



EPZA
EXPORT PROCESSING
ZONES AUTHORITY | **KENYA**
Your Investment & Trade Partner

STRATEGIC PLAN

2024 – 2028

DRAFT No. 8C

October, 2024

VISION

The Preferred Globally Competitive Zones for Export-Oriented Investments

MISSION

Develop, Promote, Regulate and Administer Incentivized Export-Oriented Investment Zones for Sustainable Development

CORE VALUES

Teamwork

Integrity

Transparency

Accountability

DRAFT

FOREWORD



I am immensely proud to present the 2024-2028 Strategic Plan of the Export Processing Zones Authority (EPZA) to all of you. Established in 1990, EPZA has been a driving force behind Kenya's economic growth, playing a crucial role in promoting and facilitating export-oriented investments.

Today, EPZA operates zones across the country that host a diverse range of industries, from garment manufacturing and agro-processing to technology-based services. These zones offer investors exceptional benefits, such as duty-free imports, tax incentives, and streamlined regulatory procedures.

However, our ambitions extend beyond our current successes. We are deeply committed to advancing Kenya's economic journey. Our future goals are ambitious: to attract even more investments, create new jobs, and expand our presence in emerging markets. We envision a thriving ecosystem where innovative products and services thrive, elevating Kenya's economic competitiveness to new levels. These efforts will contribute to our goals under Kenya's economic blueprint Vision 2030, Kenya Kwanza's Bottom-up Economic Transformation Agenda (BETA), the United Nations Sustainable Development Goals (UN-SDGs), and the African Union Agenda 2063.

To achieve these goals, collaboration and partnership are essential. We invite all stakeholders, including investors, entrepreneurs, government agencies, and the general public, to join us in this endeavor. By working together, we can unlock Kenya's immense potential and create a brighter future for generations to come.

This document stands as a testament to our achievements and a roadmap for our ambitious future. With your continued support, we are confident that EPZA will remain a cornerstone of Kenya's economic success, fostering prosperity and ensuring a brighter future for all.

Mr. Richard Cheruiyot
Chairman – Board of Directors
Export Processing Zones Authority

PREFACE AND ACKNOWLEDGEMENT



The Export Processing Zones Act, Cap 517 of the Laws of Kenya, mandates EPZA to develop all aspects of export processing zones, with a particular emphasis on attracting export-oriented investments.

As Kenya strides toward a future brimming with economic prosperity, the role of the Export Processing Zones Authority (EPZA) becomes increasingly vital. EPZA has played a pivotal role in fostering a conducive environment for export-oriented industries, serving as a catalyst for investment, job creation, and economic growth.

This Strategic Plan offers a comprehensive overview of EPZA's journey, achievements, and aspirations. I celebrate the milestones reached, the partnerships established, and the steadfast commitment that has elevated EPZA to its current position.

While reflecting on the past, our focus remains firmly on the future and our role in shaping it. I present our ambitious goals, delineating a roadmap to attract greater investments, foster innovation, and propel Kenya into promising new markets. I envision a future where EPZA stands as a beacon of economic dynamism and a cornerstone of Kenya's global competitiveness.

Our plan is organized into six (6) Key Result Areas and six (6) strategic objectives aimed at contributing to our development goals. These are further detailed with key activities planned for the next five years.

I urge investors, entrepreneurs, and all stakeholders to collaborate with EPZA, leveraging its expertise and infrastructure to build a prosperous future for our nation. By implementing this plan, we can unlock Kenya's vast potential and establish a legacy of economic prosperity that will endure for generations. We invite you to attend our events and engage with our team. We are dedicated to providing the information and support necessary to boost investments in the EPZ program and our country as a whole.

I extend my gratitude to the EPZA Board of Directors for their invaluable guidance and input in shaping this Strategic Plan. My appreciation also goes to the EPZA Management team and staff for their tireless efforts to ensure that the plan aligns with the aspirations of all stakeholders. I thank the members of the Technical Committee on Strategic Plan development for their diligent work in preparing a comprehensive, inclusive, and policy-aligned plan. Additionally, I acknowledge our partners and stakeholders for their valuable input and feedback, which have enhanced the overall quality of the Strategic Plan.

Mr. Richard Ipero Omelu
Chief Executive Officer
Export Processing Zones Authority

DEFINITION OF TERMS

Agro-processing Industry: Refers to the subset of manufacturing that processes raw materials and intermediate products derived from the agricultural sector.

Bottom-Up Economic Transformation Agenda: This is the Kenya Kwanza administration's manifesto to be implemented over the next five years. It is anchored on five key pillars: agriculture, MSME, housing & settlement, healthcare, and the digital and creative economy.

Blue Economy: Refers to the sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of the ocean ecosystem.

Ease of Doing Business: An aggregate figure that includes various parameters defining the ease of doing business in a country.

Export Processing Zone: A designated part of Kenya where introduced goods are generally regarded, for import duties and tax purposes, as being outside the customs territory. These zones have controlled access and offer specific benefits.

Global Competitiveness Index: Measures the set of institutions, policies, and factors determining sustainable current and medium-term levels of economic prosperity.

Globalization: Refers to the spread of products, technology, information, and jobs across national borders and cultures.

Gross Domestic Product (GDP): A monetary measure of the market value of all final goods and services produced within a country in a given period, often annually.

Local Content: Refers to the added value brought to the Kenyan economy from the extractive industry. This is achieved through systematic development of national capacity and capabilities, and investment in locally available workforce, services, and supplies to share accruing benefits.

Manufacturing Sector: Comprises enterprises that add value to basic raw materials to produce enhanced products.

One-Stop Shop: Refers to the service of an authority fully authorized to define, perform, facilitate, or mediate all regulatory requirements under applicable law. This includes those by all relevant government entities for all special economic zones end users.

Value Addition: The process of changing or transforming a product from its original state to a more valuable state.

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ABBREVIATIONS AND ACRONYMS

Abbreviations	Description	Abbreviations	Description
AGOA	African Growth and Opportunity Act	KRA	Kenya Revenue Authority
AU	African Union	KAM	Kenya Association of Manufacturers
AfCFTA	African Continental Free Trade Area	KIE	Kenya Industrial Estates
BOD	Board of Directors	KTA	Kenya Transporters Association
BSP	Business Service Permit	KSG	Kenya School of Government
BPO	Business Process Outsourcing	KPA	Kenya ports Authority
CAGR	Compound Annual Growth Rate	KRC	Kenya Railways Corporations
CET	Common External Tariff	MOLSSS	Ministry of Labor, Social Security and Services
CRM	Customer Relationship Management	MDA	Ministries, Departments and Agencies
COMESA	Common Market for Eastern and Southern Africa	MITI	Ministry of Investments, Trade and Industry
CSR	Corporate Social Responsibility	MSMEs	Micro Small and Medium Enterprises
CTS	Commercial and Technical Services	MOE	Ministry of Energy
CoG	Council of Governors	MOTIHUD	Ministry of Transport, Infrastructure, Housing and Urban Development
EACMA	East African Customs Management Act	MFA	Ministry of Foreign Affairs
EMS	Environmental Management System	MSEA	Micro and Small Enterprises Authority
EAC	East African Community	MOICNG	Ministry of Interior and Co-ordination of National Government
EPA	Economic Partnership Agreement	MOE&F	Ministry of Environment and Forestry
EPZ	Export Processing Zones	MOWS	Ministry of Water and Sanitation
EPZA	Export Processing Zones Authority	MTP	Medium Term Plan
ETP	Effluent Treatment Plant	NLC	National Land Commission
EU	European Union	NEMA	National Environment Management Authority
FDI	Foreign Direct Investment	NITA	National Industrial Training Authority
GIS	Geographic Information System	NTP	National Treasury and Planning
GDP	Gross Domestic Product	OIS	Operations and Investor Support
GOK	Government of Kenya	PESTEL	Political, Economic, Social, Technology, Environmental and Legal
ICC	Investment and Corporate Communications	PPP	Public Private Partnerships
ICTA	Information and Communication Technology Authority	QMS	Quality Management System
ISO	International Standards Organization	SMART	Specific, Measurable, Achievable, Realistic, Time-bound
IPSAS	International Public Sector Accounting Standards	TVETA	Technical & Vocational Education & Training Authority
ISA	International Standards Audit	UN SDG	United Nations Sustainable Development Goal
KITP	Kenya Industrial Transformation Programme	USA	United States of America
KRA	Key Result Area	VAT	Value Added Tax
KIEP	Kenya Industry Entrepreneurship	WTO	World Trade Organization
KLDC	Kenya Leather Development Council	WWTP	Waste Water Treatment Plant
KENINVEST	Kenya Investment Authority	WRA	Water Regulatory Authority
KEPROBA	Kenya Export Promotion and Branding Agency		

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EXECUTIVE SUMMARY

Strategic planning is essential for organizations as it enables them to be proactive, goal-driven, and responsive to the needs of stakeholders and the communities they serve. It promotes effective decision-making, resource allocation, stakeholder engagement, and organizational performance, leading to enhanced outcomes and public value. It guides organizations toward achieving their objectives, attaining high performance, and realizing their vision.

The facilitation of export-oriented investments is crucial for a country's economic development, particularly in attracting investments and promoting exports. Key outcomes include the promotion of exports, foreign direct investments (FDI), job creation, technology transfer, industry diversification, infrastructure development, support for local businesses, access to global markets, skills development, and economic growth. Kenya aims to attract 10 billion USD in FDI over the next four years.

To support export-oriented investments, EPZA raises awareness of investment opportunities, highlighting incentives such as fiscal benefits, physical infrastructure, and procedural support. Through this strategic plan, EPZA aims to position Kenya not only as competitive but also as the preferred destination for export-oriented investments. This will require a multisector approach, emphasizing the Whole-of-Government Approach within the Bottom-Up Economic Transformation Agenda.

The 2024–2028 strategic plan aligns with the Global, Regional, and National Development Agendas, as articulated in the Sustainable Development Goals (SDGs), Africa Agenda 2063, East Africa Community (EAC) Vision 2050, Constitution of Kenya, Vision 2030, Bottom-Up Economic Transformation Agenda, and Fourth Medium-Term Plan.

Export promotion was initiated as part of the Industrial Sector Adjustment (ISA) program in 1988, aimed at restructuring the industrial sector to stimulate investment and make it more export-oriented. The ISA program was launched due to the limitations of the import substitution strategy, which led to a decline in industrial investment and output, poor export performance, and insufficient job and wealth creation. EPZ has grown consistently over the years. As of the end of 2023, the program encompassed 101 zones with over 170 operating enterprises spread across 22 counties, including five flagship projects in Busia, Uasin Gishu, Nakuru, Murang'a, and Kirinyaga.

This strategic plan presents a revitalized EPZA poised to elevate export-oriented investments to the next level. The plan is guided by a revised vision statement: "Globally competitive zones for export-oriented investments," and a revised mission statement: "Develop, promote, regulate, and administer incentivized export-oriented investment zones for sustainable development." The Authority has updated its core

values to include Teamwork, Integrity, Transparency, and Accountability. The goals for the period will include: -

- 1) Provide competitive export processing zones
- 2) Foster investment promotion and facilitation
- 3) Strengthen compliance
- 4) Provide a conducive operational environment
- 5) Build a high-performance organization

From the formulated strategic goals, the Authority aims to achieve the following outcomes. These outcomes align with the National Development goals outlined in the Fourth Medium-Term Plan (MTP IV). The anchor goals serve as a summary of the realization of these strategic goals.

1. Increase employment from 75,598 jobs to 132,000 jobs;
2. Increase investment from Ksh. 149 billion to Ksh. 276.3 billion;
3. Increase annual revenues from Ksh. 544.8 million to Ksh. 1.1 billion
4. Increase the value of exports from Ksh. 105 billion to Ksh. 171.3 billion
5. Increased Competitiveness Index. These indicators may include factors such as infrastructure, trade policies, labor productivity, access to finance, technology adoption, regulatory environment, political stability, and market access.

The implementation of the plan is projected to cost approximately Kshs. 53 Billion. A robust institutional and coordination framework will be established to ensure the successful execution of the strategic plan. To address resource gaps, EPZA plans to lobby parliament and the exchequer for increased budgetary allocation; collaborate with donors and development partners to finance certain projects and activities; enhance internally generated revenue.

Monitoring mechanisms will be put in place to assess progress in implementing this strategic plan. This will involve the systematic collection and analysis of information on an ongoing basis to identify any deviations as implementation progresses. Evaluations will be guided by key questions to address essential evaluation criteria, including relevance, effectiveness, efficiency, impact, and sustainability. Annual progress reports will be prepared using prescribed formats, and both mid-term and end-term reports will also be generated using the specified formats.

1 CHAPTER ONE: INTRODUCTION

Overview

This chapter sets the stage and context for the Export Processing Zones Authority (EPZA) Strategic Plan for the period 2024–2028. It includes a brief history of EPZA and its mandate.

1.1 Strategy as an Imperative for EPZA's Success

Strategic planning is essential as it enables organizations to be more proactive, goal-oriented, and responsive to the needs of stakeholders and the communities they serve. It promotes effective decision-making, resource optimization, stakeholder engagement, and organizational performance, leading to enhanced outcomes and public value. It guides organizations toward achieving their objectives, attaining high performance, and realizing their vision.

Facilitation of export-oriented investments plays a significant role in a country's economic development, particularly in attracting investments and promoting exports. Key outcomes include the promotion of exports, foreign direct investments (FDI), job creation, technology transfer, industry diversification, infrastructure development, support for local businesses, access to global markets, skills development, and economic growth. Over the next four years, Kenya aims to attract 10 billion USD in FDI. To achieve this, Kenya will streamline procedures related to domestic and foreign investor attraction and improve coordination and cooperation among actors in the investment cycle. Export-oriented investments are a cornerstone of attracting FDI.

To support export-oriented investments, EPZA raises awareness of investment opportunities. The key selling points are the incentives that include fiscal benefits, physical infrastructure, and procedural support. Once an investor shows interest, EPZA provides information on the necessary requirements. An investor needs several licenses, including the enterprise license, EPZ Developer/Operator License, EPZ Business Service Permit, and the EPZ SME Program. The criteria for approving EPZ enterprises (Manufacturing, Service, or Commercial licenses) include export orientation (over 80% of sales outside EAC); local sales (up to 20% subject to Ministerial approval and payment of all taxes); new investment (not conversion of existing businesses) in Kenya; and EPZ location as the primary place of business (not shell companies).

