

REPORT ON WOMEN IN MANUFACTURING (WIM) TEAM WORKSHOP HELD ON 19TH OCTOBER 2023 AT BEST WESTERN HOTEL KISUMU CITY, KENYA.

Introduction

The meeting began at 9:10 AM with a prayer led by Faith Tsumah. Thereafter, Carolyn Khungu facilitated the introduction process where each person was asked to state their name and their current occupation. The individuals present included dignitaries from Kisumu County, representative from the Kenya Revenue Authority (KRA), women who had participated in the study, and five members from the Women in Manufacturing (WIM) team, who organized the event. Some of the manufacturing activities that women entrepreneurs were engaged in included processing peanut butter, chili sauce, metals, basket weaving, honey making, and perfume production, among many others.

Professor Nelson Wawire, in his welcoming remarks, emphasized the significance of the research and its role in empowering women within the manufacturing sector through policy formulation. He went on to provide a detailed explanation of the thematic projects undertaken by the Kenyatta University Women Economic Empowerment Hub and various stakeholders involved. The professor also discussed the methods for disseminating the research findings and receiving feedback. The workshop served as a valuable platform for sharing findings and experiences that would be crucial in addressing barriers and promoting the advancement of women in manufacturing sector. The below picture captures Professor Wawire during his welcoming remarks



Picture 1: Professor Nelson Wawire presenting overview of projects being undertaken by Kenyatta University Women Economic Empowerment Hub (KUWEE Hub).

Remarks from Speakers

Ann Barasa emphasized the concept of manufacturing as a form of entrepreneurship but pointed out that women continue to confront significant challenges when trying to engage in such activities. To illustrate this, she provided an example involving rice production and fish, where women often resort to trading their bodies in exchange for services due to the obstacles they face. Furthermore, Ann highlighted the issue of policies aimed at empowering women that remain unimplemented. One specific case she mentioned is the 30 percent government tender rule, which reserves 30 percent of tenders for women, yet many women's names are used to register businesses while men maintain true ownership, exploiting women as pawns in securing tendering services. Ann stressed that relying solely on the law may not be sufficient to empower women; a fundamental shift in mindset is necessary. She also noted that women tend to engage in hand-to-mouth businesses due to the numerous challenges they encounter. Ann pointed out the burdensome requirements for starting an enterprise and the obstacles posed by institutions that are often unforgiving towards women entrepreneurs. She highlighted that entrepreneurs are required to obtain certification for each product they sell in the markets, which can be a significant hurdle. Negativity surrounding women's ownership of enterprises was also discussed, along with the limited access to financial resources, leading many women to borrow from informal sectors like *Marry Go Round*. Lastly, Ann addressed the high cost of taxes, which often results in the closure of enterprises due to their expensive nature. Below is her picture while giving her view



Picture 2: Ann Baraza Sharing her experience

Fred Kaduka emphasized the significance of research in shaping evidence-based policies, underscoring the vital role played by the Kenyatta University Women in Management (WIM) team in driving research efforts. However, it was pointed out that one of the primary hurdles hindering policy formulation is the issue of implementation. In response to this, the speaker advocated for the initiation of a study to uncover the underlying reasons for the failure of implementing evidence-based policies. Additionally, the speaker drew attention to the challenge of limited capital for women's participation in economic activities. Notably, the speaker highlighted that County Government of Kisumu has introduced an open-door policy, providing women with the opportunity to engage directly with leaders and voice their concerns. Women were encouraged to take advantage of such kind of opportunities. The picture shows Mr. Kaduka during his remark



Picture 3: Mr. Kaduka sharing insights

The KRA Representative emphasized the importance of embracing a sense of pride when it comes to paying taxes, as they play a vital role in funding essential infrastructure projects. Furthermore, the speaker provided information to the women present during the workshop about the ongoing tax amnesty, which commenced on September 1, 2023, and is set to conclude on June 30, 2024. They were encouraged to take advantage of that period in reducing their tax obligations.

Farida Salim, the CEC Member for Trade, Tourism, Industry, and Marketing, served as the keynote speaker, and she encouraged women entrepreneurs to seize opportunities when they encounter them. She highlighted a case in which a few women had engaged with her since she assumed her office, while the majority of interactions came from men. She observed that women were still

stereotyped, often believing that their opportunities were limited. To serve the County, she initiated the establishment of an entrepreneurial clinic where women could address their tax obligations. She urged women to participate in entrepreneurial clinic forums, as these discussions would lead to actionable outcomes presented in County Cabinet meetings. Furthermore, she stressed the importance of formalizing enterprises to access the benefits associated with such formalization. In addition, the ministry worked on strengthening value addition and supporting economic activities within Kisumu County through SACCOs. The keynote speaker concluded by emphasizing that women needed to go the extra mile, as it would set them apart and lead to a less crowded path. The picture shows CEC Farida giving her insights.



