



5th KIPPRAN ANNUAL REGIONAL CONFERENCE

THEME: FOUNDATIONS FOR A SUSTAINABLE ECONOMIC TRANSFORMATION IN KENYA

HELD ON 15TH-17TH JUNE 2022

CONFERENCE COMMUNIQUE 17th JUNE 2022

Preamble

We, the participants at the 5th KIPPRAN Annual Regional Conference held at the Kenya School of Government, Nairobi on 15th to 17th June 2022, express our gratitude and appreciation to all the partners who supported KIPPRAN in organizing a successful conference. The conference brought together State and non-State actors to exchange views towards building robust foundations to accelerate economic transformation in Kenya. This is in line with the Institute's mandate of providing a platform for public policy dialogue.

We acknowledge the importance of strong foundations in propelling the transformation of Kenya's economy and in achieving the aspirations of the Kenya Vision 2030. In the last two years, the country has experienced three exogenous shocks, whose effects continue to be felt. These are the COVID-19 pandemic, a prolonged drought condition, and the Russia-Ukraine war. These shocks have emphasized the need for economic transformation for strong inclusive and sustainable development. As the economy continues to recover, solidifying our economic foundations has become a priority to sustain the transformation momentum.

The key areas of discussion in the conference were categorized into eight sub-themes, namely: Macroeconomic status; Human capital in transformation process, Competency-Based Curriculum (CBC), Technical Vocational Education and Training (TVET) and Special Needs Education; Values and economic transformation; Green economy, clean energy, wetlands, waste management and youth in climate change action; Gig economy and digital innovation; Creative economy in transformation process; Trade competitiveness; Financial inclusion, fintech, and affirmative finance; and

Making markets work, aggregation and labour markets. The conference also hosted a youth side event.

Having had a successful discussion, the conference makes the following resolutions:

SETTING THE STAGE FOR FOUNDATIONS OF SUSTAINABLE ECONOMIC TRANSFORMATION IN KENYA

POLICY AREA	POLICY INTERVENTION	RESPONSIBILITY
1. MACROECONOMIC		
Private sector growth	Boost investments in the private sector by creating a supportive business environment for growth and development of MSMEs across all the counties. This will support in creating opportunities for generating decent jobs	National Government County Governments Private sector
Revenue allocations	Review revenue allocations to counties to provide adequately for counties to implement their economic transformation agenda. This to be guided by evidence and accompanied by building capacity for county governments to strengthen their public finance management	National Government County Governments
Disbursement of transfers to counties	Ensure timely disbursement of transfers to enable the counties deliver on their development goals in transforming the counties	The National Treasury

Disaster management	Establish an effective coordination mechanism for disaster management system to enhance accountability and timely and appropriate response for business continuity	National Government County Governments
Economic Diversification	Promote investment in high-technology manufacturing and agro-processing to support the process of economic transformation in attaining convergence in high inclusive growth across the counties	National Government County Governments
2. HUMAN CAPITAL		
Developing globally competitive skills	Equip students with skills that make them globally competitive	Ministry of Education Private sector
Invest in the youth	Promote a strong multisectoral and inclusive approach with a focus on the lifecycle for effective investment in the youth	National Government County Government
Finance CBC and CBET	Allocate adequate funds to accelerate implementation of CBC and CBET, especially to build and equip the required infrastructure to effectively accommodate the increased number of students	Ministry of Education
Student loans for TVET	Adequately fund Higher Education Loans Board (HELB) to facilitate in supporting all tertiary institution students with	Ministry of Education

	loans, including universities and TVETs both in public and private sector	
Capitation for special needs	Review the education capacitation for special schools to meet the special needs of children with disability	Ministry of Education
Funding TVETs	Undertake in-depth analysis to inform strategies for adequately funding TVET institutions	Ministry of Education
Special needs education	Develop a strategy to map out the needs of persons with disability (PWDs) along their life cycle for more targeted support	Ministry of Education National Council for Persons with Disability
Disability data	Invest in data on disability to effectively plan for PWDs	National Council for Persons with Disability Kenya National Bureau of Statistics
Assistive technologies	Support investment in local assistive technology innovators and local assembly of assistive devices for different types of disabilities	National Council for Persons with Disability Ministry of Industrialization Ministry of ICT
3. VALUES		
Inclusion for PWDs	Strengthen inclusivity of the marginalized groups, including PWDs by enforcing existing laws;	The National Assembly The Senate