Facilitating export-oriented investments comes with challenges that need to be addressed. These challenges include supply chain disruptions, policy inconsistency, tariffs and trade barriers, labor regulations, environmental compliance, tax policies,

regulatory compliance (and the burden of compliance), access to finance, intellectual property protection, and infrastructure development.

Addressing these challenges will further enhance Kenya's attractiveness as an investment destination. Through this strategic plan, EPZA aims to make Kenya not only competitive but also the preferred destination for export-oriented investment. Achieving this will require a multisector approach, highlighted as the Whole-of-Government Approach within the Bottom-Up Economic Transformation Agenda.

1.2 The Context of Strategic Planning

The 2024–2028 strategic plan aligns with the Global, Regional, and National Development Agendas as articulated in the Sustainable Development Goals (SDG), Africa Agenda 2063, East Africa Community (EAC) Vision 2050, Constitution of Kenya, Vision 2030, Bottom-Up Economic Transformation Agenda, and Fourth Medium-Term Plan.

1.2.1 United Nations 2030 Agenda on Sustainable Development

The mandate of EPZA is to establish and regulate export-oriented processing zones. Through the implementation of this strategic plan, EPZA will contribute to achieving the following Sustainable Development Goals (SDGs):

- a) No Poverty (Goal 1): End poverty in all its forms everywhere. The plan aims to enhance investments in the country, creating both direct and indirect jobs, which will significantly contribute to poverty reduction.
- b) Gender Equality (Goal 5): Achieve gender equality and empower all women and girls. The authority will ensure, through its guidelines and regulations, that investments promote equal opportunities for men and women. It will also ensure that women are not disadvantaged in employment within the zones.
- c) Clean Water and Sanitation (Goal 6): Ensure availability and sustainable management of water and sanitation for all. EPZA will collaborate with relevant agencies to facilitate access to safe water and sanitation services within the EPZ and surrounding communities.
- d) Affordable and Clean Energy (Goal 7): Ensure access to affordable, reliable, sustainable, and modern energy for all. The EPZA commits to promoting affordable clean energy by advocating for the use of alternative sources within the zones.
- e) Decent Work and Economic Growth (Goal 8): Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. This strategic plan advocates for improved working conditions for employees in the EPZs. The development and operationalization of the zones will spur investment for job creation, contributing to increased production and economic growth.
- f) Industry, Innovation, and Infrastructure (Goal 9): Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation. In

attracting investment, EPZA will encourage research and development for new products, use of the latest technologies, and collaboration with other institutions for sustainable industrialization.

- g) Responsible Consumption and Production (Goal 12): Ensure sustainable consumption and production patterns. During this period, EPZA will review the regulations and terms and conditions attached to the licenses to enhance consumption and production patterns by investors.
- h) Climate Action (Goal 13): Take urgent action to combat climate change and its impacts. This strategic plan commits to combating climate change through the promotion and facilitation of sustainable investments.
- i) Partnerships for the Goals (Goal 17): Strengthen the means of implementation and revitalize the global partnership for sustainable development. EPZA will collaborate with national, regional, continental, and global partners in attracting and promoting export-oriented investments to Kenya.

1.2.2 African Union Agenda 2063

This is Africa's development blueprint that aims to achieve inclusive growth and sustainable socioeconomic development over a 50-year period (2013-2063). EPZA programs will contribute to the achievement of the following aspirations:

Aspiration 1: A Prosperous Africa Based on Inclusive Growth and Sustainable Development

Goal 1.5 Modern Agriculture for Increased Productivity and Production:

Through the promotion and attraction of investment, mainly in the agricultural sector, EPZA is expected to significantly contribute to increased agricultural production and productivity.

Goal 1.7 Environmentally Sustainable Climate and Resilient Economies and Communities:

Through this plan, EPZA seeks to prioritize the promotion of green investments to contribute to combating climate change.

Aspiration 6: An Africa Whose Development is People-Driven, Relying on the Potential of African People, Especially its Women and Youth

Goal 6.2 Engaged and Empowered Youth and Children:

EPZA programs aim to attract both local and foreign private investments, thereby creating employment opportunities for the youth in Kenya, who according to statistics, form the majority of the unemployed population.

1.2.3 East Africa Community Vision 2050

The vision targets investment attraction, industrialization, and agricultural value addition. The plan aims to enhance investment promotion and local value addition to agricultural products, contributing to the goal of value addition and industrialization.

The East Africa Community (EAC) Vision 2050 is a comprehensive document that outlines the broad perspectives and aspirations of the EAC Partner States. The document emphasizes the utilization of resources to accelerate productivity and improve the social well-being of its people. It discusses the future of East Africans, focusing on strong regional integration.

Various EPZA interventions align with the spirit of the EAC's Vision 2050 as follows:

- a) Spreading EPZ Zones in rural areas will stimulate manufacturing and investments through agro-based industries, enhancing productivity through value addition of locally produced products.
- b) Industrialization at the rural level will contribute to infrastructural development, trade, and food security.

1.2.4 Constitution of Kenya

The Constitution outlines the national values and principles of governance. The Authority's core values are Good Corporate Governance, Patriotism, Inclusiveness, Integrity, and Sustainable Development. Upholding these core values aligns with our Constitution. The Export Processing Zones Authority (EPZA) in Kenya also contributes to the economic development and industrialization of the country, which is a key goal under the Constitution of Kenya.

1.2.5 Vision 2030, Bottom-Up Economic Transformation Agenda and Fourth Medium Term Plan

The Kenya Vision 2030 is the national development blueprint aiming to transform Kenya into a newly industrializing, middle-income economy providing a high-quality life to all its citizens by 2030. It identifies the attraction of investments, both locally and internationally, as a potential factor for economic impact in the country. The Vision is implemented through Medium Term Plans (MTP).

Currently, the Government is implementing the Bottom-Up Economic Transformation Agenda (BETA), anchored on five key pillars: Agriculture; Micro, Small, and Medium Enterprises (MSMEs); Housing and Settlement; Health Care; Digital superhighway; and Creative Economy.

EPZA, through regulation and promotion of investments in the EPZs, will contribute to achieving the following goals under BETA:

- a) Job Creation at the Local Level: By attracting foreign and domestic investments, EPZA will contribute to job creation at the local level, aligning with the bottom-

up approach, as job opportunities are generated within communities around the EPZs.

- b) Local Entrepreneurship and SME Development: EPZs will provide opportunities for local entrepreneurs and SMEs to participate in the supply chain or offer supporting services to the companies operating within the zones, contributing to grassroots economic development.
- c) Skills Development and Training: Investing in skills development and training programs for the local population will contribute to building capacity and empowering individuals to actively participate in economic activities.
- d) Inclusive Growth: BETA emphasizes inclusive growth, ensuring that the benefits of economic development reach all segments of society. EPZs can create opportunities for a diverse range of individuals and businesses.
- e) Community Infrastructure Development: Both the Government (National and County) and investors involved in EPZs will consider supporting community infrastructure development projects, including improving local transportation, utilities, and social amenities.
- f) Access to Markets for Local Products: EPZs will serve as platforms for local producers to access international markets. Integrating local products into the supply chain of companies operating within the EPZs can open up new market opportunities for local businesses, strengthening agricultural value chains.
- g) Environmental and Social Sustainability: BETA emphasizes environmental and social sustainability. EPZs will adopt responsible and sustainable business practices benefiting both the local community and the environment.

EPZA will support the implementation of MTP IV under the Finance and Production Sector. MTP IV priority value chains include leather and leather products; textile and apparel; dairy; edible oils; tea; meat and meat products; blue economy; minerals including forestry; and construction/building materials. Through this strategic plan, EPZA will play a critical role in attracting and facilitating export-oriented investments to promote value addition and marketing of products in coffee, horticulture, tea, meat and meat products, edible oils, textile and apparel, and the blue economy.

1.2.6 Sectoral Policies and Laws

The formulation of strategies in this plan will be guided by various policies and laws, including the EPZ Act (1990), EAC Customs Management Act and Regulations (2004), National Investment Policy, Environmental Management and Coordination Act (1999, revised 2016), Immigration Act Cap 172, Income Tax Act (Cap 470), The Land Act (2012), Value-Added Tax Act (2023), Investment Promotion Act, The East Africa Customs Protocol, Public Finance Management Act (PFMA), and the Public Procurement and Asset Disposal Act and its Regulations, among others.

Additionally, the plan will consider the Coffee Act, Standards Act, Tea Act, County Government Act (2012), Sugar Act, Pharmacy and Poisons Act, Agriculture, Fisheries, and Food Authority Act, Nuts and Oil Crop Act, Fisheries Management Act, and Kenya

Plant Health Inspection Services Act. These policies and laws collectively provide a comprehensive framework to ensure that the strategies formulated by EPZA align with the legal and regulatory requirements governing export processing zones and investment promotion in Kenya.

Key Agreements and Frameworks

Key agreements and frameworks govern exports and facilitate trade relations with other countries. The strategic plan integrates the provisions and action plans of the following key agreements:

World Trade Organization (WTO): Kenya is a member of the WTO, which establishes rules for international trade and provides a platform for negotiating trade agreements among its member countries. Kenya's participation in the WTO facilitates its access to global markets and promotes export-oriented economic policies.

African Continental Free Trade Area (AfCFTA): Kenya is a signatory to the AfCFTA, aiming to create a single market for goods and services within Africa, facilitating intra-African trade and boosting economic integration. The AfCFTA agreement offers opportunities for Kenyan exporters to access new markets and expand trade relations within the African continent.

East African Community (EAC) Common Market Protocol: Kenya is a member of the EAC. The EAC Common Market Protocol promotes the free movement of goods, services, capital, and labor among member states, creating a conducive environment for trade and investment within the East African region.

Trade Agreements with Partner Countries: Kenya has signed various bilateral and regional trade agreements with partner countries and trading blocs to facilitate trade relations and enhance market access for its exports. These agreements often include provisions for tariff reductions, trade facilitation measures, and cooperation in areas such as investment, technology transfer, and capacity building.

Sanitary and Phytosanitary (SPS) Standards and Agreements: Kenya complies with international SPS standards and agreements, such as those established by the WTO, to ensure the safety and quality of its agricultural and food exports. Adherence to SPS standards helps Kenya access international markets and maintain the reputation of its exports.

AGOA (African Growth and Opportunity Act): AGOA is a United States trade policy enacted in 2000 to promote economic development and trade relations between the United States and eligible sub-Saharan African countries. AGOA offers preferential trade benefits to participating African countries, facilitating their integration into the global economy and supporting their economic growth and development efforts. Key areas of focus include tariffs, access to markets, capacity building, and product eligibility.

COMESA (Common Market for Eastern and Southern Africa): COMESA is a regional economic community established in 1994 to promote economic integration and cooperation among its member states in Eastern and Southern Africa. COMESA aims to create a single market and customs union, facilitate trade and investment, and foster sustainable economic development in the region. COMESA encourages investment and economic development through initiatives to attract foreign direct investment (FDI), promote entrepreneurship and innovation, and support the growth of small and medium-sized enterprises (SMEs). Investment promotion activities aim to create jobs, generate income, and stimulate economic growth in COMESA member states.

1.3 History of EPZA

Export promotion was initiated as part of the industrial sector adjustment (ISA) program in 1988, aimed at restructuring the industrial sector to stimulate investment and make it more export-oriented. This program was launched in response to the limitations of the import substitution strategy of industrialization, which led to a decline in industrial investment and output, poor export performance, and inadequate job and wealth creation.

The ISA program focused on reducing anti-export bias in the overall policy and regulatory framework. To reinforce this reform process and accelerate export supply response, the Government, with the support of the World Bank, implemented the Export Development Program (EDP) in 1990.

The EDP was designed to address infrastructure and institutional constraints to export production and marketing. The implementation of the Export Processing Zones (EPZ) constituted an integral part of the EDP.

The EPZ program was inaugurated in 1990 through the enactment of the EPZ Act, Cap 517 of the Laws of Kenya, aimed at promoting and facilitating export-oriented investments and creating an enabling environment for such investments. This law also provided for the establishment of the Export Processing Zones Authority (EPZA) to promote and manage the program.

The first two Export Processing Zones were gazetted in 1990 after the enactment of the Act, located at the Sameer Industrial Park and Athi River EPZ. Subsequently, more EPZs were established in Mombasa and Nairobi.

Objectives of the EPZ program:

- Generation of job opportunities: EPZs aim to generate new employment opportunities directly within the zones and indirectly through subcontracting, contract manufacturing, and sourcing of raw materials and services.

- Promotion and diversification of exports: The program seeks to boost exports, earning additional foreign exchange, and introducing new export products in non-traditional markets.
- Attracting new productive investments: The program encourages and stimulates domestic and foreign investment in export-oriented manufacturing, commercial, and service activities.
- Development of backward linkages with the domestic economy: The program promotes value addition to local raw materials, emphasizing that raw materials found or produced in the country should be processed before exporting to reap more benefits/earnings.
- Skills and technology transfer: Investing firms are expected to transfer new skills and expertise in management, marketing, and production to local employees, who can learn through the demonstration effect and training.

The EPZ program has continuously grown over the years. As of the end of 2023, the program had 101 zones with over 170 operating enterprises spread across 22 counties, including five flagship projects in Busia, Uasin Gishu, Nakuru, Murang'a, and Kirinyaga.

1.4 Methodology of Developing the Strategic Plan

The Authority began the development of this Strategic Plan following the issuance of guidelines for the preparation of the 5th Generation Strategic Plans for 2023-2027. Adopting a participatory and all-inclusive approach, the Authority involved top leadership in the technical committee, ensuring representation from all departments during the document's development.

The preparation of the strategic plan was contextualized within the global, continental, and regional vision and development strategies, taking into account national government priorities. A comprehensive situation and stakeholder analysis was conducted by reviewing and evaluating the performance under the previous plan covering 2019 – 2023. This analysis informed the formulation of strategic issues, goals, key result areas, implementation matrix, and the coordination framework.

The draft document was then presented to the relevant board committee for consideration and input. Subsequently, it was reviewed by the full board and heads of departments for their comments before being presented for stakeholders' validation. Finally, the document was submitted to The State Department for Economic Planning for review and feedback. After finalization, the Strategic Plan was launched and its implementation commenced.

2 CHAPTER TWO: STRATEGIC DIRECTION

Overview

This chapter offers a comprehensive overview of the mandate, vision, mission, strategic goals, and core values of the Authority for the duration of the Strategic Plan period. Additionally, it includes a quality policy statement that reflects the Authority's commitment to its customers during the implementation of this plan.

