



KISM

ANNUAL REPORT

2021

Promoting Professionalism in Supply Chain Management



KISM

ANNUAL REPORT 2021

Laying A Solid Foundation For Sustainable Supply Chain Management Transformation For Posterity



WHO WE ARE

KISM is the national body for professionals in the practice of procurement and supply chain management in Kenya. The Institute draws its mandate from the "Supplies Practitioners Management Act No.17 of 2007.



OUR MANDATE

KISM is mandated by the Supplies Practitioners Management Act, 2007 to license and regulate the procurement and supply chain management (P&SCM) profession in Kenya.



OUR CORE VALUES

The following are the values that KISM has chosen to guide the culture and behaviour of the Institute's management and staff:

- 1.Integrity
- 2.Accountability
- 3.Fairness
- 4.Transparency
- 5.Professionalism
- 6.Inclusivity
- 7.Innovativeness



OUR VISION

Competent and ethical supply chain management practitioners.



OUR MISSION

To Register, License, Discipline, Train and Regulate Supply Chain Management Practitioners.

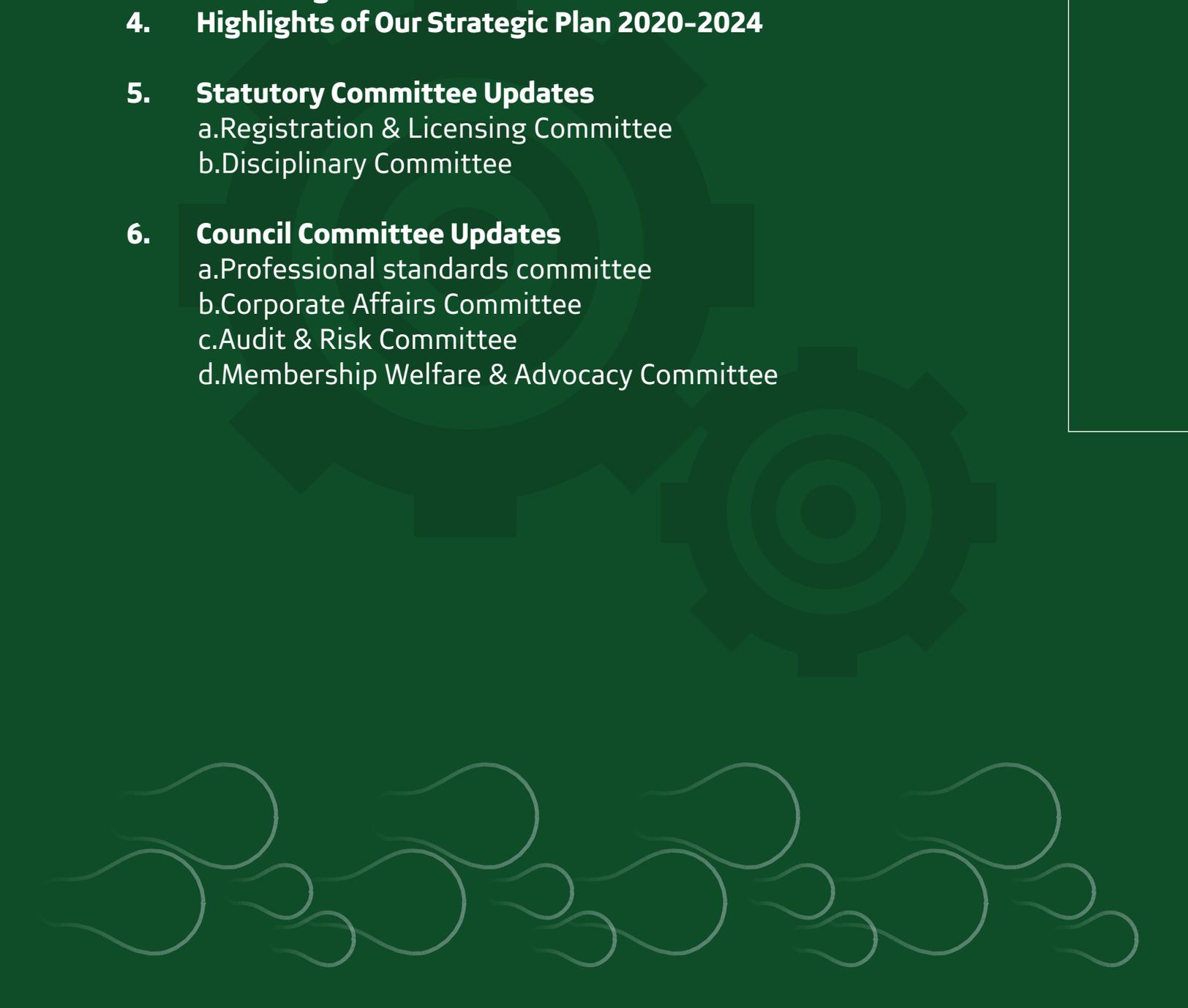


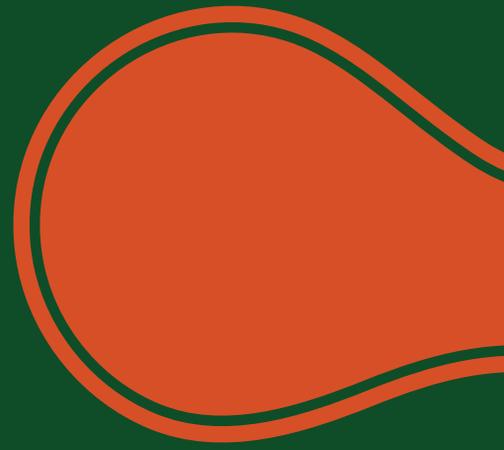
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FORWARD BY CHAIRMAN



Mr. John Karani,
MKISM, MCIPS
Chairman

“

As we look back to the year in review, we achieved critical milestones in the journey of transforming both our Institute and the Supply Chain Profession at large by amplifying the critical role that supply chain plays in our nation and beyond. But despite all these milestones, we cannot afford to sit on our laurels; we have only just begun the hard work of building a solid foundation for a profession that we can be proud to bequeath the next generation.

”

LAYING A SOLID FOUNDATION FOR SUSTAINABLE SUPPLY CHAIN MANAGEMENT TRANSFORMATION

Esteemed fellow Council Members, KISEB Board of Directors, KISM Members, our parent Ministry the National Treasury, our Sister Institution, the Public Procurement Regulatory Authority, our Esteemed Partners, and most importantly, our students, the future of our profession:

It is my singular pleasure to welcome you all to our second Annual General Meeting (AGM) as the first substantively elected Council. This report is a dual-pronged edition that covers both the Annual Report for 2021 and the activities of the 1st Quarter of 2022.

This Annual Report provides a concise, material and honest assessment of how KISM has grown over the last year. It provides an overview of the impact made through the Council and Statutory Committees, operational and governance performance, and activities undertaken by Management for the Institute in the financial year 2021.

This Financial report embedded in this report is prepared in accordance with the International Financial Reporting Standards (IFRS) Framework and the International Integrated Reporting Framework. The Annual Financial Statements have been audited by the Office of the Auditor General in line with the Public Audit Act,

2015 as the Institute is in receipt of grants from the National Treasury.

This report provides information on the key matters we believe are in the interests of our members and could substantively affect the value creation at KISM. Written primarily to provide an overview of the strides made by the Institute in the achievement of its mandate in the FY2021, the report enables members and key stakeholders to make an informed decision of KISM's ability to attend to members needs as well as provide efficient and effective regulation of the supply chain profession.

It presents the identified material information through a clearly structured narrative that provides an overview of the key activities undertaken by the Institute in the FY 2021. It is important to note that the financial statements submitted are for the FY 2019 due to delay in ratification of the Annual Audit reports by the Office of the Auditor General. It is our belief that the same will be regularized within the financial year to enable detailed reporting of the subsequent years in the next FY 2022.

The Council's Audit and Risk Committee and the Corporate Affairs Committee provide internal assurance to the Council on the execution of the 7

strategic pillars. The Institute's financial, operating, compliance and risk management controls are assessed by the Internal Audit function, which is overseen by the Council's Audit and Risk Committee.

The Council believes that this report addresses all material issues and presents a balanced and fair account of the Institute's performance for the reporting period, as well as an accurate reflection of our core strategic commitments for the short, medium and long-term institutional operations.

As we look back to the year in review, we achieved critical milestones in the journey of transforming both our Institute and the Supply Chain Profession at large by amplifying the critical role that supply chain plays in our nation and beyond. Notwithstanding the ravaging aftermath of the effects of Covid 19 pandemic on our economy, we thank God for the resilience of both our institute and fortitude of our members which has seen the SCM profession emerge stronger and bolder as we face this new normal. We would not have made any progress without your continued support and prayers.

As we look forward into 2023 and beyond, we will refocus our energies on the bringing to fruition the projects that we have initiated and continue to work on with our stakeholders

to amplify the strategic role that SCM plays the national discourse. This report also highlights how we closed the year 2021 with our inaugural National Dialogue on Supply Chain Transformation thus giving our members a rich menu from which to savour.

Finally, I wish to express my sincere gratitude and appreciation to our members, practitioners, the Secretariat and our partners for their exceptional support in the past years to ensure our profession thrives and grows amidst the turbulent economic times our country and the global economy at large is going through. We are truly living in an unpredictable VUCA environment which calls for resilience and fortitude because this too will come to pass.

Fellow professionals, despite all these milestones, we cannot afford to sit on our laurels; we have only just begun the hard work of building a solid foundation for a profession that we can be proud to bequeath to the next generation. I do not regard myself as having "achieved" it yet; but one thing I do: forgetting what lies behind and reaching forward to what lies ahead, I press on toward the mark for the prize of the high calling of Servant Leadership.



The Council Members



THE COUNCIL MEMBERS

KISM is a public entity established under the “Supplies Practitioners Management Act No.17 of 2007” to promote “learning, development of best practices, and application of the same to the practice of procurement and supply chain management”. It licenses and regulates the procurement and supply chain management (P&SCM) profession in Kenya. Anyone that practises P&SCM in Kenya must be registered by KISM and pay the subscription fees and annual dues.



John Karani, Chairman of the Council
BA-Economics, MBA, MKISM, MCIPS, C-MILT, AoEC

Seasoned Pan African Supply Chain professional with over 30 years’ experience in major blue-chip multinationals among them Coca-Cola Africa, Wrigley’s East Africa, Glaxo-Smithkilne, Diageo, Kenya Cooperative Creameries and Kenya Meat Commission. Board Member/Chairman of several public & private sector organizations. He is currently a Supply Chain Consultant with several Regional & International Organizations



Grace Murichu-Kariuki, Council Member,
B.Com., MBA, MKISM, MCIPS

Over 25 years’ experience in Human Resources and Supply Chain Management, currently serving as Deputy Commissioner Supply Chain Management at the Kenya Revenue Authority. Grace is a Charter Member of the Rotary Club of Langata. She is the Chair of the Finance & Corporate Services Committee.

Jeremiah K. Nthusi, Council Member, BCom,
MSc Proc & Logistics, MBA, MCIPS, MKISM

A seasoned SCM practitioner with over 28 years’ experience in Financial Management, Procurement & Logistics Management a Certified Trainer of Trainers. Currently Director, SCM at the Judiciary. Pursuing PhD in SCM. He is the Chair, Professional Standards Committee of the KISM Council



Nimo Abdullahi Hussein, Council Member
MCIPS, MKISM, Msc. Procurement & Logistics

Is a Supply Chain Specialist boasting an illustrious career spanning over twelve years in the energy and service sectors and winner CFC Stanbic rising stars awards 2015 Energy, Chemical and Construction category. She is the Chair of the Membership and Advocacy committee.

Diana Nadzua Mwacharo, Council Member
BCom, MCIPS, MKISM

Over 15 years’ experience in Public Procurement from Posta Corporation of Kenya, Independent Electoral and Boundaries Commission (IEBC), Sacco Societies Regulatory Authority (SASRA), and currently Head of Procurement in Salaries and Remuneration Commission (SRC). Passionate about Youth Mentorship, Technology and Innovation in Supply Chain and Governance. She is the Chair of the Audit Committee



Moses A. Omondi, Council Member
Msc. (Proc), C-MILT, ITC, MKISM

SCM Consultant / Specialist with 25 years SCM experience in largely the private sector background with multi-industry exposure in both local and multinational firms. Has undertaken assignments with International development Agencies, including ESDA, UNCTAD, Horti-Green, USDA, EU/CDE, AfDB. He’s the erstwhile Head of SCM at Intercontinental Group. Served as Group Procurement Manager, Accesskenya Group. Headed Contracts & Procurement Dept. Daystar University and was Purchasing Officer at Tibbett & Britten Africa. He chairs the Registration & Licensing Committee.