	providing oversight and representations of PWDs interests in economic, social, and political development activities; and supporting public engagements with key stakeholders on PWDs' matters.	<p>County Governments, National Youth Council (NYC)</p> <p>National Council for Persons with Disability</p> <p>Religious Organizations</p>
Ethical citizenry	Introduce ethics into the school curriculum at all education levels to develop a generation of ethical citizens	<p>Ministry of Education</p> <p>Directorate of National Cohesion and Values</p>
Induction programmes	Make values and principles part of the induction programmes for newly employed staff	<p>Directorate of National Cohesion and Values</p> <p>Public Service Commission</p>
Marginalized groups	Consider the needs and aspirations of the marginalized and disadvantaged groups, including gender and age in promoting equal access to opportunities to address inequalities	<p>National Government</p> <p>County Governments</p>
4. GREEN ECONOMY		
Reform agenda	Implement essential reforms to enhance investments in renewable energy in the green energy transition	<p>National Government County Governments</p>

Tax regimes	Adopt a tax regime that enhances uptake of renewable energy in line with the international commitment to the Paris Agreement on Climate Change	National Government County Governments
Households	Promote use of clean energy by households	National Government County Governments
Circular economy	Support growth of circularity in the economy by developing and implementing a Circular Economy Policy	National Government County Governments
Green financing	Support development of innovative financial instruments to mobilize green financing, including expanding the green bond market	The National Treasury Financial Sector Players
Wetlands	Invest in conservation of wetlands by fully implementing the National Wetlands, Conservation and Management Policy 2015 and integrate wetlands into Nationally Determined Contributions	Ministry of Environment
Youth in climate action	Promote youth initiatives in climate change action for sustainable development	Ministry of Environment National Youth Council

Greening economic system	Increase investments in renewable energy and promote energy efficient production, especially among the MSEs in stimulating greening of economic development	Ministry of Energy
Electric vehicles	Create a regulatory environment that reduces the cost of electric vehicles and renewable energy technologies	National Government
5. GIG ECONOMY		
Legislative framework	Develop a legislative and regulatory framework to facilitate timely detection, prohibition, prevention, response, investigation, prosecution and international cooperation on computer and cybercrimes	Ministry of Information Communication Technology
Resource portal	Develop a resource portal for citizens to contribute ideas and share knowledge on different services	Ministry of Information Communication Technology
Village-based-advisor model	Adopt and implement a village-based-advisor model to boost agriculture extension services	Ministry of Agriculture County Governments Farmers' Associations
Accreditation of Kenya Bureau of Statistics (KeBS) Laboratory	Develop a framework for Accreditation of KeBS Laboratory to fasten the issuance of	Ministry of Industrialization

	standards for firms across the country	Kenya Bureau of Standards
6. CREATIVE ECONOMY		
Enabling environment	Promote creative sector by creating an enabling environment with adequate financial and infrastructural support	Private sector National Government County Governments
Creative economy data	Finalize the development of satellite account for creative economy to strengthen data collection and facilitate effective planning, monitoring and measuring its contribution to growth	Kenya National Bureau of Standards Ministry of Culture and Social Services
Culture	Recognize culture as a key factor in enhancing sustainable development and ensure it is integrated in the 4 th MTP and third generation of CIDPs	National Government County Governments
	Protect cultural heritage and ensure that communities are fairly compensated for their intellectual property (IP)	National Government County Governments
Screen Sector	Develop institutional structure for the Screen Sector through regulation; provision of incentives such as tax reprieves; development of infrastructure; engagement in international partnerships with niche markets; and development of a film fund	Kenya Film Commission Ministry of Culture and Social services

	and a creative guaranteed scheme	
Fashion Events	Increase collaborative synergies in organizing joint fashion events to promote Kenyan textile products	National Government Private sector Kenya Export Promotion and Branding Agency
Fashion Design	Develop a framework to market and enhance the visibility of designers in Kenya, the region and global markets. This includes establishing a promotional fund and organizing regional events	National Government Kenya Export Promotion and Branding Agency
Fashion value chain	Strengthen the national fashion value chain by building collaborative synergies among the key players in the fashion design and garment making industry, including government, tertiary learning institutions and private sector institutions; integrate designers and small tailors in the domestic market	National Government County Governments
Intellectual property rights	Review IP statutory fees that are often high for businesses	National Government
	Inculcate training of Intellectual Property (IP) training in institutions of higher learning to build capacity and human capital on the subject	National Government
	Develop a National IP Policy	National Government

	Promote IP policies at the workplace to encourage innovation	National Government County Governments
7. FINANCIAL INCLUSION		
Financial inclusion for PWDs	Create a friendly environment for PWDs to enjoy financial inclusion, including integrating internet banking with e-commerce platforms	Financial Institutions
Fintech	Deepen collaboration and synergy among key players in the financial sector to manage the emerging risks in fintech, such as cybercrimes	Ministry of ICT Financial sector players
	Incentivize the development of fintech start-ups	National Government
De-risking MSEs	Develop programmes to promote de-risking MSMEs loans to incentivize private lenders to give them credit	The National Treasury, Financial sector players
MSMEs Financing	Roll out and create awareness on credit guarantee schemes to reach out all the MSMEs across the counties	The National Treasury Financial sector players
Financial literacy	Create awareness to build financial literacy among the youth to use the fintech platforms more responsibly	The National Treasury Financial sector players

Building Capacity for MSMEs	Put in place mechanisms to continuously build capacity for MSMEs with entrepreneurial skills, ability to innovate and financial literacy so that they can run their businesses efficiently and effectively.	Ministry of Industrialization and Enterprise Development Micro and Small Enterprises Authority
Development Finance	Strengthen the development finance ecosystem with appropriate and adequate resources and improve coordination of all established funding programmes	The National Treasury
Domestic savings	Promote use of fintech in enhancing mobilization of savings in deepening financial inclusion	The National Treasury
8. TRADE COMPETITIVENESS		
Value addition	Promote and incentivize value addition to carve a niche in growing Kenya exports in the African Continental Free Trade Area (AfCFTA)	National Government County Governments Private sector
AfCFTA trading	Fast-track outstanding negotiations including concluding on harmonized rules of origin to facilitate the business community to trade within the AfCFTA market	National Government Kenya Export Promotion and Branding Agency Private sector

	Sensitize and build capacity for stakeholders on AfCFTA to bridge the existing information gap	Ministry of Trade
	Review the policy framework to provide incentives to MSMEs to facilitate their competitive participation in AfCFTA	National Government
Market Kenya products	Promote Kenya products in all markets in the AfCFTA and carry out market surveys to help develop targeted strategies for growing Kenyan exports in African countries	Ministry of Trade
Distribution infrastructure	Set up distribution infrastructure in the country, including cold storage facilities and warehouses	National Government County Governments Private sector players
Policies and standards	Align domestic policies and standards with the regional and continental frameworks to facilitate competitive trading	National Government County Governments
Illicit trade	Device interventions and strategies to fight illicit trade, counterfeit, and contraband products into and out of the country	Ministry of Trade
9. MAKING MARKET WORK		

Licensing	Establish a one-stop-shop licensing office for retailers to reduce the cost of doing business	National Government
Development of cooperatives	Create an enabling environment with a conducive institutional, regulatory and policy framework to accelerate growth and development of cooperatives in Kenya	National Government Sacco Societies Regulatory Authority
Management of cooperatives	Build capacity to establish effective governance structures in strengthening management of cooperatives	National Government Sacco Societies Regulatory Authority
	Incentivize cooperation and build strong business development skills to support their aggregation role	Sacco Societies Regulatory Authority
Tax system	Establish a simplified tax system appropriate for all retailers to easily file their returns	National Government and County Governments
Build capacity of retailers	Take up the initiative to train retailers on product quality, government laws and regulations in their industries	National Government
Food safety	Roll out the KS1758 food safety standard country wide	Ministry of Health
National trade policy	Review the National Trade Policy to reflect changes in the retail sector with the COVID-19 pandemic	Ministry of Trade

Commodity market	Accelerate actualization of the commodity market in Kenya	Ministry of Trade
10. FUTURE OF WORK		
Licensing of Coding	Facilitate youth to acquire skills such as coding and data analytics by streamlining regulation, especially by reducing the costs associated with licensing to make it easier for coders to operate in the market	National Government Communications Authority of Kenya
Coding curriculum	Fast-track introduction of coding curriculum to primary and secondary schools, including building capacity of teachers	National Government Private sector
Skills inventory	Undertake a skills analysis to inform the skills inventory and identify gaps in the context of the evolving labour market	National Government
Flexible working environment	Review the labour market institutional and policy framework to accommodate a flexible system that serves to enhance productivity	National Government County Governments Private sector
School-to-work transition	Accommodate changes in technology of things in the school curricula to align the education system to the needs of the market and have in place a framework for school-to-work transition	National Government Learning institutions
Connectivity	Enhance investments to roll out 4G network connectivity in	National Government

	remote areas to promote remote working, including e-commerce across the country	Telecommunication companies
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MOVING FORWARD

The Kenya Institute for Public Policy Research and Analysis (KIPPRA) commits to ensure that these issues raised are communicated to the relevant agencies identified in this communique. The Institute also commits to follow up on the actions proposed during the conference and report on progress made towards implementation of the resolutions.

Action: KIPPRA