2.1 Mandate

The mandate of the EPZA is defined in the EPZ Act Cap 517 of the Laws of Kenya, which outlines the following responsibilities:

- a) Development of all aspects of the export processing zones, with a particular emphasis on providing advice to remove impediments and create incentives for export-oriented production in designated areas.
- b) Regulation and administration of approved activities within the export processing zones.
- c) Protection of government revenues and foreign currency earnings.

2.2 Vision Statement

The Preferred Globally Competitive Zones for Export-Oriented Investments.

2.3 Mission Statement

Develop, promote, regulate and administer incentivized export-oriented investment zones for sustainable development.

2.4 Strategic Goals

During the strategic plan period, the Authority has identified three strategic goals as follows:

- 1) Provide competitive export processing zones
- 2) Foster investment promotion and facilitation
- 3) Strengthen compliance
- 4) Provide a conducive operational environment
- 5) Build a high-performance organization

2.5 Core Values

The Authority will uphold the following core values to support the implementation of this strategic plan:

Teamwork: Working together.

Integrity: Uphold levels that build trust.

Transparency: Visibility or accessibility of information with each other and to the stakeholders.

Accountability: Accountable for our administrative actions and provide feedback.

Guiding Principles

- **Customer focus:** EPZA is committed to aligning its programs with the expectations of stakeholders/customers and achieving the highest standards in service delivery.
- **Good Governance:** EPZA upholds the principles of good corporate governance at all levels and in all decision-making processes. It values accountability, transparency, good stewardship of resources, inclusivity, adherence to the law, and the proper exercise of delegated responsibility in the public interest.
- **Sustainable development:** EPZA is dedicated to managing and sustaining its environment and natural resource base to enhance its capacity while ensuring the well-being of people now and in the future.
- **Innovation and creativity:** EPZA will continuously leverage Science, Technology, and Innovation in all its operations.
- **Dignity:** EPZA upholds human dignity and respects the rights of others.

2.6 Quality Policy Statement

EPZA is dedicated to offering quality services to investors. The implementation of the quality policy will be monitored to gather feedback for continuous improvement in service delivery. The principles and objectives of the Quality Policy will be communicated and made accessible to all members and staff.

3 CHAPTER THREE: SITUATIONAL AND STAKEHOLDERS ANALYSIS

Overview

This chapter analyzes EPZA's external and internal operating environment. It evaluates the external environment to identify opportunities and threats. The analysis also assesses the Authority's governance and administrative structures, internal business processes, resources, capabilities, and stakeholders to successfully implement the strategies outlined in the Strategic Plan 2024-2028.

3.1 Situational Analysis

3.1.1 External Environment

The external environment analysis considers both the macro and micro environments, focusing on the major external factors that present opportunities and threats affecting the implementation of the strategic plan.

3.1.1.1 *Macro environment Analysis*

a) Political Factors

Political stability: Kenya's political environment is stable and democratic, with general elections held every five years. The EPZA's strategic plan for 2024-2028 anticipates that this stability will persist, creating a favorable investment environment. However, closely contested elections with minimal disruptions and travel advisories may negatively impact investments.

Regional Integration: The East African Community has expanded from its initial 3 to 8 partner states, with Somalia being the latest entrant. This expansion presents limited market access for EPZ products.

Geopolitics: Internationally, there has been a full-scale invasion of Ukraine by Russia. Additionally, conflicts such as the war between Israel and Palestine have disrupted supply chains, affecting products like petroleum.

Political goodwill: EPZA has received strong political support, and it is expected that this will continue throughout the plan period.

Devolution: Kenya's devolved system of government creates a multi-layered governance system, offering opportunities for the EPZ program.

b) Economic Factors

Growth in Gross Domestic Product: Kenya's economy has been on a recovery path, achieving a GDP growth of 4.8% in 2022. This growth rate surpassed that of Sub-

Saharan Africa, which stood at an estimated 3.6%. The anticipated continuation of this growth during the plan period is expected to bolster investor confidence.

Trade Agreements: Kenya is a member of several economic blocs and has entered into various trade agreements to enhance market accessibility. These agreements include the East African Community (EAC), Common Market for Eastern and Southern Africa (COMESA), African Continental Free Trade Area (AfCFTA), African Growth and Opportunity Act (AGOA), Generalized System of Preferences (GSP), Economic Partnership Agreement (EPA), among others.

Infrastructure: Kenya has made significant investments in physical infrastructure, encompassing modern seaports, road and rail networks, airports, telecommunications, and energy.

c) Social Factors

Cultural and Religious Diversity: Kenya boasts a rich cultural and religious diversity, welcoming people from various nationalities. English is one of the recognized official languages.

Youthful Population: The majority of Kenya's growing population is comprised of youth, offering a readily available labor force.

Skilled Workforce: Kenya has an estimated working population of approximately 19.1 million, consisting of educated and skilled workers.

d) Technology Factors

Technology Advancement: Globally, technology continues to evolve, driving innovation and fostering economic growth across industries. However, the adoption of emerging technologies also increases vulnerabilities to cybercrime, leads to job displacements, and causes disruptions in traditional industries.

e) Environmental Factors

Climatic Conditions: Kenya, situated along the equator, enjoys a pleasant tropical climate and boasts rich biodiversity, including unique wildlife ecosystems, mountains, forests, and water bodies. However, the country is vulnerable to the impacts of climate change, such as changes in weather patterns, droughts, and floods.

Green Energy: Kenya has made significant progress in harnessing renewable energy sources like geothermal, wind, and solar power. Over 85% of Kenya's energy is generated from renewable sources.

Natural Resources: Kenya is blessed with abundant natural resources, including vast arable land, wildlife, gemstones, titanium, steel, fluor spar, limestone, and blue economy assets.

f) Legal

Legal Framework: Kenya adopted a new constitution in 2010, setting a foundation for governance, human rights protection, and decentralization of power. Compliance with constitutional provisions is crucial for business and industrial development. Additionally, numerous laws have been enacted to promote and regulate various sectors, including but not limited to investments, labor, environment, intellectual property rights, consumer protection, health, and safety.

3.1.1.2 *Micro environment Analysis*

The micro-environment of Export Processing Zones (EPZs) in Kenya encompasses the immediate and specific factors directly influencing the operations and performance of these zones within the country. Several micro-environmental issues can impact the functioning of EPZs in Kenya and, consequently, the efficacy of the EPZA. Some of these micro issues include:

Labor Issues: This involves the availability of skilled labor and ensuring positive labor relations, fair wages, and compliance with labor laws.

Regulatory Environment: Changes in regulations or compliance requirements at local or international levels can affect EPZ operations. Adapting to and complying with evolving regulatory frameworks is essential. EPZA enforcement must ensure adequate internal capacity.

Infrastructure Issues: Effective and efficient operations in EPZs require addressing infrastructural challenges, such as inadequate industrial sheds, water and power supply, roads and smart gates, stormwater drainage, sewerage systems, and internet connectivity.

Supply Chain Issues: These involve the unavailability and unreliability of raw materials. Overdependence on imported raw materials and inadequate locally sourced ones can expose EPZs to supply chain disruptions.

Market Dynamics: This encompasses global economic conditions and forex fluctuations. EPZs are susceptible to changes in global economic conditions, including recessions or shifts in consumer demand, which can affect export markets. Exchange rate fluctuations can impact the competitiveness of EPZ products internationally.

Environmental Considerations: With a growing focus on sustainability and environmental responsibility, EPZ operations may need adjustments to comply with global and local environmental standards. EPZA requires adequate capacity to inspect and enforce compliance with these standards.

Local Community Relations: EPZs operate within communities, making it vital to maintain positive relations. Issues related to land use, employment, and social responsibility can influence the image and sustainability of EPZs.

Security Concerns: EPZA is responsible for ensuring the safety and security of both personnel and assets within EPZs. Security concerns may include theft, vandalism, terrorism, or other risks.

3.1.2 Summary of Opportunities and Threats.

The opportunities and threats arising out of the external analysis are summarized in table 3.1.

Table 3-1: Summary of Opportunities and Threats

Environmental Factors	Opportunities	Threats
Political	<ul style="list-style-type: none"> Favorable policies Political goodwill Devolved governments as frontiers of investment Addition of flagship projects 	<ul style="list-style-type: none"> Expansion of EAC shrinks the export market Social unrest during electioneering period Global supply chain disruptions
Economic	<ul style="list-style-type: none"> Investor confidence Market access Improved infrastructure Favorable macro and microeconomic policies 	<ul style="list-style-type: none"> Slowed GDP Growth Inflation and forex fluctuations Unfavorable macro and micro economic policies Slow pace of infrastructure development
Social	<ul style="list-style-type: none"> Skilled and youthful labor force Affordable labor force Cultural and religious diversity Product diversification English-proficient labor force Entrenchment of SDGs and ESG Goals 	<ul style="list-style-type: none"> Crime Labor practices
Technological	<ul style="list-style-type: none"> Innovation in product development and service delivery Technological advancements Big Data and growth of AI and machine learning Government Portals e.g. procurement Fourth industrial revolution 	<ul style="list-style-type: none"> Cyber crime High cost of technology adoption Rapid technological changes
Environmental	<ul style="list-style-type: none"> Availability of natural resources Access to climate finance 	<ul style="list-style-type: none"> Climate change impacts Natural disasters and pandemics High cost of compliance
Legal	<ul style="list-style-type: none"> Favorable laws and regulations lead to investor confidence 	<ul style="list-style-type: none"> Conflicting laws High levels of non-compliance Changing laws that affect the operations of EPZA and Enterprises
Micro Environment Issues	<ul style="list-style-type: none"> Community relations Increasing focus on sustainability 	<ul style="list-style-type: none"> Labor issues and industrial action Logistical threats

3.1.3 Internal Environment

This section examines the competitiveness of EPZA in relation to its mandate. It delves into the governance and administrative structures, internal business processes, and resources and capabilities to identify strengths and weaknesses.

3.1.3.1 Governance and Administrative Structures

The Authority operates under the EPZ Act (CAP 517), the State Corporations Act (Cap 446), and other relevant laws. EPZA receives general direction from a Board composed of members appointed from both the private and public sectors. The Board is chaired by an individual appointed by the President. It is fully constituted and meets regularly, fulfilling its responsibilities through committees.

The day-to-day operations of EPZA are overseen by staff led by the Chief Executive Officer. Operations are coordinated from the headquarters located at the Athi River Export Processing Zone, with additional regional offices in Athi River, Mombasa, and Kisumu.

To effectively carry out its mandate and functions, EPZA has been structured into four directorates and departments as follows:

Investment and Corporate Communications (ICC) Directorate

The directorate is led by a General Manager and consists of three sections: Investment Promotion, Project Appraisal, and Corporate Communications. It is responsible for coordinating investment promotion, corporate communications, and project screening and appraisal. While the directorate boasts highly skilled and experienced personnel, staffing levels are currently suboptimal.

Finance, Human Resource and Administration Directorate:

The Directorate is led by a General Manager and consists of two departments: Finance & Accounts and Human Resource & Administration. The Directorate advises the Authority on all aspects of financial management, human resources, and administration. They have established standard operating procedures and employ highly skilled and experienced personnel, although staffing levels are currently sub-optimal.

Commercial and Technical Services (CTS) Directorate

The Commercial and Technical Directorate oversees the overall management of the Authority's assets, environmental management, provision of utilities, infrastructure development services to investors, revenue generation, and protection of government infrastructure. The directorate is led by a General Manager and consists of three departments: Technical Services, Water and Sewerage Services, and Preventive Services. However, the directorate faces challenges in maintaining a conducive environment for investors due to aging infrastructure.

Operations and Investor Support (OIS) Directorate

The OIS Directorate is led by a General Manager and consists of two sections: Industrial Relations & Compliance, and Liaison & Investor Support. It offers support to investors from pre-licensing to post-licensing stages and manages public zone management. The directorate facilitates investors with all operational requirements, aiming to create an enabling environment for business growth. Additionally, it ensures that EPZ investors comply with all relevant laws and regulations. However, the directorate's investor support system is overstretched due to the increasing number of investors and sectors.

Research, Strategy and Compliance Directorate

The Research, Strategy, and Compliance Directorate oversees the coordination and management of research, policy, strategy, and planning functions at the Authority. While the directorate should be led by a General Manager, the position remains unfilled. The Quality Assurance and Compliance section also lacks staff, putting strain on the existing workforce. Additionally, the data management systems are inadequate.

Corporate and Legal Services Department

The Corporate and Legal Services department ensures the Authority operates effectively by offering board secretarial services, governance, and legal advice as stipulated under the EPZ Act (Cap 517) of the Laws of Kenya and other relevant legislation. While the department boasts highly skilled and experienced personnel, staffing levels are currently suboptimal.

Internal Audit Department

The department is led by a manager and is responsible for ensuring proper internal controls and providing assurance on risk management within the organization. While the department has highly skilled and experienced personnel, staffing levels are currently suboptimal.

Supply Chain Management Department

The department is led by the Head of Supply Chain and oversees the overall supply chain operations.

Organization structure

The Authority reviewed its organizational structure in 2023 to enhance decision-making that supports the delivery of its mandate, improve internal communication, and elevate the quality of supervision to support career progression. Implementation of the new structure will begin in 2024 and will contribute to the achievement of this strategic plan.

