to address gaps affecting the sector, including limited access to local bioequivalence testing and challenges associated with attaining World Health Organization prequalification.

The Board is supporting the establishment of clearer frameworks for local bioequivalence study centres and clinical research organisations while guiding manufacturers seeking Good Manufacturing Practice certification and WHO prequalification.

"Kenyan manufacturers must be equipped to compete beyond the domestic market. Attaining internationally recognised standards will strengthen confidence in locally produced health products and open access to regional and global procurement opportunities," Dr Mohamed said.



VIWANDA Bulletin

A product of the
State Department for Industry

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