Dr. Vincensia Anyango Apopa, Council Member
MKISM, MCIPS, BSC, PhD (Supply Chain)

Over three decades, experience in Supply Chain Management with increasing roles & responsibilities in large and medium sized organizations in the public sector ranging from Agriculture, Social Services, Infrastructure and Currently the Head of Supply Chain at National Construction Authority. Chaired the taskforce developing National Public Procurement and Asset Disposal Policy. She is the chair of Disciplinary Committee.



Henock Kirungu, Council Member, Rep DG PPRA
MKISM, BCom, Diploma (Supplies Mgmt), MBA

He has over 25-years’ experience in public procurement. Currently, the Acting General Manager/Technical Services of PPRA. Substantively, the Board Secretary of the PPARB. He previously served as the Manager/Policy and Research at the defunct PPOA. He is an alumni of the United States International Visitor Leadership Program on Procurement Operations.

Director Public Procurement Directorate
representing the Permanent Secretary,
National Treasury/Planning



Dr. Martin Gachukia, Registrar
MKISM, BPhil, MSC, PhD (Supply Chain)

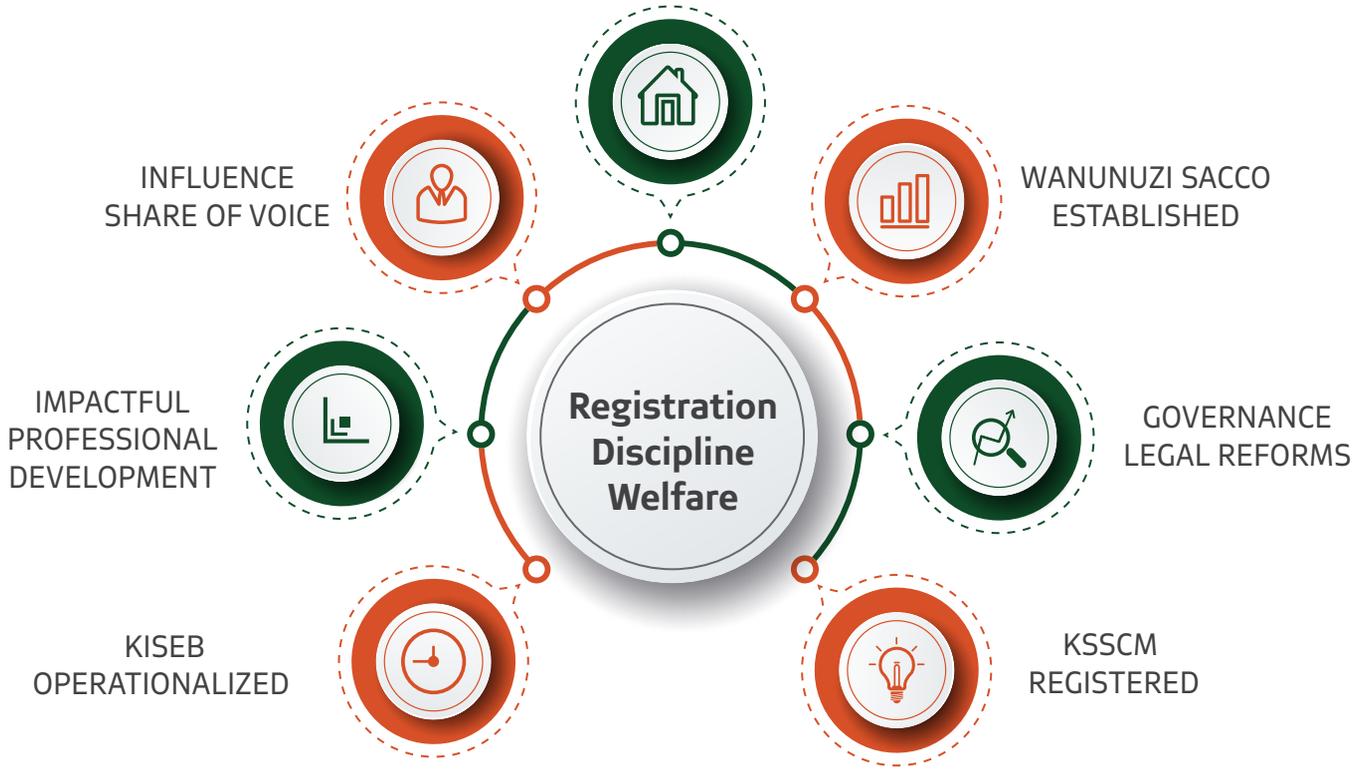
Acting Chief Executive Officer/Secretary to the Council

Our Promises



REVISITING OUR PROMISES

AUTOMATED
MEMBERSHIP PORTAL



Strategic Plan Highlights



STRATEGIC PLAN HIGHLIGHTS

OUR GOAL
 Empowered, Competent & Ethical Supply Chain Management Practitioners impacting the Economy for Prosperity and for Posterity.




OUR STRATEGIC FOCUS AREAS

- Membership Registration
- Membership Discipline
- Regulation of Practitioners
- Membership Welfare
- Training & Capacity Building
- Financial Sustainability
- Institutional Strengthening

BALANCE SCORE CARD

Financial	Financial Health & Sustainability
Customers	Empowered & Satisfied Members/ Customers
Internal/process	Efficient & Effective Processes
Learning & Development	Motivated & Competent Workforce




OUR MISSION
 Train, Register, License, Discipline & Regulate Supply Chain Management Practitioners.



OUR VALUES

- Integrity
- Fairness
- Transparency
- Accountability
- Professionalism
- Inclusivity
- Innovation



OUR VISION
 Competent and Ethical Supply Chain Management Practitioners



OUR STRATEGIC DIVERS

- Customer Experience
- Operational Excellence
- Employee Engagement
- Financial Sustainability
- Corporate Social Responsibility

Key Highlights

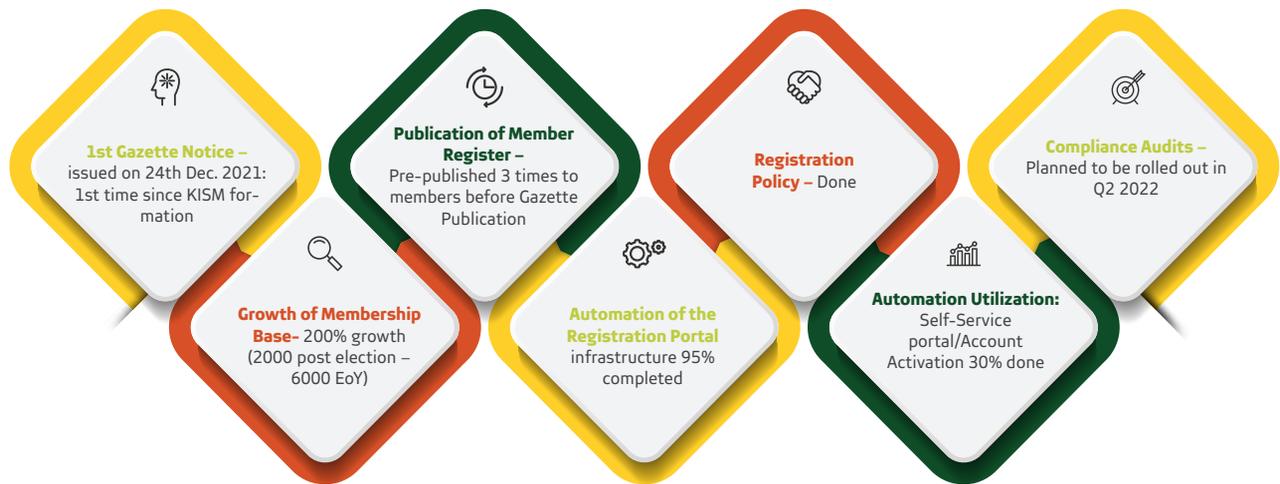


KEY HIGHLIGHTS

Membership Registration & Licensing

Key Mandate is to receive applications, approve applications, grant practicing certificates and licenses, monitor compliance with professional standards, quality assurance as per SPMA.

Focus Areas & Key Result Areas



Disciplinary Policy Launched



Entrenching Professional Standards

- CPD Policy Implemented: Mandatory to earn CPD Points to entrench professionalism & continuous learning
- Enriched & expanded options for practical & relevant training for Members; free CPD points opportunities; continuous review of charges to ensure affordability
- Accreditation Policy of Partner Trainers in place; but capped to xx% of points required
- Continuous Training Needs Analysis & Segmentation:
 - Regional/County/Inhouse focused and specialized trainings
 - Training Team’s Effectiveness: TOTs for Facilitators ongoing process
 - Online Certifications with CILT, APICS, CIPS, ITC, ICS
 - Digital Learning Platforms/Webinars/Research to expand scope for CPD points
 - Partnership with Strathmore Business School on Executive Leadership Training to expand scope
 - CEO Roundtable sessions to ensure strategic role of SCM is entrenched...

Statutory Committee Updates



STATUTORY COMMITTEE UPDATES

1.Registration and Licensing Committee

Legal provision:

Registration and Licensing Committee's mandate is principally derived from the Institute's Mandate specifically under Section 3(1) of the Supplies Practitioners Management Act, 2007 (the SPMA) to, amongst other functions to register and license all supplies practitioners in Kenya and to regulate their practice.

This is a Statutory Committee that is charged with the mandate to register and license members functioning as professionals in the field of Supply Chain Management (SCM). steering registration and licensing of professionals as well as registering and licensing body corporates.

A.COMMITTEE MEMBERS

NAME	STATUS
Mr. Moses Allan Omondi	Chairman
Mr. Jeremiah Nthusi	Member
Mr. Hosea Kemboi	Member
Ms. Nancy Kimemia	Member
Mr. Samson Mugwe	Member (FKE)
Mr. Peter Ndung'u	Member (PPRA)
Mr. Joyce Simiyu	Member (AG)
Mr. Paul Nthiga	Member (KNEC)
Dr. Martin Gachukia	Registrar / Secretary

Functions

The Committees functions as detailed in the Supply Chain Management Act, 2007 are as follows:

- Receive applications for registration;
- Approve applications for registration and grant of practicing certificates and licenses in accordance with the provision of this Act;
- Monitor compliance with professional, quality assurance and other standards published by the Council for observance by the members of the Institute;
- Prescribe regulations to govern quality assurance programmes including actions necessary to rectify deviations from published standards;
- Where appropriate and based on the results of a quality assurance investigation recommend to the Council that a member's conduct be referred for inquiry under section 23;
- Advise the Council on matters pertaining to professional and other standards necessary for the achievement of quality assurance;
- Perform any other functions connected therewith or incidental thereto.

STATUTORY COMMITTEE UPDATES

Achievements

A. Registration Automation

New System Infrastructure installation – done 95% and enable online processing of

- New Membership application,
- Membership Upgrade.
- License application (module under tests/ trial phase)

Membership self-service portal / Accounts Activations

- Done Approximately 30%. We encourage members to continue to activate their accounts.
- This is a direct member responsibility, the more we activate, the more we widen accurate details for effective member reach and communication flow.
- Online member pay-gate system installed and integration is completed and operational,
- Online Applications, approval process embedded on the system, hence ensuring efficient approvals by the Registration Committee. (RC)

B. Recruitment of Registrar

KISM Council recruited a Registrar as per SPMA 2007, the first time ever the institute has had the role filled. A milestone that will assist in further strengthening secretarial services for the Registration Committee.

C. Gazette Notice Publication –Licensed Members

The Council through Registration Committee, on December the 24th 2021 published the first-ever list of bonafide licensed practitioners since the inception of the institute and enactment of the SPMA law. Going forward Gazette notices will be published annually . We encourage members to work towards full compliance existing laws.

D. Notices for Compliance to SPMA

The Council has issued various public notices to all Accounting Officers / CEO's of various institutions and copied to various key stakeholder including the National Treasury, Ministry of Education (public schools), Ministry of Foreign Affairs (International development agencies & Embassies), KEPSA & KAM (Private sector), NGO Board (NGO's) Public Service Commission (Public Service) to comply with the requirements of SPMA 2007 Section .16 & Section.20. The Council also highlighted the various sanctions in SPMA under section 29-32.

In addition, the Council is working on an MoU with EACC, PPRA, DCI, IHRM, KEPSA to include membership & licensure as part of its Audit or Investigative points under Supply Chain Management reviews.

Complaint's audits jointly conducted with the selected enforcement agencies have been scheduled from Q2 of 2022.

E. Membership Growth

From approximately 2000 active members in the year 2020, membership has presently significantly increased to over 5000 active members.

F. Private Sector Membership

Increased interest interests from private sector on KISM membership with mainly the help of KEPSA & KAM, private sector membership has been joining in from health sector, tea firms, hospitality, textile manufacturer's, logistics firms, banks, universities, consultants, Embassies, International development Agencies etc. Current sector ratio i.e. Public: Private is 70:30

G. 2021 (Active) Membership

2021 Membership and license renewals are summarized as below with a total of 5,381 being membership of all categories.

STATUTORY COMMITTEE UPDATES

2021	Full Members	Upgrades	Associate	Students	Licensed
Renewals	3,474	-	403	-	1461
New Applications	1,255	96	-	153	484
Sub-totals	4,729	96	403	153	1,945
Totals				5,381	

H. Member in Good Standing / CPD

As a pre-condition for a member to be registered in the preceding year, a member has to be in good standing, i.e. having undertaken Continuous professional development (CPD) in the year to grant them CPD points. (currently 24 CPD's) The key idea on CPD is to always improve member capacity and capability on their present and even future work assignments and as well provide, great networking opportunities with fellow professionals and the added advantage of certified learning.

The report on CPD membership compliance for Registration is as below. We noted a significant increase on members who are doing CPD's. In addition, we observed Non-members / cross-functional teams from other organizations also participated in our CPD programs.

Compliant with ≥ 24 CPDs	Non-Compliant 12 to 23 CPDs	Non-Compliant 12 and below CPDs	Non-Compliant with 0 CPDs
2,646	740	1,654	685

I. Record Verification & Register Clean-up

KISM verifies member records as provided for in the SPMA 2007–Registration Regulations. A member submits copies of certificate/s verified by Commissioner of Oaths and signs a declaration statement that all documents provided are to the best of their knowledge true. In the event of random checks or new details emerge that the said documents are falsified, the regulations provide for a disciplinary procedure, that can lead to removal from the KISM register. This is a common practice with many professional bodies like IHRM, LSK as well enforcement agencies like EACC, DCI.

In 2021 the Registration committee conducted a membership data clean-up exercise. A total of 56 duplicate records were expunged. Over 2000 serial numbers randomly skipped were also retired. The key benefits realized from the exercise was to allow for efficient processing of Registrations. And ensure ease of tracking. In addition, the member self-portal account (above) once activated by all membership will allow for a better registration experience.

J. New Registration & Licensing Policy

A new registration policy was developed and is now in place. It provides a guideline and framework for all registration activities as derived from the SPMA Act & attendant regulations.

In the year under review the Draft Registration & Licensing Policy was prepared, accepted and reviewed by the Committee. Sensitization of the policy was done between 30th August to 3rd September 2021 and changes proposed incorporated. The scope of application of the registration and Licensing policy was appreciated as an essential tool for professional recognition and designation for professionals. The validation of the Policy was done via public participation and the policy is now in place.

STATUTORY COMMITTEE UPDATES

2. Disciplinary Committee

Legal provision:

The Disciplinary Committee is a Statutory Committee established under section 22 of the Supplies Practitioners Management Act, No. 17 of 2007 is mandated to receive and investigate complaints related to cases of professional misconduct. The Committee may order the removal from the register, suspension of registration or revocation of the practicing license of a supplies practitioner or the imposition of a fine on a supplies practitioner.

Committee Members

S/N	NAME	STATUS
1.	Dr. Vincensia Apopa	Chair
2.	Ms. Joan Kweyu	Member
3.	Mr. Anthony Ogwang	Member
4.	Mr. Alfred Baliach	Member
5.	Advocate S. Masila	Member/LSK Rep
6.	Ms. Judith Chimau	Member/Attorney General Rep
7.	Dr. Martin Gachukia	Secretary/Ag. CEO

Key Milestones:

The committee developed and published the first ever disciplinary policy, disciplinary procedures guidelines and the code of ethics and standards of professional conduct. The policy provides a framework of the disciplinary process that registered members will be subjected to when need arises. The Policy and the Code's main objective is to bring positive transformation in member's professional behavior and provide guidance through setting standards to assist members in dealing with ethical dilemmas they may face in the course of their duties.

The disciplinary Instruments were successfully launched on 11th November, 2021. So far the committee has received four (4) complaints of which three are in different stages and one has been fully processed where the committee gave its first Disciplinary case determination of the complaint on Illegal procurement practices and the judgment delivered on 28th March 2022 and subsequently published in the Institute's website.

The committee is currently working on an investigation procedures manual that will ensure systematic approach to an investigation, and provide a detailed plan on sensitization to give more insights to the members on the disciplinary instruments.



Council Committees



COUNCIL COMMITTEES

1. Professional Standards Committee

Mandate

The Professional Standards Committee (PSC) is a committee of the Council established pursuant to Section 1(1) of the First Schedule of the Supplies Practitioners Management Act, 2007. Its function is to assist the Council in professionalisation of procurement practice in Kenya. The Committee is responsible for promoting capacity development in the procurement and supply chain management profession by developing policies and providing oversight in training and research. The committee essentially oversees the operations of the Training Department of the Institute and reports to the council on the same.

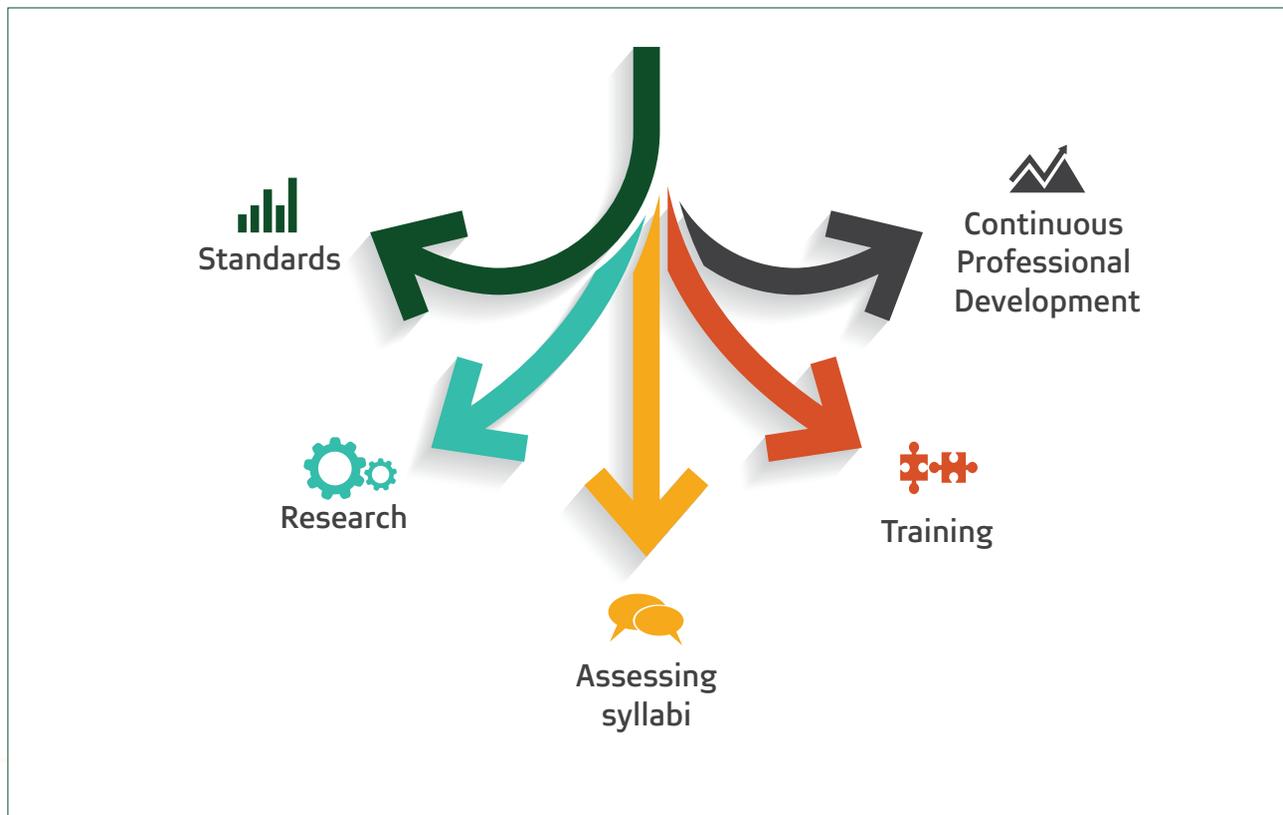
Membership

The Committee, in consultation with the Chairman of the Council, co-opts additional members to support its functions. In the period April 2020 to March 2022, the committee was comprised as below:

S/N	NAME	STATUS
1.	Mr. Jeremiah Nthusi	Chairman
2.	Mr. Moses Omondi	Member
3.	Mr. Bernard Mukundi	Member
4.	Dr. Kevin Omai	Member
5.	Dr. Catherine Kangangi	Member
6.	Mr. Kennedy Ariembi	Member
7.	Dr. Martin Gachukia	Secretary/Ag. CEO

Functions

The functions of the Committee include the following:



COUNCIL COMMITTEES

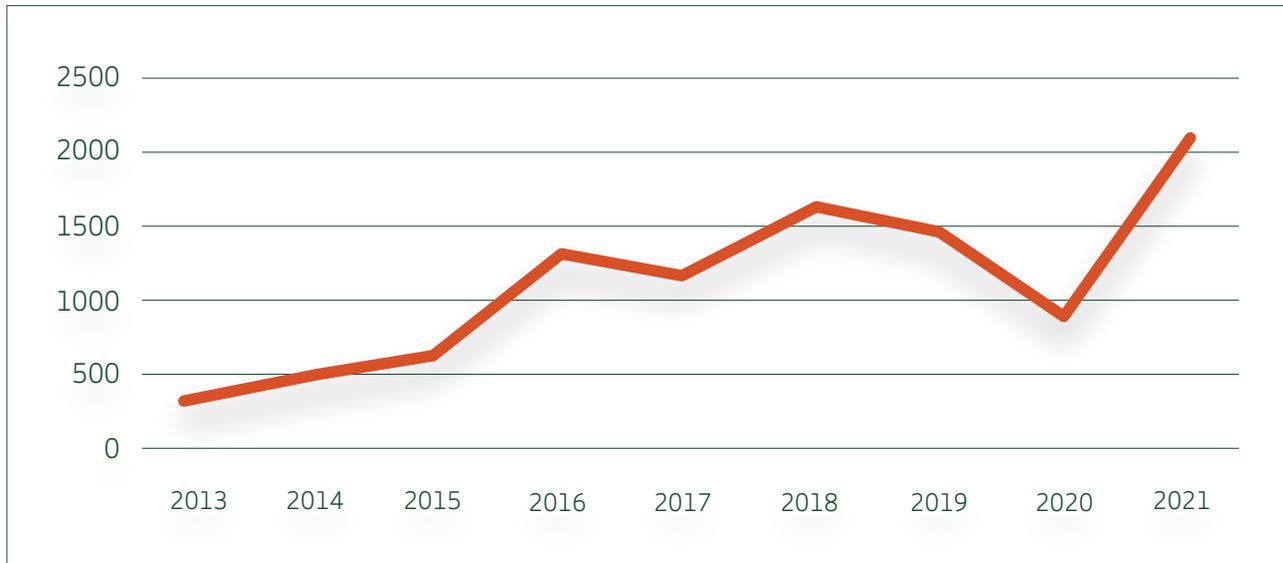
Achievements

A. Training

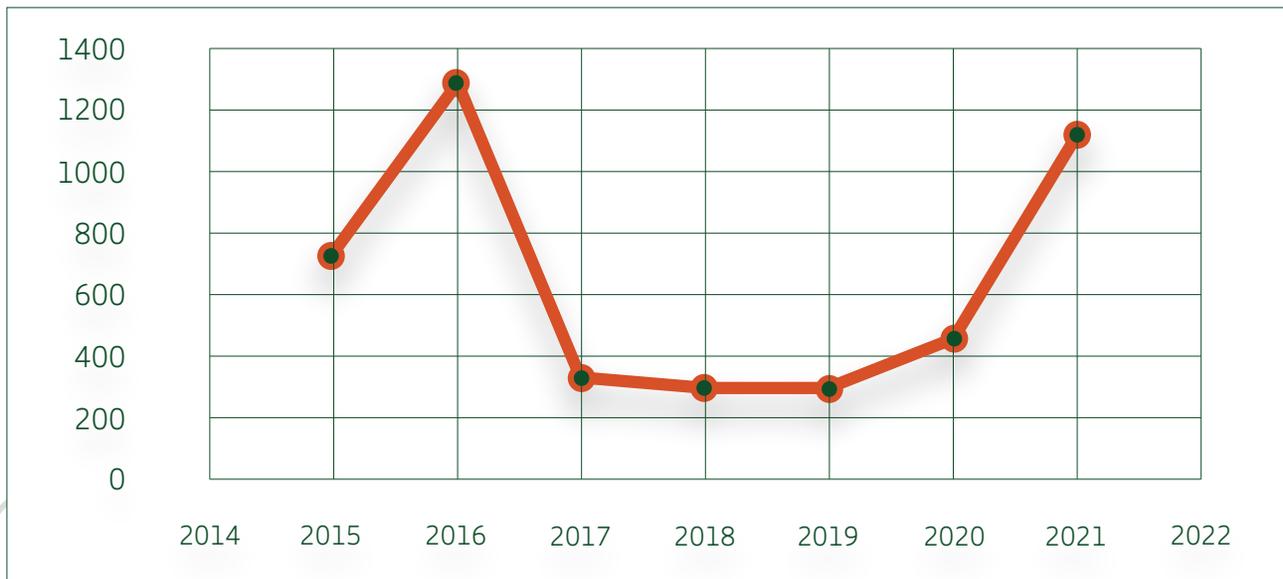
The years 2020 and 2021 were difficult, to say the least. COVID-19 spread like bushfire culminating in a presidential directive suspending public gatherings and meetings from time to time. This affected our CPD calendar for the two years to a great extent. By the time of the lockdown in April 2021, the Institute had already conducted 3 workshops in the months of January, February and March, 2021. We took advantage of the period during which the in-person workshops were not running to develop necessary management tools that would go a long way in improving the standards of SCM practice. Thanks to relaxation on sensation of movement in the zoned area, we were able to resume the in-person workshops in May 2021. Sadly, we had to suspend in-person training again in August owing to the same COVID-19 pandemic. The challenges notwithstanding, twenty-six (26) workshops were conducted in the year 2021. A total of 2,035 participants were trained in the 26 workshops. A further 1090 individuals were trained in the In-house workshops in 35 separate workshops conducted for 29 different organizations. 455 participants have been trained in 8 separate workshops in the first quarter of 2022. 10 in-house workshops have been delivered.

Summary of workshops and in-house trainings in the previous years to 2021 is as per the figures below.

Calendar Trainings 2013-2021



In-House Growth Curve 2015 -2021



COUNCIL COMMITTEES

B. Virtual webinars

Introduced as a measure to keep members learning during the COVID-19 pandemic period, the webinars now form part of KISM's product portfolio. The events are short and offer a low-cost avenue for members to hone their professional skills and keep abreast on the emerging topical issues and trends in PSCM practice. Attendees of the webinars earn CPD points. Several webinars have been organized so far, some of the webinars are free while others are highly subsidized with offers as low as KSHS. 500 for a two-hour training session. In 2021 alone, 15 webinars were done and 3,498 practitioners trained through this virtual platform. Webinars are still running in 2022.

C. 2022 CPD Calendar

The partial lockdown in April 2021 coincided with the release of the new Standard Tender Documents (STD) by the Public Procurement Regulatory Authority. Once the in-person workshops resumed, there was a need to revise the 2021 CPD calendar to accommodate training on the new STD. Owing to high demand for training on the New Standard Tender Documents, the 2022 CPD calendar has quite a number of trainings on the same. However, the programs on new STD in 2022 aim at attaining in-depth understanding and application of the new standards in day-to-day procurement practice. Other unique features of the 2022 program include; The World Bank program scheduled for June, an Executive SCM course targeting board members and senior management, a supplier symposium in June, a collaborative workshop with the EACC and the 2nd National Dialogue on SCM scheduled for November. The Regional Conference is likely to run in the month of December. In 2022, KISM workshops will also be done in towns where the Institute hasn't organised workshops before. The towns include Nanyuki, Kakamega and Meru. The 2022 CPD training calendar is rich in depth and scope in SCM content coverage and takes care of practitioners in all the sectors of our economy.

D. Lowered Training Costs

The PSC has advocated for lowering of training fees since coming to office in early 2020. The table below shows a comparison of training fees for the year 2019 and 2022.

YEAR		2019 (KSHS)	2019 (KSHS)	PRICE REDUCTION
3 DAYS (No. of Training Days)	Members	78,500	48,000	(30,500)
	Non-members	80,500	53,000	(27,500)
4 DAYS (No. of Training Days)	Members	74,000	50,000	(24,000)
	Non-members	80,000	55,000	(25,000)
5 DAYS (No. of Training Days)	Members	86,500	60,000	(26,500)
	Non-members	93,500	65,000	(28,500)

E. Training of Trainers (ToT)

KISM advertised for trainer opportunities in 2020. The shortlisted applicants were taken through a ToT course from 17-18 June 2021. The main objective of the TOT was to sharpen the training skills of KISM's seasoned trainers as well as equip new trainers with beginner skills for training. The Institute is committed to continuously develop and expand its database of trainers for high quality training.

COUNCIL COMMITTEES

F. CPD Policy

The CPD Policy draft first developed in 2012 was revised following a desk benchmarking with ICPAK, IHRM, LSK. In 2020, the Institute put in place a structure for recognition of CPD among its members by way of introducing enforceable CPD guidelines. The guidelines required that members earn 48 CPD points in a year in order for them to be allowed to renew their membership for the consecutive year. However, the CPD requirement for 2020 was reviewed downwards to 24 due to the impact of COVID-19 pandemic on training. The Guidelines were revised in 2020, the new guidelines were enforced from 2021. In the year 2021, PSC embarked on a journey to document the CPD guidelines in an Institutional policy, The KISM CPD Policy. Stakeholder engagement on the Policy development alongside the Accreditation policy was done in July 2021. The draft policy was validated by members on 14th February, 2022 on the virtual platform. 400 members attended the validation meeting on ZOOM.

G. Accreditation Policy

Closely related to the CPD policy, is the Course Accreditation Policy. The existing CPD guidelines make provision for award of CPD points for trainings accredited by KISM. To this end the PSC initiated the development of the Accreditation Policy with the key objective of reviewing proposed trainings for sufficiency before endorsing the trainings with an accreditation number which would lead to award of CPD points to attendees of such trainings. Like the CPD policy, stakeholder engagement in the development of the policy was done in July 2021, member validation was done on 14th February, 2022.

H. Accreditation of other trainers

We accredited 15 courses for 3 firms in 2021 under the 2021 guidelines. Accreditation is currently done on course-by-course basis. A unique accreditation number is given to each accredited course and applicable CPD points attached to the specific course.



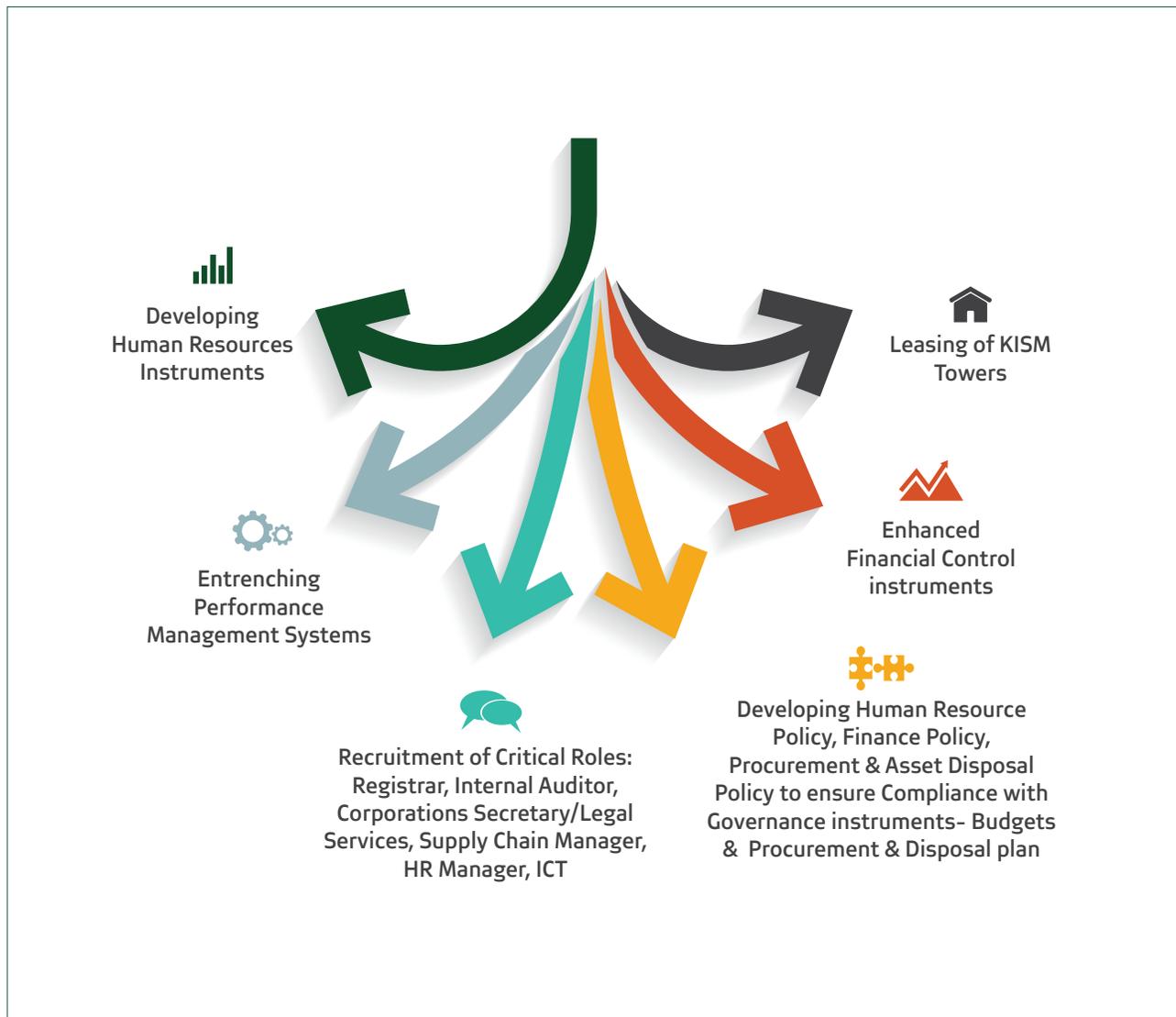
COUNCIL COMMITTEES

2. Corporate Affairs Committee

S/N	NAME	STATUS
1.	Ms. Grace Murichu	Chair
2.	Ms. Nimo Hussein	Member
3.	Dr. Vincensia Apopa	Member
4.	Mr. Jeremiah Nthusi	Member
5.	Dr. Martin Gachukia	Secretary/Registrar and Ag. CEO

This is a Council Committee led by Council Grace Murichu. The Committee is tasked overseeing the Governance aspects of the Institute focusing on Financial and Human Resource Optimization. The Committee worked on reviewing the Organizational Structure and entrenching Standard Operating Procedures.

Achievements



COUNCIL COMMITTEES

3. Audit and Risk Committee

S/N	NAME	STATUS
1.	Ms. Diana Mwacharo	Chair
2.	Ms. Aminazara Sigat	Member
3.	Mr. Omaso So Imbayi	Member
4.	Mr. Timothy Mulwa	Member
5.	Mr. Robert Kazungu	Member
6.	Mr. Douglas Gikunda	Internal Auditor

In the past one year, the Audit and Risk Committee under the leadership of Council Member Diana Mwacharo (Ms.) as made commendable achievement in the quest of providing the governing body, Members and other key stakeholders assurance on effectiveness of Institute’s operations in regard to the quality of risk management, financial reporting, financial management, governance and internal control processes.

It is worth noting that the Committee as provided reasoned insights that have continuously added value and ultimately improved the Institute’s operations. Audit charters were successfully developed which the Committee and the governing body at large perceive as monumental achievement since the purpose, authority, and responsibilities of each player in good corporate governance, effective risk management and internal controls have been properly defined and integrated.