Picture 4: CECM Farida (Keynote Speaker) giving her remarks

Overview of WIM study

Faith Tsumah explained the overview of the Women in Manufacturing (WIM) study to the members present during the meeting. She highlighted that the WIM program was established in 2017 with the objective of networking, advocacy, and developing industrial and management skills targeting women in the manufacturing industry. This sector is predominantly male-dominated, and there was a necessity to evaluate the effectiveness of the program through a study. The study assessed women's entrepreneurial activities in the industrial sector, their performance in manufacturing, business skills, access to and control of productive resources, gender power relations, and the attainment of national industrial policy goals. The study covered Nairobi,

Mombasa, Kisumu, Kakamega, and Kiambu Counties. The evidence generated would be instrumental in influencing industrialization policies and manufacturing strategies at the county and national government levels with a focus on gender sensitivity.

Methodology and Findings

Dr. Makambi presented the methodology and findings employed in the study at the workshop. He stated that the study adopted a combination of quantitative and qualitative research designs. Descriptive analysis proved essential in comprehending the characteristics of women entrepreneurs. The presenter pointed out that the Tobit model was utilized to evaluate the impact of the WIM program on the performance of women-owned enterprises. The study established that factors such as age, household size, business age, ethnicity, credit access, university education, and types of business ownership significantly contributed to the performance of women-owned enterprises. Moreover, the Focus Group Discussion (FGD) undertaken observed that for women to succeed in running an enterprise, they needed assertiveness, resilience, and mentorship/encouragement.

Policy Implication

Carolyn Khungu highlighted policy implications based on the research that had been conducted. The policy implications addressed WIM program, the Kenya Association of Manufacturers (KAM), and the government. Some of the issues that WIM needed to address included onboarding women into the WIM program, tailoring the program to cater to diversity in business sizes, reducing the cost of joining the program, and creating awareness about the program for women. KAM needs to encourage more women in the manufacturing sector to join the WIM program in order to derive benefits from them, co-create a gender-responsive program, market its WIM Program, and petition the government to review industrialization policy with a view to mainstreaming gender. Among the government policy implications highlighted by the presenter was the consolidation of legal, regulatory, and compliance requirements for businesses in a single place (a one-stop-shop) to enhance efficiency, reduce the cost of doing business and the provision of a single distribution permit.

The women entrepreneurs were given a platform for discussion on the policy implications identified during the study. They highlighted the following challenges and recommendations.

Challenges

- Getting things right from KRA from the start is very hard. They have multiple requirements.
- Costly requirement from regulation before beginning operation including KRA, KEBS, Trademark, ISO, NSSF, NHIF, license.
- Collection of excessive taxes by *Kanjos* daily up to late hours hindering small enterprises from efficient operation.
- A lot of requirements from KRA when moving from one county to another.
- High cost of electricity
- Limited knowledge on available information important in enhancing their businesses
- Limited financial access
- Limited access to international markets

Recommendations

- Financial support to women engaged in the manufacturing sector with highlight on venture capital being instrumental in achieving this course.
- Kenya Revenue Authority (KRA) need to conduct training in creating awareness on their requirements from women entrepreneurs.
- Reduction in Kenya Association of Manufacturers (KAM) fee to enhance joining of women in the program so as to benefit.
- Introduction of tax relief to small enterprises since taxes are hurting businesses.
- Monthly women entrepreneurs meeting to empower them economically.
- Have bench marking with other counties to learn more from them.
- Development of infrastructures such as road to allow them access market
- KRA need to do follow ups on businesses that have closed to avoid taxing them.
- Construction of Roche for young mothers to create bond with children during time of duty.
- Establishment of County Enterprise Fund where subsidized loan rates are offered through banking institution.
- One on one with UNIDO through CEC Farida's office.
- Grace period for SMEs for a certain duration after commencing their businesses.
- Supermarkets should have policies that allow supply of products from local manufacturers.
- Setting up legal frameworks to sought issues affecting small enterprises

- Construction of one stop shop where all information regarding the product can be obtained.
- Creating platform where women can obtain information on available opportunities
- Taxes payment should be formulated in such a way that they are made after the enterprises have received payment from suppliers.

Conclusion

The majority of the issues that arose during the workshop were related to excessive taxes from the Kenya Revenue Authority (KRA). Women entrepreneurs emphasized the need for a reduction in taxes that had a negative impact on their performance. Additionally, the government needed to establish a one-stop shop to address all the legal requirements for starting and operating a business. Training was also deemed necessary to enhance the performance of women-owned enterprises. The implementation of the findings and recommendations highlighted during the workshop was necessary to address the challenges faced by women entrepreneurs and, consequently, to economically empower them.

Picture capturing individual present during the workshop is shown below



Picture 5: Participants of the workshop

The workshop ended at 2:35pm with a vote of thanks from Julia Otieno.