3.1.3.2 Internal Business processes

In its effort to fulfil its mandate and ensure effectiveness and efficiency in service delivery, the Authority has established various business systems and processes. Key observations regarding the current internal business processes are: -

Table 3-2: Internal Analysis

Functional Area	Systems that are working	Systems that need improvement or establishment
Investment attraction	Promotion	Digital marketing Customer Relationship Management
	Application Payments	
	Project Appraisal	Automation of project appraisal tools
	Licensing	Automate Licensing
Corporate Communication	Brand Image	Brand communication roll out
Infrastructural Development	Registration of Assets	Requires Digitalization Process of approval requires automation
Maintenance of Infrastructure	Water, sewer and industrial shades,	Make it more preventive maintenance
Facilitation of access to services	Service Level Agreements with all major service providers	
Investor Support	Investor facilitation	Integrated System required
	Industrial Relations	Integrated approach required
	Administration of Compliance	Integrated approach Automation required
Issuance of Licenses	Working License issuance procedures	Requires automation
	Working System for leases, contracts, MoUs.	Automate the processes
	Case management system supporting legal work	Automation of the case management system; Registry
Legal and Governance Compliance	Documented procedures and processes	All staff should be sensitized on existing legal obligation
	Board Secretarial Services	Automate Board processes
Planning	Strategic Plan Monitoring Performance contracting Monitoring and evaluation	Automation Information management system

Functional Area	Systems that are working	Systems that need improvement or establishment
Research and Innovation	Data collection systems Templates	Make them technology based to enhance accuracy of data Automate the templates
	Research reports Reporting	Capacity building of staff who use the system
	Policy analysis (capacity building) Knowledge management	
Finance	Payment processing	Within a stand-alone system. Suppliers not able to track
	Debt Management	Done Manually. Requires Automation
	Financial Reporting is largely compliant	Requires automation
	Budgeting	Done Manually. Requires automation
Supply Chain Management	System delivers but not optimally	Processes require to be modernized through automation. Inventory management system
Human Resource	Payroll Management	The systems exist as stand-alone systems. Need for integration and automation. Procedures for employee assistance program need to be in place.
	Leave management	
	Recruitment process	
	Performance management system	
	Exit management/separation procedure	Needs updating
ICT	Cyber security	Integration of systems
	CCTV and Access controls	Property security
	Internet connectivity	Internet and intranet Connectivity
	Systems integration	Unified Integration systems
	Website management	Website requires more improvements
Administration	Asset management	Fleet management systems
		Digitization the asset management system
	Registry	Requires Digitization Electronic Document Management System
	Office Management	CCTV system within building
		Inadequate office space Asset disposal; Asset tagging

Functional Area	Systems that are working	Systems that need improvement or establishment
		(ISO) Quality Management Systems Occupation Safety and Health
Security	System of coordination and management of security	Modernization of security including an E Smart Gate; modern security system with control room; emergency response team; fire engine; physical security e.g. land parcels not fenced at risk of grabbing; capacity in CCTV surveillance and cyber security. Inadequate Manpower and equipment.

3.1.3.3 Resources and Capabilities.

The EPZ program encompasses both public and private gazetted zones across the country. EPZA has pre-built infrastructure in the Athi River zone, which creates a conducive environment for investments. However, the existing infrastructure is insufficient to meet investors' demands in Athi River, and the other public zones remain undeveloped. The following table (3.3) summarizes the key resources and capabilities of the Authority.

Table 3-3: EPZA Resources and Capabilities

S No.	Resource Category	What does the Authority Have	What does the Authority Lack
1	Financial Resources e.g. cash and cash equivalents, guarantees e.tc.	Revenues; GoK guarantees and grants; Fixed Deposits	Insufficient allocation from exchequer; Lack of operational revenue mobilization department; Donor funding not tapped into;
2	Physical Resources e.g. land, equipment,	Available land for public zones; industrial sheds; office building; motor vehicles; modern office furniture; computer and computer accessories; Water and sewerage infrastructure; public land is at 60% occupancy; modern effluent treatment plant. Land in Kizingo Mombasa.	Storage facility lacking; infrastructure lacking in some zones; ageing fleet; ageing infrastructure; inadequate office space; insufficient industrial sheds; inadequate supply of Water

S No.	Resource Category	What does the Authority Have	What does the Authority Lack
3	Human Capital e.g. staff numbers, skills, organization culture	Highly Skilled staff; supportive culture	Sub-optimal staffing level; Lack of succession planning;
4	Intellectual Capital e.g. copyrights, software, customer data bases, rare skills, goodwill etc.	Customer data bases since 1990; good reputation; goodwill from leadership and government; numerous publications;	Weak knowledge management practices; suboptimal utilization of the ICT systems.

3.1.4 Summary of Strengths and Weaknesses

Based on the issues identified from the internal analysis, the following key strengths and weaknesses have been recognized. These are summarized in table 3.4.

Table 3-4: Summary of strengths and Weaknesses

Factor	Strength	Weaknesses
Governance and administrative Structures	<ul style="list-style-type: none"> • Clear mandate in EPZ Act. • Fully constituted Board. • Highly skilled staff across directorates and departments. • Growing number of investors. 	<ul style="list-style-type: none"> • Sub optimal staffing levels • The structure is not aligned to business of EPZA
Internal Business Processes	<ul style="list-style-type: none"> • Clear and well documented procedures. • One stop shop center. • Responsive Complaint resolutions mechanism. • Adoption and use of ICT systems. 	<ul style="list-style-type: none"> • Inadequate integration and digitalization of ICT systems. • Inadequate data management system. • Lack of critical systems such as CRM, Fleet Management and Quality Management Systems
Resource and Capabilities.	<ul style="list-style-type: none"> • Own source Revenues; • GoK guarantees and grants; • Available land for public zones; • Water and sewerage infrastructure; • Public land is at 60% occupancy; modern effluent treatment plant. • Highly Skilled staff; • Customer data bases since 1990; 	<ul style="list-style-type: none"> • Sub optimal staffing levels • Lack of operational revenue mobilization department; • Inadequate facilities (Storage facility lacking; infrastructure lacking in some zones; ageing fleet; ageing infrastructure; inadequate office space; insufficient industrial sheds; inadequate supply of Water) • Suboptimal utilization of the ICT systems.

Factor	Strength	Weaknesses
	<ul style="list-style-type: none"> • Good reputation; • Goodwill from leadership and government; • Numerous publications; • Increased investor demands for industrial sheds 	

3.2 Analysis of Past Performance

3.2.1 Key Achievements

The Authority has implemented the 2019 – 2023 Strategic Plan, which comprised six Key Result Areas as follows:

1. Contribution to economic growth
2. Diversification of the products and the markets
3. Contribution to employment
4. Leadership and sound governance
5. Corporate branding and image
6. Revenue growth and financial management

Achievements of targets related to the implementation of the 2019 – 2023 Strategic Plan, as of December 2023, are summarized below:

KRA 1: Contribution to economic growth

The objective of the EPZ was to increase its contribution to the manufacturing sector output from 3.21% to 6%. The EPZ's contribution to the manufacturing sector grew from 3.21% to 3.63% by achieving the following activities:

- a) EPZA gazetted 29 new zones, increasing the total from 72 to 101.
- b) EPZA developed a textile hub by completing 4 cluster buildings and 8 SME units.
- c) Development and promotion of SMEs included 9 SMEs joining the program. EPZA linked SMEs with the Kenya Industry Entrepreneurship Programme (KIEP), admitting 3 SMEs to cohort 1 of Project 2020. The program was marketed through engagement with foreign missions in Kenya, trade and investment agencies, and other relevant bodies.
- d) The Authority participated in over 100 international exhibitions, conferences, forums, and trade fairs.
- e) EPZA was featured in local and international publications and electronic media.

- f) EPZA continued to maintain its infrastructure by upgrading the wastewater treatment facility, rehabilitating stormwater drainage, and renovating buildings and offices.
- g) The Authority completed an 8 KM perimeter fence around the zone and constructed 7.5 KM of sewer line.
- h) Construction of the pre-treatment plant and Common Effluent Treatment plant was 85% complete.

KRA 2: Diversification of the products and markets

The objective of the Authority was to expand products and markets while sustaining export growth.

Key achievements include:

- a) The Authority attracted seven new products during the plan period, including Freeze-dried fruits and vegetables, Fish maws, Coconut ashes used in water purification and cleaning gold mines, and Gum Arabic essential oil for beauty and fragrance.
- b) The Authority promoted nine new markets, including Ghana, Nigeria, Ivory Coast, Ethiopia, Burkina Faso, Poland, Romania, Estonia, and Hungary, among others.
- c) Through the development and implementation of investment promotion activities, the Authority achieved the following: the cumulative value of investments as of the end of 2023 was Kshs. 149 billion, up from Kshs. 106 billion in 2018; and export value as of the end of 2023 reached Kshs. 105 billion, compared to Kshs. 72 billion in 2018.
- d) The Authority successfully lobbied to exempt products originating from the customs territory from import duty when sold in the local market.

KRA3: Contribution to Employment

The objective of the Authority was to increase employment opportunities in the EPZs to 150,000 from 57,099. Key achievements include: -

- a) The Authority promoted investments targeting labor-intensive industries, resulting in employment reaching 75,598 persons by the end of 2023, up from 57,099 persons in 2018.

KRA 4: Leadership and Governance

The Authority's objective was to strengthen institutional capacity for organizational excellence. Key achievements include:

- a) The ICT Automation index improved to 75% from 50%, although it fell short of the 90% target for the plan period.
- b) Services were uploaded to E-Citizen.
- c) The Authority trained six personnel on strategic leadership.
- d) CCTV Phase II was installed and implemented in the Athi River Zone.

- e) Training was provided to 10 EPZ firms on productivity improvement in collaboration with the National Productivity Centre (NPC).

KRA 5. Corporate Branding and Image

The Authority's objective was to improve its corporate image and brand. Towards this end, the Authority managed the following:

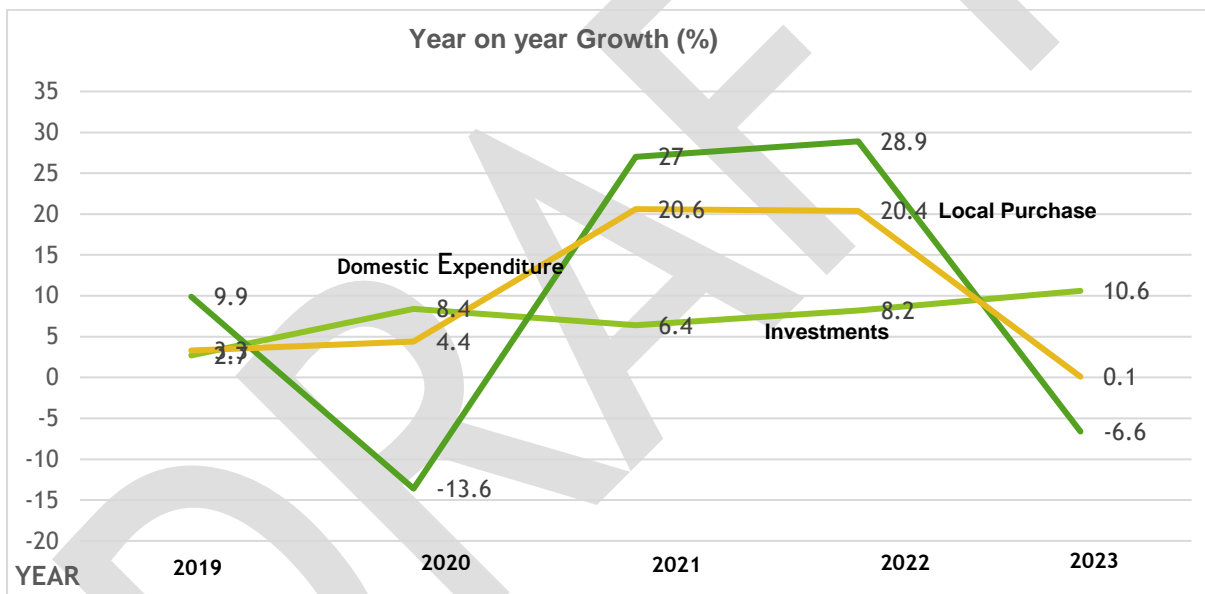
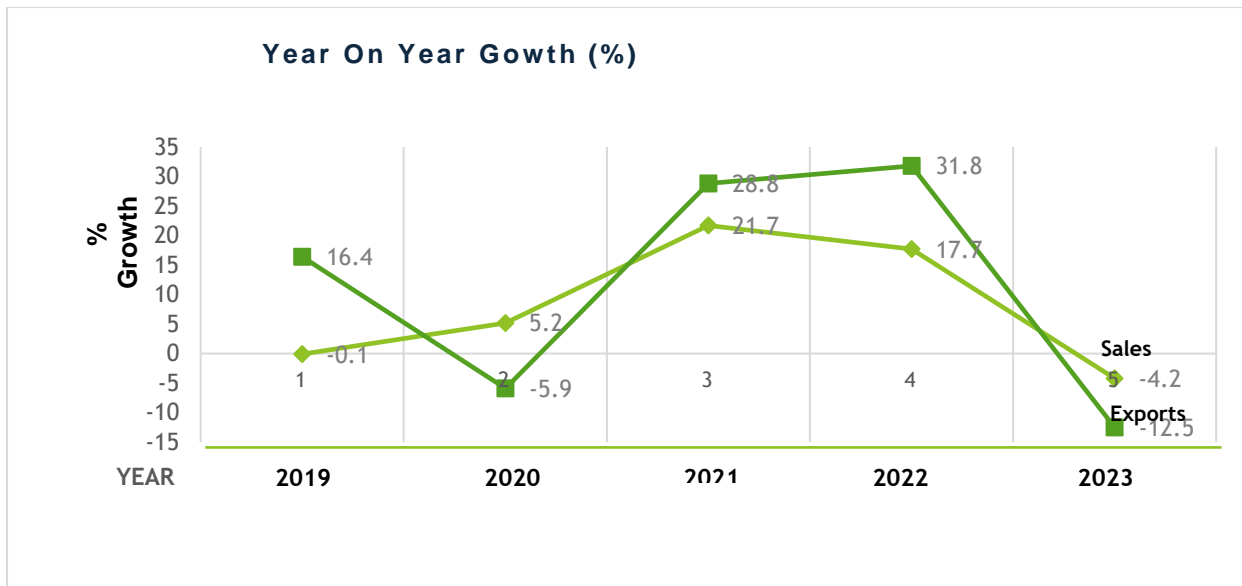
- a) Development and implementation of marketing, branding, and communication strategies.
- b) Implementation of a one-stop shop to facilitate investors' operations.
- c) Undertook 18 CSR activities.

KRA 6. Revenue Growth and Financial Management

The Authority's objective was to increase internally generated revenue. During this period, the Authority's Appropriation in Aid increased by 14%. Additionally, the Authority undertook a feasibility study to explore alternative sources of revenue and managed to sink four boreholes in the Athi River Zone.

3.2.1.1 Summary of trends in Key Growth indicators





3.2.2 Challenges

Several challenges hindered the achievement of the set targets during the implementation of the Strategic Plan 2019 – 2023. These include the following:

- a) High cost of production, especially electricity.
- b) Lack of ready plug-and-play industrial sheds for investors to set up quickly.
- c) Uncertainty surrounding the extension of AGOA, which is coming to an end in 2025.
- d) Expansion of EAC membership has reduced the market for EPZ goods.
- e) Inadequate water supply to Athi River Zone for production purposes.

- f) Adverse impact of the Covid-19 pandemic, disrupting global supply chains, trade, and production processes.
- g) Economic recession in key export markets during the planned period reduced demand for EPZ products, especially apparels, leading to EPZ firms scaling down operations and resulting in job losses.
- h) Adverse weather conditions affected the supply of raw materials to EPZ agro-processing firms.
- i) Sub-optimal ICT system hindering business process engineering.
- j) Inadequate finance to complete EPZA projects and activities.
- k) Increased litigation hindering infrastructure development.

3.2.3 Lessons Learnt

The following lessons will be useful in informing the preparation and implementation of the Strategic Plan 2024-2028:

- a) There's a need to negotiate investor-friendly tariffs and explore alternative energy sources to mitigate the high cost of production, especially electricity.
- b) Investing in more plug-and-play industrial sheds supports quick investor setups, making the country a more attractive investment destination.
- c) Exploring other markets through bilateral agreements, AfCFTA, and EPAs, and lobbying for re-negotiations can address uncertainties around AGOA's extension.
- d) Enhancing water supply from multiple sources will boost supply to Athi River Zone for production purposes.
- e) Developing robust disaster recovery and business continuity plans can help mitigate impacts from natural disasters like Covid-19.
- f) Optimizing ICT systems will improve business process engineering and efficiency.
- g) Structured public-private sector partnerships offer effective options for EPZ expansion.
- h) Sector-specific incentives are more attractive than general incentives.
- i) Attracting anchor investors and buyers has proven effective; moving towards targeted investments can increase investor interest.

3.3 Stakeholder Analysis

An analysis of the Authority's stakeholders was undertaken to understand their roles, expectations, and vice versa. A summary is outlined in table 3.5.

Table 3-5: Stakeholder Analysis

S/No.	Stakeholder Category	Role	Expectation of the Stakeholder	Expectation of EPZA
1.	EPZA Board members	Provide oversight and strategic directions	Proper implementation of the program policy and strategies	<ul style="list-style-type: none"> • Effective and efficient oversight roles
2.	EPZA staff	Implementing the Authority mandate	Conducive working environment	<ul style="list-style-type: none"> • Effective and efficient performance and service delivery
3.	Investors	Invest in the EPZ program	Create a conducive and enabling business environment	<ul style="list-style-type: none"> • Comply with the EPZ Act and relevant laws. • Create jobs, increase exports, add value to raw materials, technology transfer, increase investment.
4.	Parent Ministry	Trade and export policies; trade negotiations and advisory; enforcement of trade laws, negotiations and agreements; liaison with international trade bodies; promote and regulate trade;	<ul style="list-style-type: none"> • Provide and share relevant information. • Contribute to the achievement of manufacturing sector output exports and investment. 	<ul style="list-style-type: none"> • Facilitate implementation of the EPZ program. • Provide information on policy and strategies. • Facilitate timely budget disbursement • Timely gazettelement of EPZs.
5.	Suppliers	Provide approved goods and services.	<ul style="list-style-type: none"> • Timely payment and information dissemination • Integrity in the procurement process. 	<ul style="list-style-type: none"> • Timely provision of goods and services that meets specifications.
6.	The National Treasury	Economic policy and public finance management; national budget formulation; accounting	<ul style="list-style-type: none"> • Proper utilization of the allocated resources. 	<ul style="list-style-type: none"> • Adequate budget allocation

S/No.	Stakeholder Category	Role	Expectation of the Stakeholder	Expectation of EPZA
		standards and oversight; public investment policy; development planning; monitoring and evaluation of economic trends economic policy and public finance management; national budget formulation; accounting standards and oversight; public investment policy; development planning; monitoring and evaluation of economic trends	<ul style="list-style-type: none"> • Timely information sharing. • Compliance with relevant guidelines. 	<ul style="list-style-type: none"> • Timely release of the exchequer • Formulate policies that support business environment.
7.	Parliament	To make investment climate related laws	<ul style="list-style-type: none"> • Implementation of the mandate • Prudent utilization of the resources allocated 	<ul style="list-style-type: none"> • Enacting favorable investment legislations • Adequate budget allocation • Oversight
8.	Kenya Association of Manufacturers (KAM)	Unites industry and offer common voice for businesses – represents manufacturing and value add industries in Kenya	<ul style="list-style-type: none"> • Competitive business operating environment • Access to information 	<ul style="list-style-type: none"> • Partnering and support on areas of mutual interest • Lobbying for favorable policies.
9.	Kenya National Chamber of Commerce and Industry (KNCCI)	Foster social unity and promote the welfare of the commercial and industrial community	<ul style="list-style-type: none"> • Competitive business operating environment • Access to information 	<ul style="list-style-type: none"> • Partnering and support on areas of mutual interest • Lobbying for favorable policies.
10.	Other Private sector players	Champion private sector interests	<ul style="list-style-type: none"> • Competitive business operating environment • Access to information 	<ul style="list-style-type: none"> • Partnering and support on areas of mutual interest • Lobbying for favorable policies.
11.	County Government	Develops and implements law and policies for its constitutional devolved functions in trade development , county planning, county development, agriculture,	<ul style="list-style-type: none"> • Establishment of EPZs in Counties and with the resultant benefits. • Fund development of the EPZs. • Promote EPZs in Counties. 	<ul style="list-style-type: none"> • Set aside land for EPZ development • Timely processing of required approvals • Provision of relevant information

S/No.	Stakeholder Category	Role	Expectation of the Stakeholder	Expectation of EPZA
		fisheries, public works and services including water services	<ul style="list-style-type: none"> • Provide information on EPZ program 	<ul style="list-style-type: none"> • Support Authority County engagements • To undertake resource mapping for backward linkages.
12.	Development Partners	Provide technical and financial support.	<ul style="list-style-type: none"> • Investment partnerships • Meet requirements in a timely manner. 	<ul style="list-style-type: none"> • Financial and technical support. • Collaboration in areas of mutual interest
13.	Local and International media	Support information availability and access	Provide access to information on the Authority and EPZ program	<ul style="list-style-type: none"> • Accurate information reporting.
14.	Judiciary	Dispute resolution	Observe the laws of the Country	<ul style="list-style-type: none"> • Timely and fair resolution of the disputes.
15.	National Land Commission	Manages and administers land on behalf of the county and national governments	<ul style="list-style-type: none"> • Provide timely and accurate information. • Facilitation in land acquisition, valuation and revaluation. 	<ul style="list-style-type: none"> • Timely land valuation and revaluation • Provision of timely advisory on land matters.
16.	Other Ministries, Departments and Agencies	Creation of enabling environment to achieve national objectives.	<ul style="list-style-type: none"> • Compliance with relevant laws and regulations • Sharing of the relevant information • Facilitation in executing their mandate. 	<ul style="list-style-type: none"> • Timely facilitation of the programs • Sharing of the relevant information and collaboration
17.	Communities around EPZ	Support the EPZ programs.	<ul style="list-style-type: none"> • Employment creation • Improved public infrastructure. • Market for products • Corporate social responsibility 	<ul style="list-style-type: none"> • Support EPZ program • Support backward integration program. • Securing EPZs
18.	East African Community	Regional Integration and Cohesion	<ul style="list-style-type: none"> • Implementation of the protocols • Provision of information on the investment climate • Compliance with regulatory frameworks 	<ul style="list-style-type: none"> • Facilitate investment promotion through legislation, removal of trade barriers • Data and Information dissemination

S/No.	Stakeholder Category	Role	Expectation of the Stakeholder	Expectation of EPZA
19.	Economic Blocs	Determine market access issues	<ul style="list-style-type: none"> • Implementation of the protocols • Provision of information on the investment climate • Compliance with regulatory frameworks 	<ul style="list-style-type: none"> • Facilitate investment promotion through legislation, removal of trade barriers • Data and Information dissemination

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4 CHAPTER FOUR: STRATEGIC ISSUES, GOALS AND KEY RESULT AREAS

Overview

Based on the strategic direction for EPZA, this chapter identifies the strategic issues that the strategy should address, along with the goals and objectives for the period. This forms the basis for the chapter.

4.1 Strategic Issues

Strategic issues arise from the analysis of EPZA's mandate and role, performance, challenges, lessons learned, strengths, weaknesses, opportunities, threats, and stakeholder analysis. These issues highlight fundamental policy choices, critical challenges, gaps, or opportunities that must be addressed or leveraged for EPZA to achieve its vision and mission.

- 1) Development of the export processing zones (EPZs)
- 2) Promotion of export-oriented investments
- 3) Regulation
- 4) Facilitation and administration of the EPZs
- 5) Internal capacity development

4.2 Strategic Goals

The following five strategic goals were identified in response to the strategic issues identified from the situation analysis:

- 1) Provide competitive export processing zones
- 2) Foster investment promotion and facilitation
- 3) Strengthen compliance
- 4) Provide a conducive operational environment
- 5) Build a high-performance organization

4.3 Targets for 2028

From the formulated strategic goals, the Authority will seek to achieve the following anchor goals. These anchor goals align with the National Development goals as envisaged in the MTP IV and represent a summation of the realization of the strategic goals.

1. Increase employment from 75,598 jobs to 132,000 jobs;
2. Increase investment from Ksh. 149 billion to Ksh. 276.3 billion;

3. Increase annual revenues from Ksh. 544.8 million to Ksh. 1.1 billion;
4. Increase the value of exports from Ksh. 105 billion to Ksh. 171.3 billion;
5. Improve the Competitiveness Index. This may include factors such as infrastructure, trade policies, labour productivity, access to finance, technology adoption, regulatory environment, political stability, and market access.

4.4 Projections and trends for year 2024-2028

Table 4-1: Key Performance Targets - Annual Projections

Indicator	Baseline	Annual Average Growth rate (2018 – 2023)	Projections				
	2023		2024	2025	2026	2027	2028
Employment (In numbers)	75,598	6.6%	83,158	91,474	108,901	119,791	131,769
Exports (Kshs. billion)	105	8.2%	115.5	127.1	141.56	155.71	171.28
Investments (Kshs. billion)	149	7.3%	163.9	180.3	228.3	251.2	276.3
Linkages (Kshs. billion)	16	9.6%	18.2	20.8	23.4	27	35
Revenue (Kshs million)	544.8	5%	599.2	677.2	778.8	911.2	1,093.4

Annex 2 has assumptions on derivation of the projections and targets.

4.5 Key Results Areas (KRAs)

From the strategic issues, Vision and Mission Statements, and strategic areas of focus, the objectives for the 2024 – 2028 planning period have been identified and are summarized in table 4.2.

Table 4-2: Strategic Issues, Goals and Key Result Areas

Strategic Issue	Goal	KRAs
Development of the export processing zones	Provide competitive export processing zones	<ul style="list-style-type: none"> • Development of public EPZs • Improvement of existing EPZs
Promotion of Export oriented investments	Foster investment promotion and facilitation	<ul style="list-style-type: none"> • Diversification of products and markets • Cultivate investor interest • Retention of investments
Regulation	Strengthen Compliance	<ul style="list-style-type: none"> • Policy, legal and regulatory reforms

Strategic Issue	Goal	KRAs
Facilitation and administration of the EPZs	Provide a conducive operational environment	<ul style="list-style-type: none"> • Administration of the Zones
Internal capacity development	Build a high-performance Organization	<ul style="list-style-type: none"> • Human resource Development • Digitalization and integration • Resource mobilization and partnerships • Corporate governance

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5 CHAPTER FIVE: STRATEGIC OBJECTIVES AND STRATEGIES

Overview.

This section outlines the strategic results that EPZA aims to achieve within the planning period. It includes performance projections for each Key Result Area, strategic objectives, and the strategies to be deployed to achieve the desired outcomes.

5.1 Strategic Objectives

The strategic objectives illustrate the results EPZA aims to achieve over the five-year period. They represent the specific changes expected upon successful implementation of the strategic plan. The objectives incorporate the sustainable balanced scorecard, examining the organization from six perspectives: customer, financial, social justice, environmental, internal business processes, and learning and growth. These are summarized in table 5.1.

Table 5-1: Summary of Goals, KRAs and Objectives

Goal	KRAs	Objectives
Provide competitive export processing zones	• Development of public EPZs	• To increase the area of developed export processing zones
	• Improvement of existing EPZs	• To increase the infrastructural capacity of existing export processing zones
Foster investment promotion and facilitation	• Diversification – Products and Markets	• To increase the diversity of products and markets
	• Cultivate investor interest	• To increase the number of investors
	• Retention of investments	• To reduce investor exits
Strengthen Compliance	• Policy, legal and regulatory reforms	• To strengthen policy, legal and regulatory framework
Provide a conducive operational environment	Administration of the Zones	• To enhance efficient management of the Zones
Build a High-Performance Organization	• Human resource Capacity	• To improve the human resource capacity and productivity
	• Digitalization and integration	• To improve internal efficiency
	• Resource mobilization and partnerships	• To achieve financial self-sustainability
	• Corporate governance (risk management, board capacity & ESG) policies	• To strengthen corporate governance

Goal	KRAs	Objectives
	and procedures, brand image)	

The annual outcome projections illustrate the expected outcomes resulting from the realization of the objectives and progress towards achieving the set targets. These are summarized in table 5.2.

Table 5-2: Outcome Annual Projections

Strategic Objectives	Outcome	Outcome indicator	Target	Projections (cumulative)				
				Year 1	Year 2	Year 3	Year 4	Year 5
KRA 1: Development of public EPZs								
To increase the area of developed export processing zones	Increased build up area for the EPZs	Additional Area in square metres developed	11,250 square metres (2812.5 square metres per flagship project)	3,750	7,500	11,250	-	-
KRA 2: Improvement of existing EPZs								
To increase the infrastructural capacity of existing export processing zones	Increased infrastructural capacity of the EPZs	Percentage increase in infrastructural capacity from an estimated average of 55% to 70%	15% increase	3	6	9	12	15
KRA 3: Diversification - Products and markets								
To increase the diversity of products and markets	Increased number of products and markets	Number of new products	5	1	2	3	4	5
		Number of new markets	5	1	2	3	4	5
KRA 4: Cultivate investor interest								
To increase the number of investors	Increased value of export-oriented investments	Percentage operationalization rate	50%	10	20	30	40	50
		Value of investments (FDI & DDI) in Ksh	276.3 Billion (value of investments) in Ksh	163.9	180.3	228.3	251.2	276.3
KRA 5: Retention of investments								

				Projections (cumulative)				
Strategic Objectives	Outcome	Outcome indicator	Target	Year 1	Year 2	Year 3	Year 4	Year 5
To reduce investor exit	Reduced investor exit	Percentage of enterprises retained	90%	75	80	83	85	90
KRA 6: Policy, legal and regulatory reforms								
To strengthen policy, legal and regulatory framework	Strengthened policy, legal and regulatory framework	Level of compliance	100%	90	92	94	98	100
KRA 7: Administration of the Zones								
To enhance efficient management of the Zones	Improved operational efficiency.	Customer satisfaction index	85%	70	75	80	83	85
KRA 8: Human resource								
To improve the human resource capacity	Improved human resource capacity and productivity	Corporate Productivity index (CPI) Rate is between 1 - 5	4	2.8	3.5	3.7	3.9	4
		Employee satisfaction index (ESI)	85%	70	75	80	83	85
KRA 9: Digitalization and integration								
To improve internal efficiency	Improved internal efficiency	Digitization index (DI)	90%	60	70	80	85	90
KRA 10: Resource mobilization and partnerships								
To achieve financial self-sustainability	Financial self-sustainability attained	Percentage of recurrent budget financed from own revenue	100%	85	87	90	95	100
		Percentage of development budget financed through partnerships	15%	3	5	9	12	15
KRA 11: Corporate Governance								
To strengthen corporate governance	Strengthened corporate governance	Corporate Governance Index (CGI)	CGI of 95%	85	87	90	92	95

5.2 Strategic Choices

Under each strategic objective, various strategies have been proposed. If implemented, these strategies will lead to the achievement of the proposed objectives. These are summarized in table 5.3.

Table 5-3: Strategic Objectives and Strategies

KRA	Strategic Objectives	Strategies
Development of public EPZs	To increase the area of developed export processing zones	<ul style="list-style-type: none"> • Construction of Zones (phased) Provision of New Facilities
Improvement of existing EPZs	To increase the infrastructural capacity of existing export processing zones	<ul style="list-style-type: none"> • Rehabilitation and maintenance of existing facilities
Diversification	To increase the diversity of products and markets	<ul style="list-style-type: none"> • Increased market diversity • Increased product diversity
Cultivate investor interest	To increase the number of investors	<ul style="list-style-type: none"> • Promote EPZ programs
Retention of investments	To reduce investor exit	<ul style="list-style-type: none"> • Strengthen investor relationship • Enhance industrial relations • Develop backward and forward integration • Advocacy • Lobby to allow EPZ products access regional markets
Policy, legal and regulatory reforms	To strengthen policy, legal and regulatory framework	<ul style="list-style-type: none"> • Review legal and regulatory framework • Enhance compliance • Enhanced EPZ enterprises awareness • Implementation enforcement • Grievance/redress mechanisms
Administration of the zones	To enhance efficient management of the Zones	<ul style="list-style-type: none"> • Zone management • Research and Development
Human resource capacity	To improve the human resource capacity and productivity	<ul style="list-style-type: none"> • Develop and implement HR strategy • Productivity • Organizational culture
Digitalization and integration	To improve internal efficiency	<ul style="list-style-type: none"> • Quality management System • Digitalization and integration of customer-interface • Knowledge management

KRA	Strategic Objectives	Strategies
Resource mobilization and partnerships	To achieve financial self-sustainability	<ul style="list-style-type: none"> • Expand revenue streams • Secure Development Partners • Prudence in financial management
Corporate governance (risk management, board capacity & ESG) policies and procedures, brand image)	To strengthen corporate governance	<ul style="list-style-type: none"> • Internal Policies review • Communication and stakeholder engagement • Board capacity development • Risk management

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6 CHAPTER SIX: IMPLEMENTATION AND COORDINATION FRAMEWORK

Overview

This chapter outlines the implementation and coordination framework designed to support the achievement of the strategic objectives set out in the plan. The framework clearly defines the implementation plan, organizational structure, and the skills and competencies required for effective execution. Additionally, it provides a brief description of the leadership, systems, and procedures needed to support the plan's implementation. An analysis of anticipated risks and suggested mitigation measures is also included to ensure the planned results are achieved.

6.1 Implementation Plan

6.1.1 Action Plan

The action plan is presented as an implementation matrix, detailing strategic issues, goals, Key Result Areas (KRAs), outcomes, objectives, strategies, key activities, expected outputs, output indicators, annual targets, annual budget, and responsibilities for executing activities.

The implementation plan is attached as an Annex 1.

6.1.2 Annual Workplans

To successfully achieve the goals and objectives of this plan, annual work plans will be prepared to guide the implementation of planned activities and the realization of desired outputs and outcomes. These annual work plans will be developed in a timely manner and costed to assist in budget preparation.

6.1.3 Performance Contracting

The Authority will implement the strategic plan through performance contracting in accordance with government guidelines. The focus will be on continuous improvement in service delivery. Performance contracting targets will be cascaded and signed between the Board and the CEO, and subsequently between the CEO and departmental heads. Quarterly and annual performance reports will be developed following applicable guidelines and reviewed by the Board to monitor progress and performance.

6.2 Coordination Framework

This section discusses the institutional framework, staff establishment, skillset and competency development, leadership, and system procedures.

6.2.1 Institutional Framework

The organizational structure is designed to optimize the Authority's efficiency and success, foster strong relationships among different sections, and maintain a balance between order and flexibility to encourage creativity.

EPZA's management is overseen by the Board of Directors, responsible for setting policies and providing oversight. The Chief Executive Officer handles the day-to-day operations.

The functions are organized into eight Directorates, each reporting to the Chief Executive Officer, as outlined below:

1. Investment Promotion and Communication Directorate.
2. Investor Facilitation Services Directorate
3. Commercial, Infrastructure and Management Directorate.
4. Corporate Services Directorate
5. Corporation Secretary & Legal Services Directorate
6. Supply Chain Management Directorate
7. Internal Audit and Risk Assurance Directorate
8. Human Resource and Administration Directorate

Note

The Corporate Secretary and Legal Services report functionally and administratively to the Accounting Officer but have a reporting line to the Board. Meanwhile, Internal Audit and Risk Assurance report functionally to the Board and administratively to the Accounting Officer.

The current structure is designed to support the implementation of the strategy and improve efficiency in service delivery.

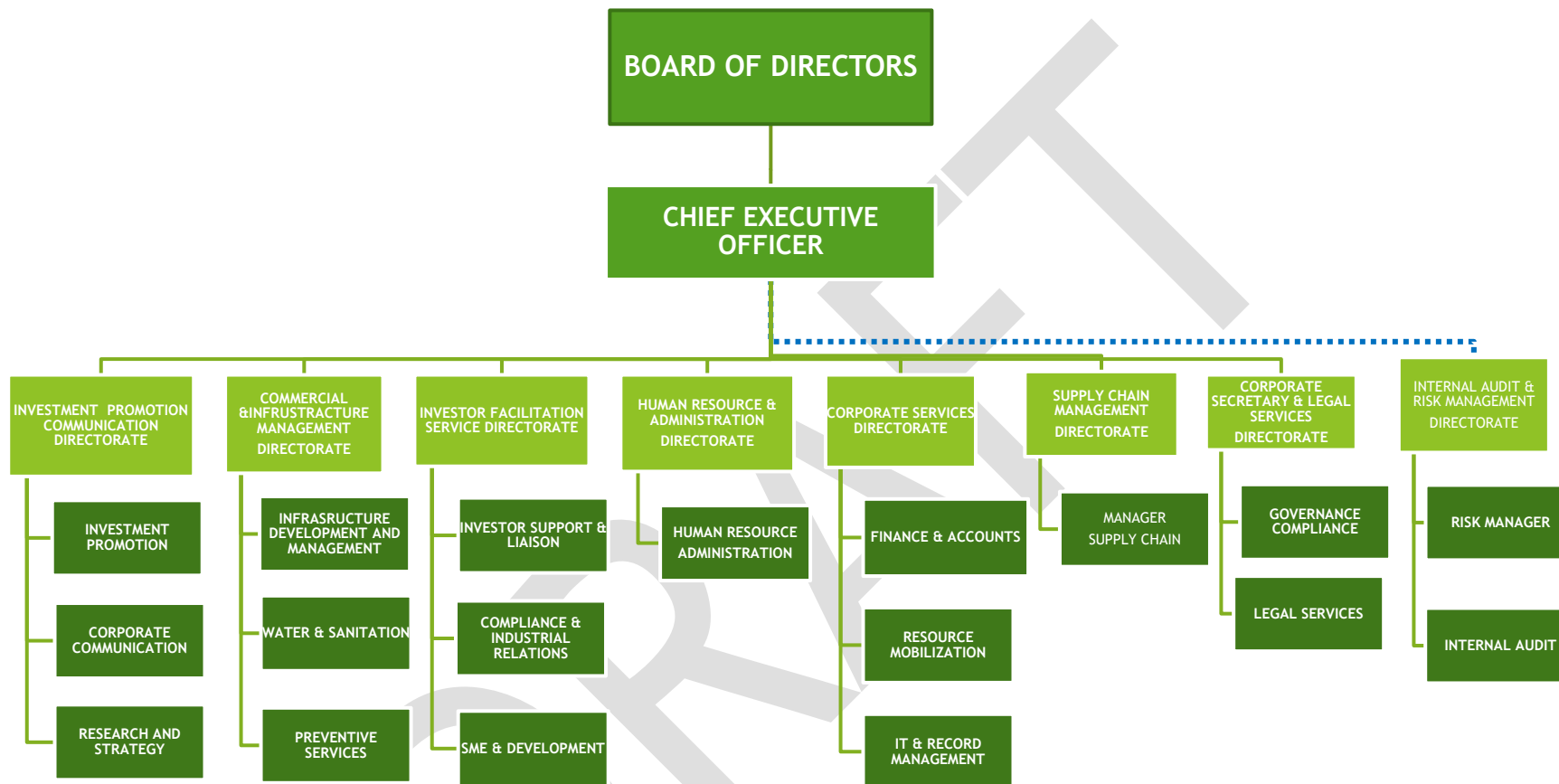


Figure 6-1: Organizational Structure

6.2.2 Staff Establishment, Skills Set and Competence Development

To implement this strategic plan effectively, achieving optimal staffing levels with the right skill set and competence across various roles is essential, as detailed in tables 6.1 and 6.2.

Table 6-1: Staff Establishment

Designation	EPZA JG	Approved	Optimal Staffing level	In Post	Variance
Chief Executive Officer	1	1	1	1	0
General Managers	2	8	8	5	3
Managers	3	18	18	11	7
Assistant Managers	4	30	30	19	11
Principal Officer	5	52	52	18	34
Officer/Senior	7/6	81	81	28	53
Principals/Senior/Assistants/Technician	7/8/9	93	93	48	45
Senior/Assistant (Office Assistant/Driver/Operator)	10/11/12	70	70	44	26
		353	353	174	179

The skills set and competence development needed for various staff cadres are summarized in table 6.2.

Table 6-2: Skills Set and Competence Development

S no.	Cadre	Skills Set	Competence Development
1	Chief Executive Officer	<ul style="list-style-type: none"> • Transformative Leadership • Corporate Governance • Problem Solving • Emotional Intelligence • Decision Making • Conflict Resolution • Critical Thinking • Integrity 	<ul style="list-style-type: none"> • Professional Qualification • Academic Qualifications • Professional Membership
2	General Managers	<ul style="list-style-type: none"> • Leadership Course • Problem Solving • Emotional Intelligence • Decision Making • Critical Thinking • Integrity 	<ul style="list-style-type: none"> • Professional Qualification • Academic Qualifications • Professional Membership
3	Managers	<ul style="list-style-type: none"> • Leadership Course • Problem Solving • Emotional Intelligence 	<ul style="list-style-type: none"> • Professional Qualification • Academic Qualifications • Professional Membership

S no.	Cadre	Skills Set	Competence Development
		<ul style="list-style-type: none"> • Critical Thinking • Decision Making • Integrity 	
4	Assistant Managers	<ul style="list-style-type: none"> • Management Course • Problem Solving • Decision Making • Integrity 	<ul style="list-style-type: none"> • Professional Qualification • Academic Qualifications • Professional Membership
5	Officer/Senior/Principal	<ul style="list-style-type: none"> • Supervisory Course • Integrity 	<ul style="list-style-type: none"> • Professional Qualification • Academic Qualifications • Professional Membership
6	Principals/Senior/Assistants/Technician	<ul style="list-style-type: none"> • Communication skills • Integrity • Personal grooming; • Interpersonal skill; and • Organization skills. 	<ul style="list-style-type: none"> • Academic Qualifications • Professional Qualification
7	Senior/Assistant (Office Assistant/Driver/Operator	<ul style="list-style-type: none"> • Communication skills; • Personal grooming; • Interpersonal skill; and • Organization skills. • Integrity 	<ul style="list-style-type: none"> • Academic Qualifications •

6.2.3 Leadership

The Chief Executive Officer holds the overall responsibility for implementing the strategic plan. This responsibility will be delegated to the Strategic Plan Implementation Committee, with members drawn from various parts of the organization. The Strategy Directorate will provide secretariat services to this committee. The strategic plan focuses on three key areas for the 2024-28 period: investment promotion & facilitation, regulatory and compliance framework, and institutional capacity and development. Each area will have a team leader, with the CEO overseeing overall coordination, as detailed in table 6.3.

Table 6-3: Strategic Plan Leadership

Strategic Issue	Team
Development of the Export Processing Zones	GM. Commercial and Technical Services – Team Leader GM. Finance, Human Resource & Administration Head of supply chain Corporate secretary
Export oriented investments	GM. Investment & Corporate Communication – Team Leader GM. Commercial & Technical Services GM. Operations & Investor Support Corporate Secretary

Strategic Issue	Team
Regulations	GM, Operations and Investor support – Team Leader GM. Commercial & Technical Services GM. Investment & Corporate Communication Corporate Secretary
Zone administration and facilitation	GM. Operations and Investor support – Team Leader GM. Commercial & Technical Services GM. Investment & Corporate Communication Corporate Secretary Manager ICT
Institutional Capacity development	GM. Finance, Human Resource & Administration – Team Leader Manager - Information Communication & Technology Manager - Research

6.2.4 Systems and Procedures

EPZA conducted an analysis of its systems and procedures, revealing areas needing improvement and new systems and procedures. Business process reengineering will address the identified shortcomings listed in table 3.2.

7 CHAPTER SEVEN: RESOURCE REQUIREMENTS AND MOBILIZATION STRATEGIES.

Overview.

This section delves into the financial needs for executing the strategic plan, available funding, identified funding gaps, strategies for resource mobilization, and financial management at EPZA.

7.1 Financial Requirements

7.1.1 Projected Requirements

The implementation of the plan is estimated to cost approximately Kshs 38.8 billion. The annual resource requirements are detailed in table 7.1, while the funding shortfall is outlined in table 7.2.

Table 7-1: Financial Requirements

Cost Item	Projected Resource Requirements (Kshs Million)					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Development of public EPZs	4,936	7,160	6,770	6,410	5,860	31,136
Improvement of the existing EPZs	302	614	517	420	220	2,073
Diversification – Products and Markets	4	7	4	4	4	21
Cultivate investor interest	98	108	111	111	113	539
Retention of investments	172	291	94	91	96	742
Policy, legal and regulatory reforms	59	64	22	22	23	192
Administration of the Zones	1	223	428	223	131	1,006
Human resources capacity	65	100	135	174	210	684
Digitalization and integration	207	225	216	206	206	1,060
Resource mobilization and partnerships	14	141	31	901	51	1,138
Corporate governance	47	46	48	48	48	237
TOTAL	5,904	8,978	8,375	8,609	6,961	38,826

7.1.2 Resource Gaps

Table 7-2: Resource Gaps

Financial Year	Estimated Financial Requirements (Kshs. million)	Estimated Allocations (Kshs. million)	Variance (Kshs. million)
Year 1	5,904	5,649.46	-254
Year 2	8,978	4,362.46	-4,615
Year 3	8,375	5,330.85	-3,044
Year 4	8,609	3,277.61	-5,332
Year 5	6,961	4,484.46	-2,476
Total	38,826	23,105	-15,721

7.2 Resource Mobilization Strategies

To bridge the resource gaps, EPZA will undertake the following key activities::

- a) Lobby parliament and the exchequer for increased budgetary allocation.
- b) Collaborate with donors and development partners to finance certain projects and activities.
- c) Boost internally generated revenue.

7.3 Resource Management.

To improve resource management, EPZA will take the following strategic steps:

- a) Ensure prudent use of funds by all officers and maximize value for money in procurement.
- b) Implement an integrated financial management system.
- c) Automate processes to reduce service delivery time.
- d) Consider outsourcing non-core services and leasing equipment to mitigate costs related to obsolescence.

8 CHAPTER EIGHT: MONITORING, EVALUATION AND REPORTING FRAMEWORK

Overview

This chapter outlines the monitoring, evaluation, reporting, and learning framework for the Strategic Plan 2024-2028. It details the activities, methods, timelines, and responsible parties for ongoing monitoring and evaluation to ensure timely information for decision-making and continuous learning.

8.1 Monitoring Framework

Monitoring will track the progress of implementing this strategic plan through systematic collection and analysis of information. This continuous process aims to identify any deviations and measure the effectiveness of achieving set targets and outputs by the Authority.

Monitoring will rely on the indicators and targets set for each Key Result Area, as detailed in the Implementation Matrix. Progress will be reviewed monthly via individual work plans, quarterly through departmental work plans, and annually through comprehensive annual plans.

8.2 Performance Standards

The evaluation process will address key criteria such as relevance, effectiveness, efficiency, impact, and sustainability, guided by specific questions including:

- a) How well did the planned objectives align with customer needs and expectations?
- b) How effectively were financial, technical, and human resources utilized to achieve the desired outcomes?
- c) To what extent were the objectives met, considering their importance?
- d) What were the positive and negative outcomes during the implementation period?
- e) What were the main challenges faced in achieving the strategic goals, and how can they be addressed?
- f) What lessons have been learned that can inform future strategy development for EPZA?

8.3 Evaluation Framework

The evaluation of this Strategic Plan will involve a systematic and objective assessment of its relevance, effectiveness, efficiency, sustainability, and impact on specified objectives and targets. The evaluation will compare set targets, achievements, and impacts against the agreed-upon strategic objectives. Additionally, it will assess the relevance and sustainability of the program to inform evidence-based decision-making. Two major evaluation activities will be conducted: a mid-term evaluation and an end-term evaluation.

8.3.1 Mid Term Evaluation

The Mid-Term Evaluation of this plan will take place around 2026/2027 to assess implementation progress, identify areas needing corrective action, review the Strategic Plan, and inform the preparation of the next strategic planning cycle.

8.3.2 End Term Evaluation

The End-Term Evaluation will be conducted at the conclusion of the Strategic Plan period to assess the extent to which the strategic objectives have been met. The findings, challenges, lessons learned, and recommendations will guide the next cycle of strategic planning.

Table 8-1: Outcome Evaluation Matrix

Strategic Objectives	Outcome	Outcome indicator	Target	Baseline		Targets	
				Value	Year	Mid term	End term
KRA 1: Development of public EPZs							
To increase the area of developed export processing zones	Increased build up area for the EPZs	Additional Area in square metres developed	11,250 square metres (2812.5 square metres per flagship project)	0	2023	11,250	-
KRA 2: Improvement of existing EPZs							
To increase the infrastructural capacity of existing export processing zones	Increased infrastructural capacity of the EPZs	Percentage increase in infrastructural capacity from an estimated average of 55% to 70%	15% increase	55%	2023	63%	70%

Strategic Objectives	Outcome	Outcome indicator	Target	Baseline		Targets	
				Value	Year	Mid term	End term
KRA 3: Diversification - Products and markets							
To increase the diversity of products and markets	Increased number of products and markets	Number of new products	5	0	2023	2	5
		Number of new markets	5	0	2023	2	5
KRA 4: Cultivate investor interest							
To increase the number of investors	Increased value of export-oriented investments	Percentage of operationalization rate	50%	10	2023	30	50
		Value of investments (FDI & DDI) in Ksh	276.3 Billion (value of investments) in Ksh	149	2023	228.3	276.3
KRA 5: Retention of investments							
To reduce investor exit	Reduced investor exit	Percentage of enterprises retained	90%	75	2023	83	90
KRA 6: Policy, legal and regulatory reforms							
To strengthen policy, legal and regulatory framework	Strengthened policy, legal and regulatory framework	Level of compliance	100%	90	2023	94	100
KRA 7: Administration of the Zones							
To improve operational efficiency of EPZs	Improved operational efficiency.	Customer satisfaction index	85%	70	2023	80	85
KRA 8: Human resource							
To improve the human resource capacity	Improved human resource capacity and productivity	Corporate Productivity index (CPI) Rate is between 1 - 5	4	2.8	2023	3.7	4
		Employee satisfaction	85%	68	2017	80	85

Strategic Objectives	Outcome	Outcome indicator	Target	Baseline		Targets	
				Value	Year	Mid term	End term
		n index (ESI)					
KRA 9: Digitalization and integration							
To improve internal efficiency	Improved internal efficiency	Digitization index (DI)	90%	60	2023	80	90
KRA 10: Resource mobilization and partnerships							
To achieve financial self-sustainability	Financial self-sustainability attained	Percentage of recurrent budget financed from own revenue	100%	85	2023	90	100
		Percentage of development budget financed through partnerships	15%	0	2023	9	15
KRA 11: Corporate Governance							
To strengthen corporate governance	Strengthened corporate governance	Corporate Governance Index (CGI)	CGI of 95%	85	2023	90	95

8.4 Reporting Framework and Feedback Mechanism

Annual progress reports will follow the format specified in table 8.3, while the Mid-Term and End-Term reports will adhere to the format outlined in table 8.4. Details regarding the nature, types, and reporting obligations of these reports are provided in table 8.2.

Table 8-2: Reporting Framework

Type of Report	Reporting to	Reporting by	Frequency
End-Term-Evaluation Report	The Board	Board Subcommittee	End of Strategic Plan Period
	Board Subcommittee	CEO	End of Strategic Plan Period
	CEO	Strategic Plan Implementation Committee	End of Strategic Plan Period
	Strategic Plan Implementation Committee	EPZA Directorates and Departments	End of Strategic Plan Period
Mid-Term-Evaluation Report	The Board	Board Subcommittee	Mid Term of Strategic Plan Period
	Board Subcommittee	CEO	Mid Term Strategic Plan Period
	CEO	Strategic Plan Implementation Committee	Mid Term of Strategic Plan Period
	Strategic Plan Implementation Committee	Directorates and Departments	Mid Term of Strategic Plan Period
Annual Progress Reports	The Board	Board Subcommittee	Annual Progress Report
	Board Subcommittee	CEO	Annual Progress Report
	CEO	Strategic Plan Implementation Committee	Annual Progress Report
	Strategic Plan Implementation Committee	Directorates and Departments	Annual Progress Report
Quarterly Progress Reports	The Board	Board Subcommittee	End of Every Quarter
	Board Subcommittee	CEO	End of Every Quarter
	CEO	Strategic Plan Implementation Committee	End of Every Quarter
	Strategic Plan Implementation Committee	Directorates and Departments	End of Every Quarter
Monthly Progress Reports	CEO	Strategic Plan Implementation Committee	End of Every Month
	Strategic Plan Implementation Committee	Directorates and Departments	End of Every Month

8.5 Reporting Templates

Quarterly Progress Reporting Template

Table 8-3: Quarterly Reporting Template

Expected output	Output Indicator	Annual Target (A)	Quarter for Year			Cumulative To-date			Remarks	Corrective Action
			Target (B)	Actual (C)	Variance (C-B)	Target (E)	Actual (F)	Variance (F-E)		

Annual Progress Reporting Template

Table 8-4: Annual Progress Reporting Template

Expected output	Output Indicator	Annual Target (A)	Achievement for Year.....			Cumulative To-date			Remarks	Corrective Action
			Target (A)	Actual (B)	Variance (B-A)	Target (D)	Actual (E)	Variance (E-D)		

Evaluation Reporting Template

Table 8-5: Evaluation Template

Key Result Area	Outcome	Outcome Indicator	Baseline		Mid-term Evaluation		End of Plan Period Evaluation		Remarks	Corrective Intervention
			Value	Year	Target	Achievement	Target	Achievement		
KRA1										
KRA2										
KRA3										
KRA4										

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Annex 1: Implementation Matrix

Strategy	Key Activities	Expected Output	Expected Indicator	Target for 5 years	Target					Budget (Ksh. Mn)					Responsibility	
					Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Lead	Support
Strategic Issue: Development of Export Processing Zones																
Strategic Goal: Provide competitive export processing zones																
KRA 1: Development of Public EPZs (6 Flagship projects)																
Strategic Objective: To increase the area of developed export processing zones																
Outcome: Increased build up area for the EPZs																
Construction of Zones(phased)	Proposed construction Industrial sheds in the flagship zones and Construction of other related infrastructure	Industrial sheds constructed	No. of sheds	12	5	5	2	-	-	4,746	5,000	5,000	5,000	5,000	CTS	Finance, Supply Chain
Provision of New Facilities	Construct additional Industrial sheds at Athi River EPZ, Machakos County	94,000 sq. m of facilities provided	No. of sq. m. of facilities provided	94,000	20,000	45,000	65,000	74,000	94,000	800	1,000	800	800	500	CTS	Finance, Supply Chain
	Construct Railway siding and related infrastructure in Athi River EPZ	Railway siding and related infrastructure constructed	% completion	100%	3	23	43	73	100	0	200	600	400	200	CTS	Finance, Resource mobilization, Supply chain

	Extension of water lines	10 km of additional water lines constructed.	Length in km of water lines	10	2	4	6	8	10	60	60	60	60	60	CTS	Finance, Supply Chain
	Extension of sewer lines	10 km of additional sewer lines constructed.	Length in km of sewer lines	10	2	4	6	8	10	120	120	120	120	120	CTS	Finance, Supply Chain
	Construction of reinforced concrete water storage tank	8.5 m ³ of water storage	Installed capacity in m ³ of water storage	8.5 m ³	-	8.5	-	-	-	-	120	-	-	-	CTS	Finance, Supply Chain
	Construction of elevated pressed steel tanks	108 m ³ of water storage	Installed capacity in m ³ of water storage	108 m ³	-	-	108	-	-	-	-	20	-	-	CTS	Finance, Supply Chain
	Solarization of CETP	Solarized CETP in place	No. of CETP solarized	1	-	1	-	-	-	-	500	-	-	-	CTS	Finance, Supply Chain
	Installation of solar street lighting at Kenanie	10 Km of road put under street lighting	Length in km of road	10	3	6	10	-	-	30	30	40	-	-	CTS	Finance, Supply Chain
	Installation of water pipeline in Kenanie	6 km of water reticulation installed	Length in km of water reticulation	6	-	2	2	2	-	-	50	50	50	-	CTS	Finance, Supply Chain
	Installation integrated security management systems in Athi-River EPZ	integrated security management systems installed	No. of system (smart gate)	1	-	0.5	0.5	-	-	-	100	100	-	-	CTS	Finance, Supply Chain

Strategic Issue: Development of Export Processing Zones																
Strategic Goal: Provide competitive export processing zones																
KRA 2: Improvement of existing EPZs																
Strategic Objective: To increase the infrastructural capacity of existing EPZs																
Outcome: Increased infrastructural capacity for the EPZs																
Rehabilitation and maintenance of existing facilities	Rehabilitation of trunk sewer line between Athi-River EPZ and Kenanie	New 24 km line constructed	Length in km of sewer line	24	5	10	15	20	24	200	400	400	400	200	CTS	Finance, Supply Chain
	Digitization of infrastructure	EPZ infrastructure digitized	Percentage of infrastructure digitalized	100	-	-	20	30	40	-	-	20	-	-	CTS	Finance, Supply Chain
	Acquisition of Fire engine and an ambulance for the existing fire station	Fire engine and ambulance acquired	No. of vehicles acquired	2		1	1	-	-	-	100	20	-	-	CTS	Finance, Supply Chain
	Rehabilitation of police building	Rehabilitated police building	Number	1	1	-	-	-	-	15	-	-	-	-	CTS	Finance, Supply Chain
	Rehabilitation of Kenanie ETP	16 waste stabilization ponds constructed	No. of ponds	16	4	8	12	14	16	40	40	40	20	20	CTS	Finance, Supply Chain

	Rehabilitation of street lights in Athi river EPZ	40 Km of road put under street lighting	Length in km of road	40	10	20	10	-	-	37	74	37	-	-	CTS	Finance, Supply Chain
	Upgrading of exhauster discharge in Kenanie	Exhauster discharge point upgraded	No. of points	1	1	-	-	-	-	10	-	-	-	-	CTS	Finance, Supply Chain

Strategic Issue: Promotion of export-oriented investments

Strategic Goal: Foster investments, promotion and facilitation

KRA 3: Diversification of products and markets

Strategic Objective: Increase the diversity of products and markets

Outcome: Increased number of products and markets

Increase market diversity.	Identify of new markets	New markets identified	No. of new markets identified	5	1	1	1	1	1	2	2	2	2	2	RSC	ICC, Finance
Increase product diversity	Identification of the product	New product identified	No. of new products identified	5	1	1	1	1	1	1.5	1.5	1.5	1.5	1.5	RSC	ICC, Finance
	Research and identify sector specific product value chain on potential Investment opportunities.	Sector specific product value chains identified	No. of sector specific product value chains Identified.	5	-	5	-	-	-	-	3	-	-	-	RSC	Finance

Strategic Issue: Promotion of export-oriented investments

Strategic Goal: Foster investments, promotion and facilitation

KRA 4: Cultivate investor interest																
Strategic Objective: To increase the number of investors																
Outcome: Increased value of export-oriented investments																
Promote EPZ program	Participation in outward and inward promotional activities	Participation on outward and inward promotional activities undertaken	Number of events that EPZA participates in	500	100	100	100	100	100	70	70	70	70	70	ICC	Finance
	Recruiting of new investors	New investors recruited	No. of new investors	232	40	43	46	50	53	15	15	15	15	15	ICC	Finance
	Recruiting SMEs into the SME program	New SMEs Recruited	No. of SMEs joining EPZ program	26	-	3	5	8	10	5	7	10	10	12	SME	Finance
	Development of partnerships with Kenyan foreign missions	Partnerships of Kenyan foreign mission developed	No. of partnerships	25	5	5	5	5	5	2.5	2.5	2.5	2.5	2.5	ICC	Finance
	Development of partnerships with foreign missions & international organization in Kenya	Partnerships of foreign missions & international organization in Kenya	No. of partnerships	25	5	5	5	5	5	2	2	2	2	2	ICC	Finance

	Development of partnerships in investment promotion with Counties	Partnerships with Counties developed	No. of partnerships	47	3	14	25	36	47	3	11	11	11	11	ICC	CTS, Finance
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Strategic Issue: Promotion of export-oriented investments

Strategic Goal: Foster investments, promotion and facilitation

KRA 5: Retention of investments

Strategic Objective: To reduce investor exit

Outcome: Reduced investor exit

Strengthen investor relationships	Develop a one stop center services for investors	One stop shop implemented	No. One stop shops	1	0.5	0.5	-	-	-	0	50	-	-	-	OIS	Finance, ICT
	Sensitization on new and emerging regulations	Investors sensitized on regulation	No. sensitizations	15	3	3	3	3	3	3	3	3	3	3	OIS	Finance
	Developing and implement capacity building programs for investors	Capacity building program developed and implemented	No. of capacity building programs	15	3	3	3	3	3	1.5	1.5	1.5	1.5	1.5	OIS	Finance
	Establishment of a center of excellence in Textile	Center of excellence established	No. of center of excellence	1	0.5	0.5	-	-	-	150	150	-	-	-	OIS	Finance, Supply Chain
	Carrying out Investor engagements	Investor engagement carried out	No. of forums	10	2	2	2	2	2	8	8	8	8	8	OIS	Finance, Supply Chain

Enhance industrial relations	Undertake training of stakeholders on Industrial relation	Stakeholders trained on Industrial relation	No. of trainings	5	2	2	2	2	2	2	2	2	2	2	OIS	Finance
	Undertake labor surveys and implement recommendations	Labor surveys undertaken	No. of surveys	2	1	-	1	-	-	3	-	3	-	-	OIS	Finance
Develop and implement a forward backward linkages program for selected sectors	Identify key sectors for the forward and backward linkages	Identified sectors	Number of sectors identified	5	1	1	1	1	1	1	1	1	1	1	RSC	
	Sensitization of stakeholders on forward backward linkages	Stakeholders sensitized	No. sensitizations	10	2	2	2	2	2	1	5	5	5	5	OIS	RSC, Finance
	Lobby EPZ firms to source more goods and services locally	Increased domestic expenditure	Percentage increase in local sourcing value	50	10	10	10	10	10	1	5	5	5	5	SME	RSC, OIS
Advocacy	Undertake an audit of existing policies and practices	Audit of existing policies undertaken	No. of audits	5	1	1	1	1	1	1	5	5	5	5	OIS	RSC, Finance
	Undertake advocacy on investor concerns	Advocacy plan implemented	% implementation of the advocacy plan	100%	100	100	100	100	100	-	20	20	20	25	OIS	Finance
Lobby to allow EPZ products access regional markets	Lobby for policies, laws and regulation that support and enhanced EPZ products market access.	Lobbied for favorable policies, laws and regulations.	Number of lobbying events annually	30	6	6	6	6	6	-	20	20	20	20	RSC	Finance

	Participate in key regional and global Trade and Investment discussions and negotiations[1]	Favorable Trade negotiations for EPZ products	Number of trade negotiations	10	2	2	2	2	2	-	20	20	20	20	RSC	Finance
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Strategic Issue: Regulation

Strategic Goal: Strengthen compliance

KRA 6: Policy, Legal and regulatory reforms

Strategic Objective: To strengthen policy, legal and regulatory framework

Outcome: Strengthened policy, legal and regulatory framework

Review legal and regulatory framework	Contribute to Review of EPZ Act (CAP 517)	Reviewed EPZ Act	No. of Act	1	1	-	-	-	-	40	-	-	-	-	Legal	Finance
	Contribute to Development of EPZ regulations	EPZ Regulations	No. of regulations	1	-	1	-	-	-	-	40	-	-	-	Legal	Finance
	Develop and Review of EPZ policies	EPZ policies	No. of policies	30	6	6	6	6	6	5	5	5	5	5	RSC	Finance
	Sensitization of the stakeholder on the EPZ policies	Sensitization undertaken	No. of sensitization	10	2	2	2	2	2	2	2	2	2	2	OIS	Finance
Enhance compliance	Conduct compliance audits	Compliance audits conducted	Percentage of companies audited	100	100	100	100	100	100	3	3	3	3	3	OIS	CTS, Finance

	Undertake data collection and validation from EPZs.	EPZs Quarterly and annual reports validated.	% of EPZs data validated	100	100	100	100	100	100	1	3	4	4	5	RSC	Finance
Enhanced EPZ enterprises awareness	Develop and implement sensitization programme for EPZ Enterprises	Sensitization programme	No. of sensitization programmes	5	1	1	1	1	1	0.3	0.3	0.3	0.3	0.3	OIS	Finance
		Enterprises sensitized	No. of enterprises reached	400	80	80	80	80	80	5	5	5	5	5	OIS	Finance
Implementation enforcement	Undertake periodic Environment audit	Periodic Environment audit undertaken	No. of periodic Environment audits	20	4	4	4	4	4	1	1	1	1	1	CTS	OIS, Finance
	Undertake environmental training programs	environmental training programs undertaken	No. of environmental training programs	20	4	4	4	4	4	1	1	1	1	1	CTS	OIS, Finance
	Undertake environmental conservation activities	environmental conservation activities undertaken	No of environmental conservation activities	5	1	1	1	1	1	1	1	1	1	1	CTS	OIS, Finance
Grievance/redress mechanisms	Develop and implement a grievance mechanism policy	Policy developed and implemented	No. of policies	1	-	1	-	-	-	-	3	-	-	-	OIS	Finance
Strategic Issue: Facilitation and Administration of the EPZs																
Strategic Goal: Provide a conducive operational environment																
KRA 7: Administration of the Zones																
Strategic Objective: To enhance efficient zone management																
Outcome: Improved operational efficiency																
				100	100	100	100	100	-	0	200	400	200	108	CTS	

	Project conceptualization (Feasibility studies, Master planning & Survey, Design, improve water access services, dumpsite infrastructure, way leaves)	Design Reports	% of zones with design reports														Finance, Supply Chain
Zone management	Development and training on the use of the land management and leasing policy	Training reports	Number of trainings held	5	1	1	1	1	1	0	3	3	3	3	CTS		
	Develop land inventory data	Land inventory data in place	Number of inventories in place	1	0	0	1	0	0	0	0	5	0	0	CTS		
	Land recovery regularization	Land recovery regularized	Percentage of land recovery regularized	100%	100	100	100	100	100	0	0	0	0	0			
	Develop and implement stakeholders' engagement strategy	Engagement strategy developed	% implementation of the strategy	100	-	50	60	80	100	-	10	10	10	10	CTS	Finance	
	Mainstream diligence in establishment and regulations of zones	Diligence reports in all zones	Proportions of zones with diligence reports	100	-	100	100	100	100	-	1	1	1	1	CTS	Legal	
Research and Development	Undertake research studies on the emerging trends and technology	Research studies conducted	Number of research studies conducted	20	-	5	5	5	5	1	1	1	1	1	RSC		

	Carry out comparative studies on the emerging trends on the regional management of the EPZs	Comparative studies undertaken	Number of comparative studies undertaken	20	-	5	5	5	5	-	5	5	5	5	RSC	Finance
	Conduct investors outreach	Investors outreached conducted	Number of outreached activities	8	-	2	2	2	2	-	3	3	3	3	OIS	ICC

Strategic Issue: Internal Capacity

Strategic Goal: Build a high-performance organization

KRA 8: Human resource (capacity and productivity)

Strategic Objective: To improve the Human Resource Capacity and Productivity

Outcome: Improved Human Resource Capacity and Productivity

Develop and Implement HR strategy	Implement the succession planning policy	Succession policy implemented	Percentage implementation of succession policy	91	93	90	97	94	91	11	11	11	11	11	HR	Finance	
	Implementation of HR tools	HR tools implemented	Percentage of implementation	50	10	20	30	40	50	35	64	96	128	160	HR		
	Training and development	Training	% of staff trained	100%	100%	100%	100%	100%	100%	100%	10	10	15	20	25	HR	Finance
		Development	No. of staff on development programs	50	10	10	10	10	10	10	5	10	10	10	10	HR	Finance
Productivity	Evaluate organizational performance	Organizational performance evaluated	Number of evaluations undertaken	2	2	2	2	2	2	0.25	0.25	0.25	0.25	0.25	HR	Finance	
		Productivity index computed	Number	4	2.8	3.5	3.7	3.9	4	2	1.5	1	1	1	HR	Finance	

Organizational culture	Develop and implement a culture assessment model	Survey undertaken	No. of surveys	2	-	1	-	1	-	-	1.3	-	0.6	-	HR	Finance
		Organizational culture change model implemented	Percentage implementation of the culture change model	92	85	86	87	88	92	1.5	1.8	2.1	2.3	2.5	HR	Finance
	Undertake employee satisfaction survey and implement recommendations	Survey undertaken	No. of surveys	2	-	1	-	1	-	-	1.3	-	0.6	-	HR	Finance
		Survey undertaken	No. of surveys	2	-	1	-	1	-	-	1.3	-	0.6	-	HR	Finance

Strategic Issue: Internal Capacity

Strategic Goal: Build a high-performance organization

KRA 9: Digitalization and integration

Strategic Objective: To improve internal efficiency

Outcome: Improved internal efficiency

Quality Management Systems	Obtain and maintain ISO QMS certification	ISO certification obtained and maintained	No. of certification	1	-	1	-	-	-	-	10	-	-	-	RSC	Finance
	Obtain and maintain ISO EMS certification	ISO certification obtained and maintained	No. of certification	1	-	-	1	-	-	-	-	10	-	-	RSC	Finance

	Obtain and maintain ISO ISMS certification	ISO certification obtained and maintained	No. of certification	1	-	1	-	-	-	-	10	-	-	-	RSC	Finance
Digitalization and integration	Develop and implement ICT strategy	Number of business processes digitalized	% Digitized index	100	60%	75%	85%	90%	100	200	200	200	200	200	ICT	Finance
		ICT strategy developed	No. of strategies	1	1	-	-	-	-	3	-	-	-	-	ICT	Finance
Knowledge management	Development and Implementation of knowledge management strategy	KM strategy implemented	% implementation of KM Strategy	100	20	40	60	70	100	4	5	6	6	6	ICT	Finance

Strategic Issue: Internal capacity

Strategic Goal: Build a high-performance organization

KRA 10: Resource Mobilization and Partnerships

Strategic Objective: To achieve financial self-sustainability

Outcome: Financial self-sustainability attained

Expand revenue streams	Develop office rental space in Kizingo, Mombasa	Office space developed	No. of sq. m	14,000 sq. m	-	-	-	14,000	-	-	-	-	860	-	CTS	Finance, Supply Chain
	Consultancy services for the design and development of commercial area in Athi river EPZ	Consultancy service procured	Design reports	4	-	2	-	-	-	-	120	-	-	-	CTS	Finance, Supply Chain

Secure development partners	Develop a Resource mobilization Framework and strategy	Resource mobilization Framework and strategy developed	No. of Resource mobilization Framework and strategies	1	1	-	-	-	-	1	-	-	-	-	Resource Mobilization	Finance
	Establish strategic collaborations and partnerships	strategic collaborations and partnerships established	No. of strategic collaborations and partnerships	5	1	1	1	1	1	1	1	1	1	1	Resource Mobilization	Finance
Prudence in financial management	Improve debt collection	Reduction of outstanding debt	Percentage reduction of outstanding debt	50%	10	20	30	40	50	10	20	30	40	50	Finance	
	Review of project appraisal criteria	Project appraisal criteria reviewed	Appraisal criteria	1	1	-	-	-	-	2	-	-	-	-	ICC	Finance

Strategic Issue: Internal capacity

Strategic Goal: Build a high-performance organization

KRA 11: Corporate governance

Strategic Objective: To strengthen corporate governance

Outcome: Strengthened corporate governance

Internal Policies Review	Review and update organizational policies	Organization policies reviewed and updated	Percentage of policies reviewed and updated	100	30	50	70	100	100	10	11	11	11	11	Legal	Finance
	Undertake legal and compliance audits	Legal and compliance audits undertaken	No. of audits undertaken	3	1		1		1	2		2		2	Legal	Finance
	Implementation of the organizational structure	Organizational structure implemented	Percentage implementation of organizational structure	100%					100%					2	Legal	Finance

Communication and stakeholder engagement	Implementation Communication and stakeholder engagement strategy	Communication and stakeholder engagement strategy implemented	Percentage implementation of the Communication and stakeholder engagement strategy	100	100	100	100	Review	100	20	20	20	20	20	ICC	Finance
Board capacity development	Undertake board trainings	Board trainings undertaken	No. of trainings	10	2	2	2	2	2	5	5	5	5	5	Legal	Finance
Risk Management	Develop and implement the risk management framework	risk management framework developed and implemented	Percentage implementation of risk management framework	100	100	100	100	100	100	10	10	10	10	10	Audit	Finance

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