Finally, the Committee acknowledges the fact that the Institute is operating in an ever-changing environment and commit to proactively assess emerging risks to enhance and protect stakeholders value.



COUNCIL COMMITTEES

4. Membership Welfare & Advocacy Committee

Mandate

The Committee is tasked with undertaking membership welfare and enhancing advocacy in terms of pursuing products and services that bring tangible benefits to the members. In addition, the committee pursues welfare issues and enhancing the brand image of SCM Professionals by finding ways in which we can tell our story.

Membership

The Committee, in consultation with the Chairman of the Council, co-opts additional members to support its functions. The co-opted Members were competitively recruited by the Council. In the period April 2020 to March 2022, the committee was comprised as below:

S/N	NAME	STATUS
1.	Ms. Nimo Hussein	Chair
2.	Ms. Benignas Luyera	Member
3.	Ms. Priscilla Ndindi	Member
4.	Mr. Andrew Juma	Member
5.	Mr. Mohammed Farah	Member
6.	Dr. Martin Gachukia	Registrar/Ag. CEO



COUNCIL COMMITTEES

Key Milestones

A. KISM Spurs SCM Excellence Awards 2021

KISM Spurs SCM Excellence Awards 2021 was held for the second time on 16th

December 2021 at Pridelnn Paradise, Shanzu, Mombasa. The event ran parallel with the National dialogue themed 'Transforming Supply Chain Management to Drive Economic Recovery and Social Impact.'

To guide the implementation of the KISM Excellence Recognition and Rewards Program, the Taskforce mandated with its implementation, developed a draft policy. The draft policy has been subjected to expert review prior to sharing with members for validation.

B. Regional Chapters Activities

Development of Regional Chapters/Branches is an initiative aimed at realizing the strategic objective of "Decentralizing the Institute's services to members" (KISM Mashinani). A draft policy has been developed by the Taskforce to guide and support its implementation. The draft policy will undergo a stakeholder sensitization and validation process prior to adoption. Member forums have been conducted in the regions including; Mombasa, Kisumu, Eldoret, and Nakuru. Student forums have also been held to support upcoming supply chain practitioners in their career growth.

C. Mentorship Coaching And Internship Program

This program was established as an initiative to enhance member benefit portfolio. A Taskforce was formed to support its establishment and implementation. To achieve this, the Taskforce

developed the KISM Mentorship, Coaching and Internship Policy (KMCIP). The Policy was launched during the KISM Spurs SCM Excellence Awards 2021 Gala Dinner

D. KISM Newsletter

Last year the Institute published one e-newsletter in the first quarter (Jan – Apr) and a special edition newsletter in the month of December. The special edition featured events in the year from April to December including; launch of KISM Towers and Strategic Plan, the National Dialogue and the Awards event. The KISM Newsletters have been developed by Writers' Club members.

E. KISM Writers Club

The KISM Writers club was launched to leverage on Supply Chain Management talents and skills as writers to influence and change narrative of supply chain globally starting locally. We have already nominated editorial committee members which continue being reviewed and undergo training. The aim is to develop concept notes, send out and follow up funding proposals that back our mandate. We will also engage in providing debriefs to State Departments especially comments on Budgetary proposals & topical areas

F. KISM /NBK Membership Cards

The Council terminated the MoU for provision of visa membership cards by National Bank. The decision was arrived after the bank failed to meet its obligation in delivering the cards within the agreed timelines. This initiative has been shelved until a suitable provider offering tangible benefits is identified.



Council SCAC Performance Evaluation



COUNCIL SCAC PERFORMANCE EVALUATION

Council Evaluation

Corporate governance best practices require that Board conduct self-evaluation of its performance on annual basis. Further, Mwongozo, the Code of Governance State Corporations, requires that Board carry out annual performance evaluation and file a report thereof with the parent Ministry and the State Corporations Advisory Committee (SCAC). This is the report of Kenya Institute of Supplies Management (KISM) Board self-evaluation for the year 2020/2021. The evaluation was conducted as a self/peer review with each Board Member completing a form for the Board (BE 1), the Chairperson (BE 2), the CEO (BE4) and self and fellow Board Members (BE3). The results were analyzed to obtain a mean score on each rated item and thereafter the results transcribed into forms- BE1, BE2, BE3 and BE4 presented herein as follows:

-
1.1 Summary of Board evaluation results

1.2 Board Self Evaluation results - Form BE.1

1.3 Chairman of the Board Performance evaluation results -Form BE2

Mr. John Karani Ndiwa

1.4 Individual Board Members Performance evaluation results - Form BE3, in respect of the following Members: -

a) Dr. Vincensia Anyango Apopa

b) Ms. Grace Catherine Njeri Murichu

c) Ms. Diana Nadzua Mwacharo

d) Mr. Henock Korosso Kirungu

e) Mr. Jeremiah Kiio Nthusi

f) Ms. Nimo Abdullahi Hussein

g) Mr. Moses Allan Omondi

1.5 Chief Executive Officer's performance evaluation results - Form BE4: **Mr. James Kaloki**

The following is a summary of the performance evaluation results for the year 2020/2021;

S/N	Name	Position	Total Tally	% Score
1.	Mr. John Karani Ndiwa	Chairman	4.4444	88.89
1.	Dr. Vincensia Anyango Apopa	Member	4.2732	85.46
2.	Mr. Jeremiah Kiio Nthusi	Member	4.0638	81.28
3.	Ms. Grace Catherine Njeri Murichu	Member	4.0306	80.61
4.	Mr. Moses Allan Omondi	Member	4.0136	80.27
5.	Mr. Henock Korosso Kirungu	Member	3.9660	79.32
6.	Ms. Nimo Abdullahi Hussein	Member	3.9223	78.45
7.	Ms. Diana Nadzua Mwacharo	Member	3.8821	77.64
	Cumulative Score: Chairman + Council		4.0745	82.00
	Secretariat			
1.	Mr. James Kaloki (then Ag. CEO)	CEO	2.2464	44.93
	Cumulative score: Council + Secretariat		3.1409	62.82

KEY MILESTONES ACHIEVED BY THE COUNCIL

A. KISEB OPERATIONALIZATION

Kenya Institute of Supplies Examination Board (KISEB) is a body corporate established by the SPM Act No.17 of 2007 of the Laws of Kenya. The KISEB Board was inaugurated in May 2020 for the 1st time since enactment of the Act KISEB is mandated to prescribe and regulate syllabuses, prepare and conduct examinations for professional supplies certification. The goal is to produce professionally qualified citizens with knowledge, skills, expertise and personal attributes in Supply Chain Management to support a dynamic economy.

The KISEB Board Members were competitively recruited by the Council from among Members of the Institute as per the SPMA No. 17, Section 12. In the period April 2020 to March 2022, the committee was comprised as below:

S/N	NAME	STATUS
1	Dr. Wasike Walubengo	Chairman
2.	Ms. Linda Osundwa	Member
3	Mr. Peter Mwangi	Member
4	Mr. Dan Ajele	Member
5	Mr. Mark Kanda	Member
6	Ms. Pauline Opiyo	Member - PPRA
7	Dr. Gillian Mwaniki	Member - KCD
8	Prof. Urbanas Mutwiwa	Member - KEPSA
9	Mr. Leonard Odhiambo	Member - KNEC
10	Mr. Hezron Ndungu	Member - CUE
11	Mr. Lazarus Mulwa	Member - Universities
12	Dr. Fred Ongisa	Secretary/Ag. CEO

Launch of New KISEB Curriculum

KISEB launched a Revised Curriculum (CPSP-K Professional Diploma & APS-K Diploma) on 8th October 2021. This curriculum was developed and reviewed by experienced supply chain professionals, academics, thought leaders and Kenya Institute of Curriculum Development. In 2021 also, KISEB achieved the critical milestone of being accredited by Kenya National Qualification Authority (KNQA) despite being only one year old. It has also been accredited by International Federation of Purchasing and Supply Management (IFPSM). The new curriculum borrows from world class best standards with local contextualization and are expected to be the standard for the supply chain profession.

There are over 7,000 students registered for CPSP-K & APS-K so far and over 72 Training institutions accredited including partners in South Sudan, Somalia, Burundi and growing to gain a regional footprint.

B. Legislative Reforms (Taskforce)

The work of reviewing the SPMA 2007 and it's attendant regulations was done by Taskforce formed by the Council and led by Council Member Henock Kirungu.

The Taskforce, in consultation with the Chairman of the Council, co-opts additional members to support its functions. The co-opted Members were competitively recruited by the Council. In the period April 2020 to March 2022, the Taskforce was comprised as above:

KEY MILESTONES ACHIEVED BY THE COUNCIL

S/N	NAME	STATUS
1	Mr. Henock Kirungu	Chairman
2.	Mr. Geoffrey Rotich	Member
3	Mr. Christopher Odida	Member
4	Ms. Flomina Musee	Member
5	Mr. Boniface Ikumu	Member
6	Dr. Martin Gachukia	Secretary/ Ag. CEO

The SPMA 2007 has finally been reviewed to comply with the 2010 constitution and in keeping with modern developments. This was done with the support of the Kenya Law Reform Commission, the Attorney General's Office, the National Treasury and with input from the Members of the Institute and other Stakeholders. The draft SPMA 2022 Draft has been subjected to Stakeholder and Member Sensitization and feedback incorporated and submitted to The National Treasury. The Council Election Regulations have been prioritized to incorporate electronic voting and mitigate against the inconvenience of centralized voting in Nairobi and have been approved by the Parliamentary Committee on Delegated Legislation and are awaiting publication.

C. Kenya School of Supply Chain Management

The work of establishing the KSSCM was done by Taskforce formed by the Council and led by Dr. Paul Jilani. The taskforce Members were competitively recruited by the Council. In the period April 2020 to March 2022, the committee was comprised as below:

S/N	NAME	STATUS
1	Dr. Paul Jilani	Chairman
2.	Mr. Abednego Oundo	Member
3	Mr. Feizal Fauz	Member
4	Ms. Janet Rotich	Member
5	Mr. Brian Mwelelu	Member
6	Dr. Martin Gachukia	Secretary/Ag. CEO

The Kenya School of Supply Chain Management has been established and in the process of accredited by the Technical and Vocational Education and Training Authority (TVETA). The aim is to create and end-to-end Centre of Supply Chain Management excellence and offer increased product offering to our members thus enhancing the marketability of SCM Professionals. Courses to be offered include our own KISEB certifications CPSP-K and APS-K, Chartered Institute of Logistics & Transportation (CILT) certification, APICS/ASCM, VCARE, CIPS, ITC, ICS, E-Learning platforms, among others

The school has already started attracting students from other African countries and we aim to make a Pan-African Centre of Excellence

KEY MILESTONES ACHIEVED BY THE COUNCIL

D. Research and Consultancy Hub

This is a key initiative by the Council which aims at establishing a Centre of Excellence Hub focusing Research, Consultancy & Resource Mobilization. The strategy is to create a platform for Supply Chain Management Consultants to create consortia leveraging on members' varied experiences and thus create opportunities, expand network with other professionals and generate bankable business proposals and research papers. This team also aims at undertaking industrial & economic studies & research to help policy makers keep pace with the ever-changing business environment. Three consultancies were conducted in 2021 and several concept papers presented to potential funders.

E. County Government Engagements

The Council has embarked on initiatives aimed at enhancing collaboration with Council of Governors & County Assemblies to ensure that capacity building for SCM Professionals is prioritized to entrench professionalism at the County level. The aim of the partnership is to also ensure that SCM Professionals are not victimized when they resist political overtures and that they are not targeted during transitional governments. There is also an important initiative to decentralized SCM roles to Departmental level to increase roles for SCM professionals.

F. Entrenching SCM Professionalism in Schools

There are many schools which have bigger procurement budgets than many Procurement Entities but being

managed by non SCM professionals. To this end, KISM, through the Research & Consultancy arm has developed a Concept Note and presented to Ministry of Education motivating for the training Secondary School Principals and Heads of TIVETs on PPADA 2015 and attendant Regulations, 2020. Also lobbying for schools with a budget above a certain threshold to establish Procurement Functions to ensure good Procurement Practices and Value for money.

G. Amplifying the Role of SCM Professionals

We continue to work with stakeholders to amplify the fact that SCM is a Strategic function and not clerical/tactical/operational. We are steadily gaining recognition as an Institute and as SCM Professionals. But there is still a lot of work to be done in aligning County Governments especially County Governors and MCAs. Within many Procurement Entities, SCM Professionals must continue to fight to earn a seat at the table by continuously and strategically engaging Accounting Officers, User Departments, Technical, Evaluation, Implementation Committees among others.

H. Strategic Partnerships

The Institute has initiated Strategic Partnerships with several Institutions for the furtherance of Members needs and aspirations. Specifically, we are working on a Partnership with Strathmore University to expand the depth and breadth of Leadership and Strategic Training opportunities for our members.



KEY MILESTONES ACHIEVED BY THE COUNCIL

Wanunuzi Sacco



S/N	NAME	STATUS
1.	Dr. Harley Mutisya	Chair
2.	Dr. Peter Munene	Vice Chair
3.	Ms. Lois Thuge	Secretary
4.	Mr. Ronald Sang	Treasurer
5.	Mr. Idy Pembere	Member
6.	Mr. Amos Sikuku	Member
7.	Mr. Dennis Ombachi	Member
8.	Mr. Kevin Okinda	Administrator

WANUNUZI SACCO is registered in accordance with the Co-operative Societies Act. Wanunuzi SACCO is specially formed for the Supply Chain Management professionals aimed at positively transform members' lives by developing a culture of saving for future investments. The SACCO aims at forming a strong welfare part of the supply chain profession, where members can save and gradually grow their savings and create a resource pool of funds from which loans can be borrowed for productive purposes at a fair and reasonable interest rates.

After one and half years of savings and pulling resources together to loan members, we are happy to announce that we have finally given our first loan to our members. During this first quarter of the year 2022, the management committee of Wanunuzi Sacco approved its first loan to four members who applied. We are glad to have approved the first batch of loans to our members after few months of savings. As a committee, we are delighted that apart from member growth, the SACCO deposit has been on an upward growth every month. The member growth has been good despite the challenges with Covid-19. We look forward to more KISM members joining us so as to move from the two hundred and thirty members as at the end of December 2021 to five hundred members by end of this year 2022,' said Dr.Harley Mutisya, Wanunuzi SACCO chairman.

The SACCO management committee has come up with well though SACCO products which will benefit members of the supply chain community.

The current SACCO loans include the following:

- a) Emergency Loan
- b) Normal Loan
- c) Investment loan

SACCO SAVINGS include:

Elimu savings (For you and your family)
Mwana KISM savings (For renewal of KISM membership/licence)

BENEVOLENT FUND

Wanunuzi SACCO benevolent fund has recently been on high demand among the supplies practitioners. The fund is meant to caution supplies practitioners from financial shock that comes when they lose their loved ones.

The premiums and benefits are as follows:

Going forward, the SACCO will focus on membership retention and growth. All procurement and supply chain practitioners are encouraged to join the SACCO so we can all grow together

For more information on the SACCO and how you can join, please go to our SACCO

website: www.wanunuzisacco.or.ke.

Email: admin@wanunuzisacco.or.ke

KISM TOWERS FUNDING & LEASING UPDATE



KISM Towers is an ultra-modern office block developed by the Kenya Institute of Supplies Management. It is located along Ngong Road. Our objective is to lease out the building and keep all current invoices at 100% collection. The Building has Twelve (12) Office floors, 3(Three) parking levels, Ground Floor, Mezzanine Floor & Basement floors. The building has Three (3) parking levels; Basement 1 to Basement 3 with additional parking slots on ground floor. The number of enquiries has increased in the last few months. Most of the enquiries are for spaces between 500 to 1,200 square feet. We have however received more enquiries for spaces above 1,600 sq. ft as recommended by the architect. We are leasing the spaces at a rent rate of between Kshs. 80.00 to Kshs. 90.00 per square foot depending on the size of the space and parking at Kshs. 7,000 per bay per month. This is based on the current market rates and comparables obtained from the immediate neighborhood. Service charge is at a rate of Kshs. 25.00 per square foot.

a) Incoming Tenants

TENANT NAME	FLOOR	AREA	USER
Linga Medical Engineering Ltd	Ground and Mezzanine Floor (Part) Shop 1	1,799 sq. ft.	Pharmacy
Faulu Microfinance	Ground and Mezzanine (Part) Shop 2	3,171 sq. ft.	Banking

b) Existing tenants

TENANT NAME	FLOOR	AREA	USER
Bunisha Limited	Ground and Mezzanine (Part) Shop 4	2,803.20 sq. ft.	Tender Management Platform
Linga Medical Engineering Ltd	1st Floor	2,663 sq. ft.	Outpatient Hospital (Equity Afia)
Zhengtai Electrics (Kenya) Co. Ltd	8th floor	2,663 sq. ft.	Electrical company
Paran Africa Ltd.	8th Floor	1,688 sq. ft.	TV & Radio Station
Third Floor Digital Limited	9th Floor	1,878 sq. ft.	Photography
Moskom Venture Ltd.	9th floor	2,472.84 sq. ft.	Call center platform
OWNERS			
PPRA	5th ,6th & 7th Floor	25,459.50 sq. ft.	Owner
Kenya Institute of Supplies Management (KISM)	11th and 12th floor	16,973.00 sq. ft.	Owner

Summary Tenancy:

Total space: 111,670.00 sq. ft.

Owner Occupied Space: 42,432.50 Sq. ft.

Leased space: 19,138.04 sq. ft.

Occupancy rate: 55%



Abridged Financial Report



ABRIDGED FINANCIAL REPORT

The six-year financial overview is given below. The general observation inferred from the graph below shows a growing trajectory for most of the business and revenue sources.

FIVE YEAR FINANCIAL REVIEW

2014

Income

Grant from Partners	Membership Subscriptions	Workshop Receipts
32,229,245	8,191,750	43,778,523

Membership Dinner	Programme Tuition Fees	Other Income
1,644,000	13,170,900	8,915,168

Total Income
107,929,586

Expenses

Administrative Expenses	Operating Expenses	Operating Surplus/ (Deficit)
48,513,129	31,887,627	27,528,829

2015

Income

Grant from Partners	Membership Subscriptions	Workshop Receipts
19,418,435	8,852,000	61,346,910

Membership Dinner	Programme Tuition Fees	Other Income
1,345,500	13,133,100	9,326,682

Total Income
113,422,627

Expenses

Administrative Expenses	Operating Expenses	Operating Surplus/ (Deficit)
55,912,297	35,545,901	21,964,429

2016

Income

Grant from Partners	Membership Subscriptions	Workshop Receipts
6,175,632	14,008,500	121,335,400

Membership Dinner	Programme Tuition Fees	Other Income
995,800	10,941,500	10,806,425

Total Income
164,263,257

Expenses

Administrative Expenses	Operating Expenses	Operating Surplus/ (Deficit)
57,591,106	82,299,012	24,373,139

2017

Income

Grant from Partners	Membership Subscriptions	Workshop Receipts
-	17,212,000	89,902,500

Membership Dinner	Programme Tuition Fees	Other Income
1,159,500	8,739,500	11,801,189

Total Income
128,814,689

Expenses

Administrative Expenses	Operating Expenses	Operating Surplus/ (Deficit)
65,494,829	37,819,053	25,500,807

2018

Grant from Partners	Membership Subscriptions	Workshop Receipts
-	24,036,000	100,110,121

Membership Dinner	Programme Tuition Fees	Other Income
800,500	6,488,000	12,338,194

Total Income
143,772,815

Expenses

Administrative Expenses	Operating Expenses	Operating Surplus/ (Deficit)
66,635,090	50,347,373	26,790,351

2019

Grant from Partners	Membership Subscriptions	Workshop Receipts
-	28,389,000	142,442,803

Membership Dinner	Programme Tuition Fees	Other Income
-	5,171,500	10,363,564

Total Income
186,366,866

Expenses

Administrative Expenses	Operating Expenses	Operating Surplus/ (Deficit)
68,297,756	64,145,353	53,923,757

ABRIDGED FINANCIAL REPORT

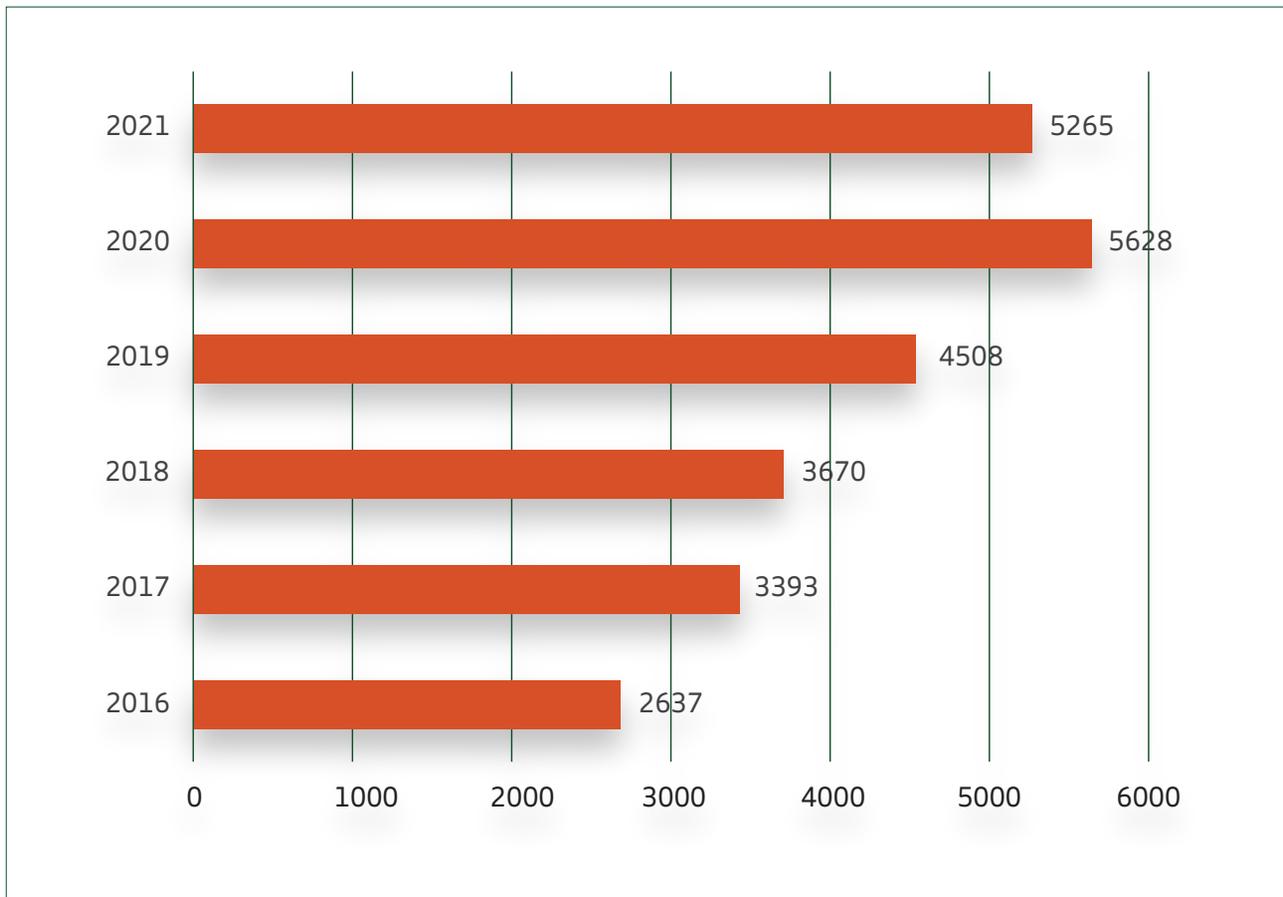
Brief on major sources of business in line with the Institute mandate is given here below.

Membership Growth

Category	Growth in Years					
	2016	2017	2018	2019	2020	2021
Active All Members	2637	3393	3670	4508	5628	5265
Licenses	145	339	948	1,182	1711	1901

Graphical Membership Growth

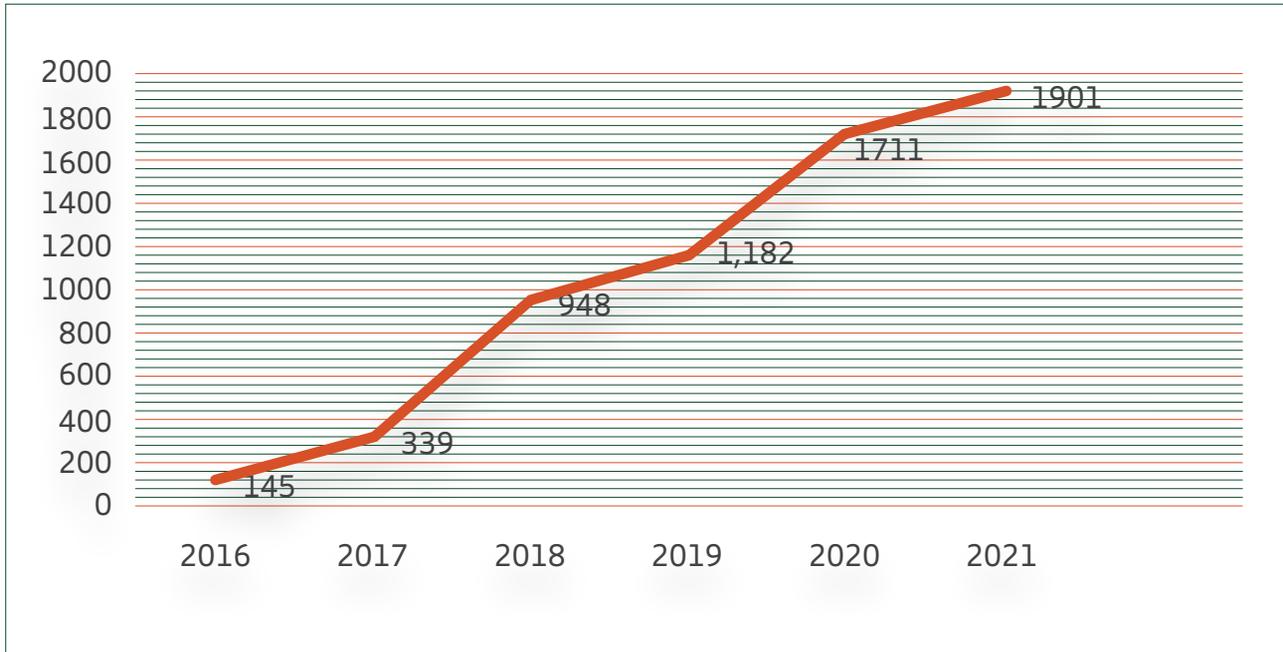
Active Members Consolidated



ABRIDGED FINANCIAL REPORT

Growth in Practicing Licenses

Licenses

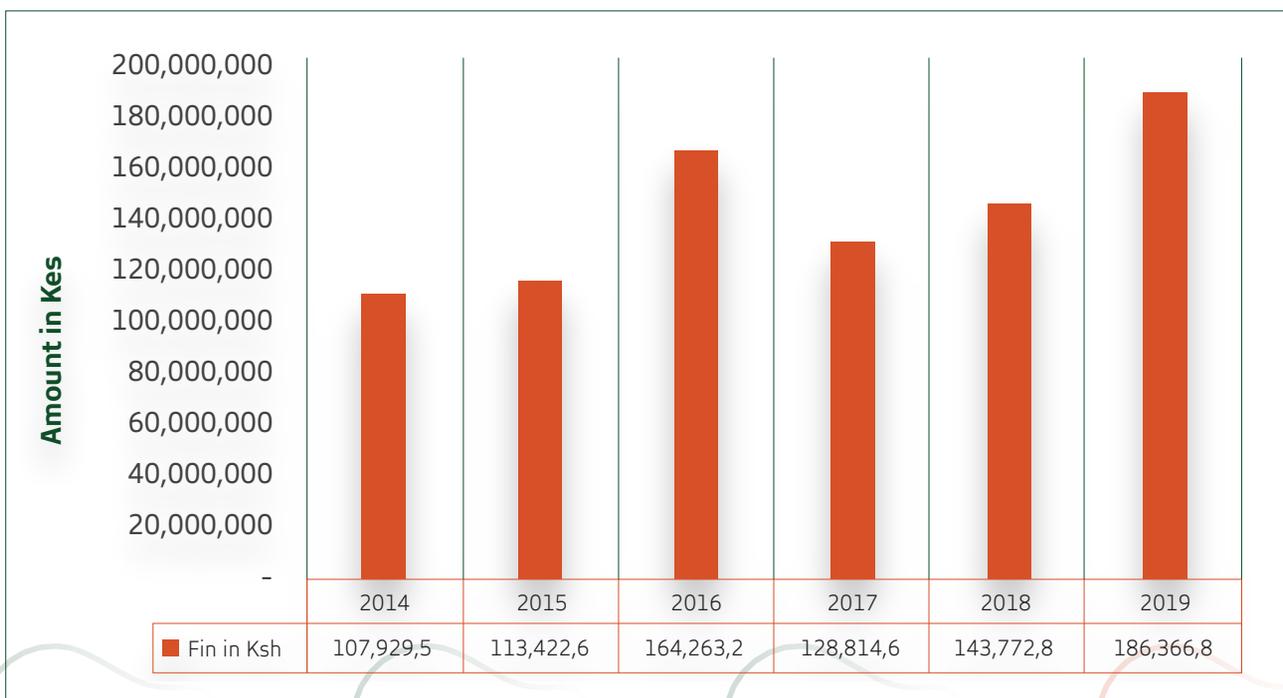


Financial Performance for the Period

Total Revenue Trend- Audited Financial Statements

In 2019 the Institute registered a total revenue of KShs 186.366 million. The income was derived from the various sources including membership subscriptions, workshop training and CPD, practicing licenses, school income and inhouse trainings. During the year the Institute further received support from the National Treasury, a funding that was utilized in ramping up the fund and directed towards the Construction of KISM Towers.

Annual Total Income

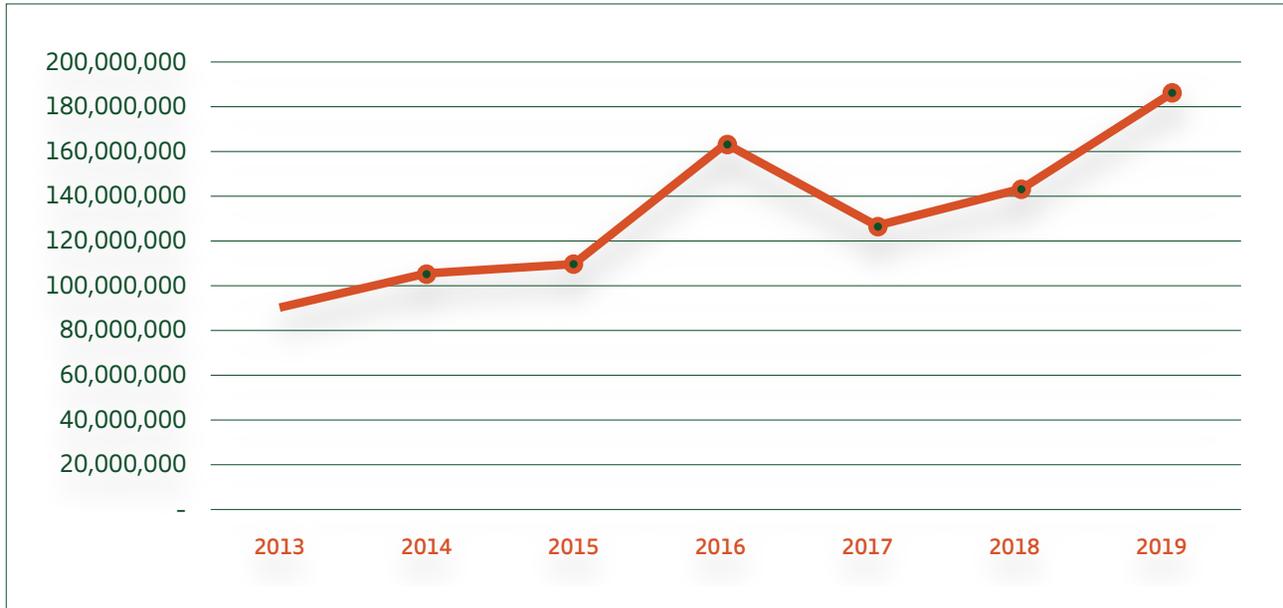


ABRIDGED FINANCIAL REPORT

Revenue Growth trends

The revenue trends has been on a growing trajectory for the period under review. The six year shows commendable growth in revenue with 2017 recording a decline.

Total Income Trend

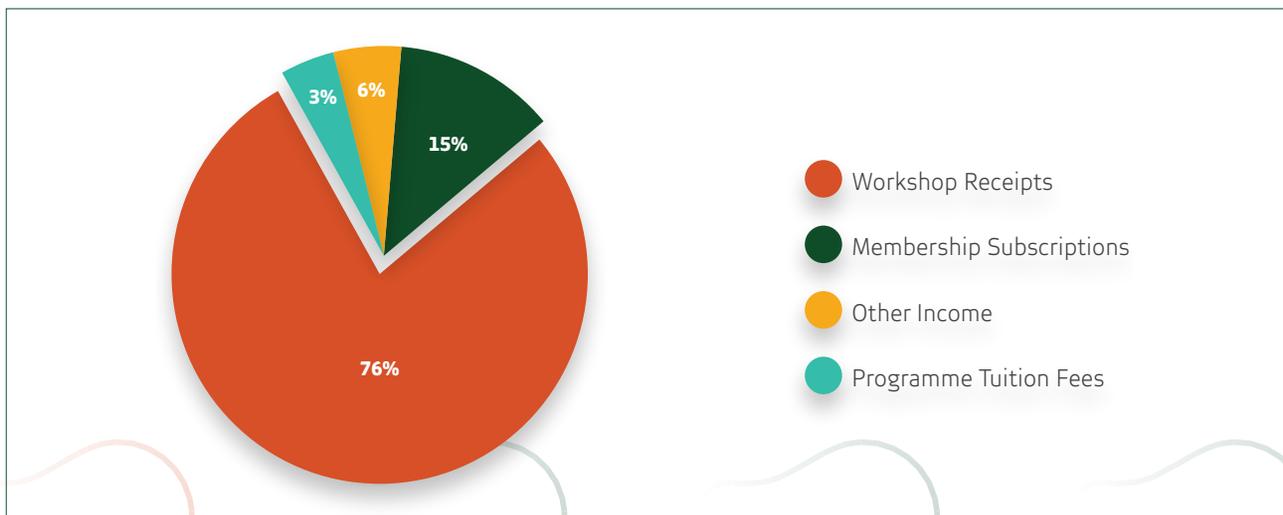


Income Composition realized during the financial year ended 31st December 2019 as follows:

Income Source	Amount in Kshs
Membership Subscriptions	28,389,000.00
Workshop receipts	142,442,802.63
Programme Tuition Fees	5,171,500.00
Other Income	10,363,563.50

Percentage distribution of the above income is as follows:

Income Composition 2019

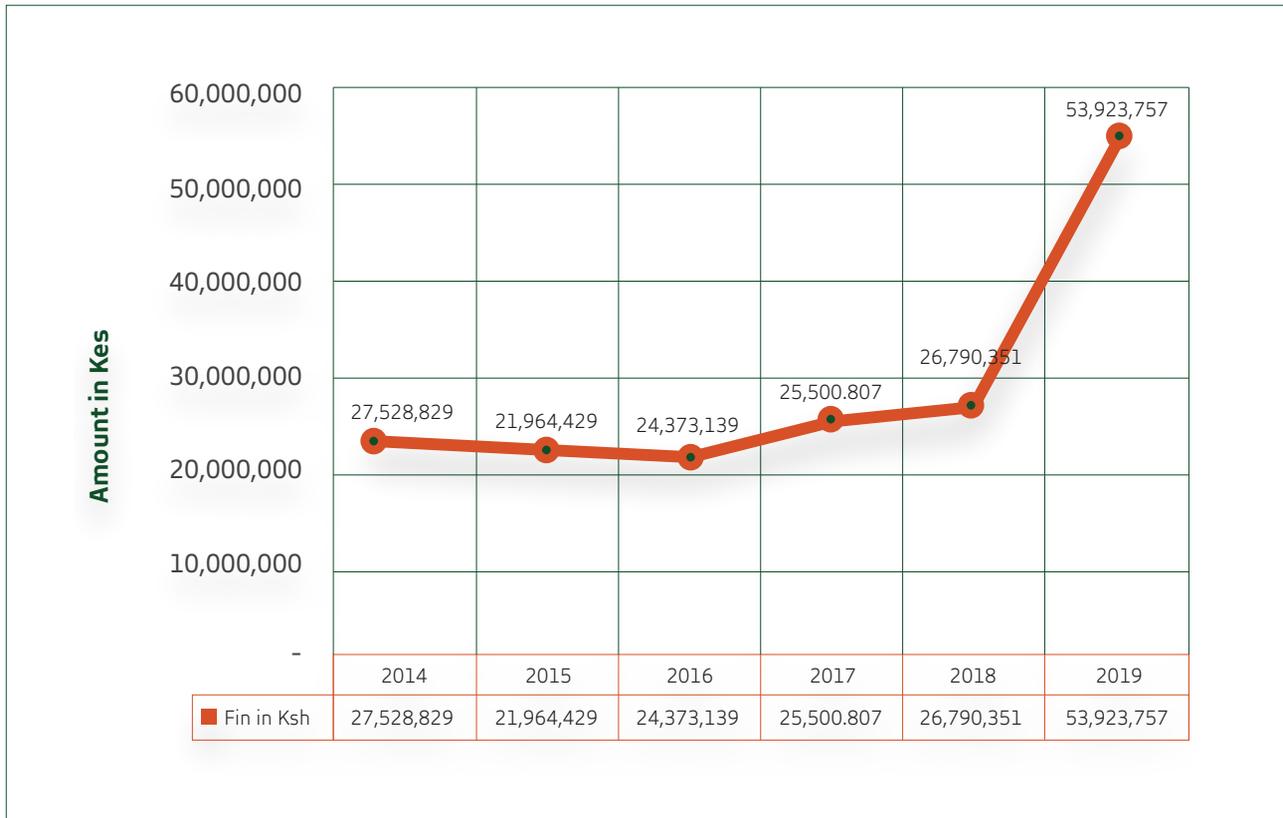


ABRIDGED FINANCIAL REPORT

Surplus Perspective

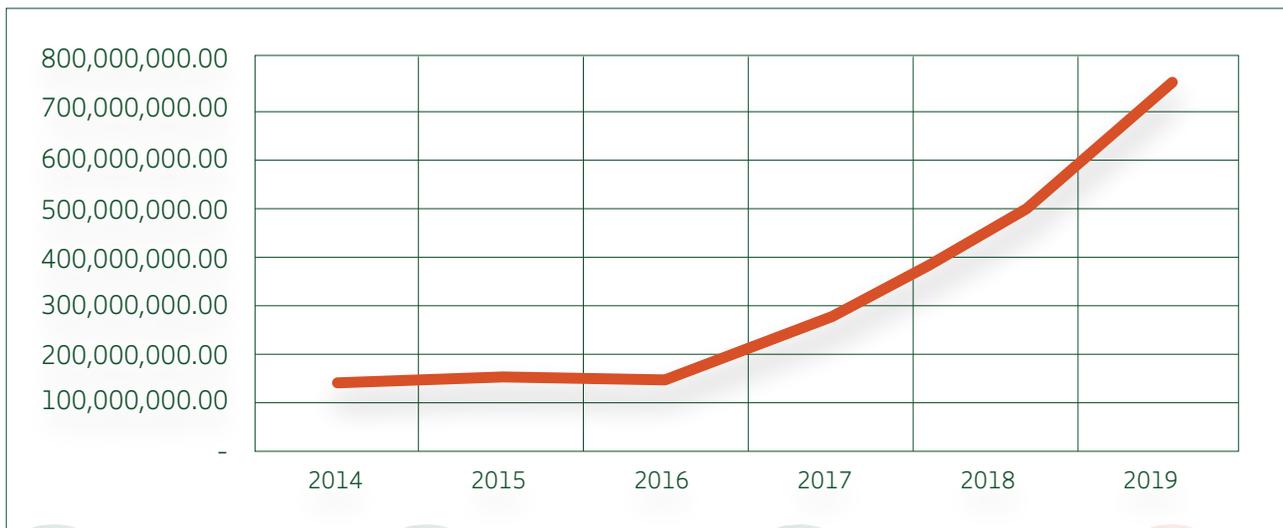
Surplus realized during the years 2014 to 2019 is as given in the graph below. The consistent surplus growth is attributed to prudent management, agile and committed team structure, consistent membership growth, diversified revenue schemes and thrift financial management

Income Composition 2019



Total Assets

Asset Growth



Total Assets

Asset Growth



Pictorials



PICTORIALS



KISM Chairman with CM Moses Omondi visited Safaricom SCM Leadership to discuss opportunities for developing customised training curricula for the Private Sector Members.



KISM Chairman accompanied with CM Moses Omondi and KISEB Ag. CEO and Secretary when they visited Kabarak University on partnership discussions. They were hosted by the Kabarak University Vice Chancellor Prof. Henry Kiplangat and his Leadership Team



Senior Deputy Director/ Team Leader, Supply Chain & Logistics, Hilda Kaaria speaks during a visit by officials from KISM to the Supply Chain & Logistics Division, Stima Plaza on April 8th. With her is (from left) General Manager, Supply Chain & Logistics (Ag.), Ashene Eshibuti; Principal Supply Chain Officer, Linus Balera; and Council Chairman, KISM, John Karani.

PICTORIALS



KISM Chairman John Karani engaging the KEMSA Board to discuss the progress of KEMSA restructuring for efficient delivery of services and to get an update on the status of the SCM members affected by the ongoing reforms.



KISM Chairman John Karani accompanied by CM Nimo Hussein, Moses Omondi and Ag. CEO & Registrar Dr Martin Gachukia when they visited the North Rift Chapter team for their Membership Engagement forum.



KISM Chairman John Karani with the Ag. CEO & Registrar when they met with the SCM Leadership at Kenya Ports Authority to discuss a tailor-made in-house training programme and to also enhance membership registration.

PICTORIALS



KISM Chairman with CM Moses Omondi visited Safaricom SCM Leadership to discuss opportunities for developing customised training curricula for the Private Sector Members.



Launch of KISM Towers graced by Nelson Gaichuhie, the Cabinet Administrative Secretary, The National Treasury



Launch of the Revised KISEB Curriculum; looking is Dr. Wasike Walubengo, KISEB Chairman, Chief Guest Mr. Caleb Ogot, Senior Deputy Director, Public Procurement Directorate, representing the Principle Secretary, National Treasury

PICTORIALS



KISM Chairman John Karani accompanied by CM Nimo Hussein and CM Moses Omondi when they met the Council of Governors team at the CoG Offices at Delta Corner in Westlands.



KISM Chairman John Karani accompanied by KISM Ag. CEO/Registrar Dr. Martin Gachukia and KISEB CEO/Ag. Secretary Dr. Fred Ongisa when they welcomed Ms. Alinaje Banda President, Malawi Institute of Procurement Supply (MIPS) and the Institute's CEO, Dr. Feston Kaupa when they visited KISM & KISEB for a benchmarking exercise and mutual collaboration



Launch of partnership between Kenya Institute of Supplies Management (KISM) and Chartered Institute of Logistics and Transport (CILT). Witnessing the signing of the partnership agreement from L to R is: Dr. Martin Gachukia KISM Registrar & Ag. CEO, John Karani KISM Chairman, Chief Teete Owusu Nortey CILT International President Elect, Lillian Kemunto CMILT and WILAT Lead in Kenya, Nicholas Wafula KISM Finance Manager

PICTORIALS



With Principal Administrative Secretary, National Training Mr. Amos Gathecha, CM Dr. Vincensia Apopa, Disciplinary Committee Chairperson and KISM Chairman Mr. John Karani during the launch of Disciplinary Instruments at KICC



Public Procurement Director Eric Korir, CM Dr. Vincensia Apopa, Disciplinary Committee Chairperson , Principal Administrative Secretary, National Training Mr. Amos Gathecha, KISM Chairman Mr. John Karani, CM Jeremiah Nthusi, CM Moses Omondi and KISM Registrar & Ag. CEO Dr. Martin Gachukia during the launch of Disciplinary Instruments at KICC



Launch of KISEB Curriculum: L to R: Dr. Fred Ongisa, Secretary/Ag. CEO KISEB, Mr. John Karani, KISM Chairman, Mr. Caleb Ogot, Senior Deputy Director, PPD, Dr. Wasike Walubengo, KISEB Chairman, Dr. Martin Gachukia, Registrar/Ag. CEO KISM

Inaugural National Dialogue On Supply Chain Management Transformation



NATIONAL DIALOGUE PICTORIALS

Inaugural National Dialogue On Procurement & Supply Chain:



NATIONAL DIALOGUE PICTORIALS



NATIONAL DIALOGUE PICTORIALS



Transforming Supply Chain Management to Drive Economic Recovery and Social Impact

THE NATIONAL DIALOGUE CONFERENCE (SHANZU) RESOLUTION (SCM) DECEMBER 2021

We As Supply Chain Professionals:

Backed by the Partner's and collaborators in attendance of the 1st National Dialogue on Supply Chain & Spurs SCM Excellence Awards 2021;

Held in Pridelnn Paradise Beach Resort & Spa, Shanzu Mombasa, Kenya from 13-17 Dec 2021;

Resolve to:

- **Pay allegiance** to each integrity clause of our profession as stipulated in the SCM Disciplinary Instruments 2021.
- **Fundamentally contribute** (at individual level) to eradicate corruption within the Supply Chain Sector.
- **Protect** the integrity, freedom and standing of Supply Chain Practitioners [regardless of cadre of the office they hold] within the confines of approved Supply Chain Standards, Acts and Laws.
- **Stand with and Operate within** an ethical and well-governed Supply Chain profession that seeks to promote good corporate citizenship and accountability towards economic recovery for social good.
- **Recognize and Embrace** Team Work as the Central Beacon that will drive the SCM transformation agenda focusing on Practitioners, Partners and Collaborators.
- **Build** a Solid Research, Financial & Sustainable Resource 'Recovery' Strategy in support of SC transformation Agenda.
- **Recognize, Embrace and Apply** Inclusivity for all within every facet of Supply Chain [ceteris paribus/T&Cs]; with a key focus to women, youth and persons with disabilities in all facets of supply chain arena nationally.
- **Employ** a 'value-for-investment-operation' approach focusing on the NT contribution; PPRA and KISM.
- **Forge** an Academia – Business – Supply Chain Partnership/Collaborations with tangible impact that speak to the transformation agenda.
- **Create** TRUST and more TRUST along the entire SC as a catalyst to professionalism and equitable delivery of services to Kenyan Citizens.

Endeavor To:

- **Inculcate** a culture of Behavioral Change from Early Years with an aim of reducing malpractice occurrences in Supply Chain Sector [From examinations to education systems].
- **Appreciate and Employ** Discipleship perspective alongside a Disciplinary Perspective.
- Lobby Supply Chain Profession's recognition within the voted manifestos in play.
- **Employ** state-of-the art emerging technology [Big Data, etc.] to Collect, Collate, Synthesize and Employ authentic 'real-time data' to drive the Supply Chain Transformation Agenda across board.
- **Build** a culture of financial management and value systems that speak to healthy supply chains across the sector.
- **Stir** preparedness and involvement of Academia and Civil Society, Fourth Estate to enhance dynamism, innovation science and technology within the SC transformation agenda.
- **Adhere** to established and recognized systems and structures as a buffer to unforeseen threats and emergencies which have potential to disrupt supply chains now and the future across board.
- **Employ** a multifaceted approach in handling complains of SC practitioners for purposes of fairness and SCM Impact.
- **Increase** our reliance on locally manufactured goods and capacity building rather than global supply chain.
- **Increase** visibility of KISM being an SC Authority as a key cog to Economic Development and Social Impact via
- **Employ** relevant Personnel [Auditors] that are knowledgeable and skillful in SC hence able to carry out Editing of Procurement Processes.

Proposed Action/Tasks:

- Actualize the realization of a signed MOU/ Collaborative Partnership between EACC, OAG & KISM on matters of SC.
- Accelerate tangible SCM Transformation Initiatives (through regional dialogues) to reach, at least, XX% of the 47 Counties in Kenya in 2022.
- Increase capacity of SCM practitioners through taking advantage of available capacity building platforms [e.g. Integrity Academy in partnership with EACC; PPRA; KISM].
- Engage Government in the AGPO agenda for a gap-fill 'mission' of inclusivity for all i.e. Improve the AGPO programs from January 2022 through qualified and quantifiable impact assessment/survey initiative.
- Seek, Action and Implement prevailing Opportunities within the Supply Chain Sector as a job creator for at least XX% of the unemployed and under-employed Youth in Kenya and beyond. Engage respective Partnership and Roll out the PPIP training to the Users.
- Lay intentional focus on SMEs as a key in the supply chain transformation agenda in Kenya.
- Actualize a XX% increase in Financial Resource in support of the SC Transformation Agenda.
- Improve our SC Professional Knowledge and Skill through taking advantage of existing and recognized capacity building platforms nationally, regionally and internationally.
- Sensitize and Create awareness to the Primary, