



REPUBLIC OF KENYA

**REMARKS BY H.E WILLIAM RUTO, PRESIDENT OF THE
REPUBLIC OF KENYA AND COMMANDER IN CHIEF OF THE
DEFENCE FORCES DURING THE KNCCI MSME ROUNDTABLE**

**AT ST ANDREW'S HALL, NAIROBI,
ON NOVEMBER 10, 2022**

The KNCCI LEADERSHIP, DISTINGUISHED GUESTS,

Good Morning,

1. This Round Table aims to shed more light, clear more pathways and generate solutions that enable our business community engage more robustly in sustainably incremental and mutually beneficial exchange. We will focus mainly on the digital and creative economy, manufacturing, business environment, climate change and agriculture.
2. It will become clear that these issues align with the urgent deliverables set out in our Plan for the rapid socio-economic transformation of our country. Therefore, they resonate powerfully with our government's agenda.

Digital Economy

3. Stakeholders are clear that they want to see the digitisation and automation of transactions in order to take more economic activities to the domain of the digital economy.
4. Towards this end, export documents will be digitised to reduce transaction costs and business information will also be digitised and consolidated in an integrated portal.
5. There is also a strong request to reduce tariffs on digital products, not only to lower costs, but also increase incentives for developers as well as traders and consumers.

6. To strengthen the sector through education, skills and training, we shall have a strong programme to support the establishment of innovation hubs for the development of skills, talents, and incubation of start ups.
7. We will also deepen the teaching of science, technology, engineering and mathematics and entrench an apprenticeship framework in the education curriculum.

Creative Economy

8. The truth is that we are living in the digital age and e-commerce is a big part of our economic reality. Consequently, it is important that we empower small businesses to thrive in the online marketplace. Our first order of business is to develop a policy framework to protect and support youth in the creative economy. This entails facilitation and capacity building, of mainly youth-owned MSMEs.
9. The second related agenda is the urgent need to lay down MSME-friendly consumer protection and intellectual property frameworks.
10. Through collaboration with county governments, we also intend to refurbish and equip existing facilities, which may have been neglected or degraded, into modern recreational centres where the youth can train, learn, practice and generate incomes from showcasing their talent.

Manufacturing

11. As pertains manufacturing, MSMEs must be supported to participate in supply and value chains through establishment of processing plants.
12. The cost of production must also be lowered significantly through lower energy and input costs and a more supportive tax regime.
13. It is also essential to develop a sound and competitive industrial knowledge base, by entrenching research and development to facilitate the training of MSMEs on appropriate technology, new and cost-effective machinery. This is especially urgent in the agricultural sector, which can unlock tremendous new potential merely by deepening technological penetration.
14. Finally, it is time to upgrade current markets to serve as modern manufacturing centres, complete with shared facilities for small businesses to enable them produce consistently at competitive and compliant standards.

Business Climate

15. I confirm that there exists promising opportunities for the private sector to invest in key development projects in various sectors under the PPP model and we will deliberately create opportunities for the private sector to tap into key development projects through this partnership.

16. Because of all the activity we are looking forward to, it will be essential to assure all stakeholders of consistency and integrity in the market. Necessary measures to strengthen the Competition Authority will therefore be put in place.

Climate Change and Agriculture

17. I have just returned from COP27 at Sharm El-Sheikh, Egypt, where I marketed Kenya's green credentials. Apart from our clean power generation from hydro-electric, geothermal, wind and solar power, we are aiming to secure a global leadership position in carbon adaptation through an unprecedented drive to grow 15 billion trees in the next decade. We also have the intention of following through with e-mobility and renewable energy.
18. In addition, we will invest in constructing shared solar-powered cold storage units to reduce post-harvest losses, increase agricultural productivity and protect farmer incomes.
19. Unlocking the true potential of MSMEs in our economy demands that we all collaborate with the private sector. Working together, we will create new opportunities that will transform our economy and country.

Thank you.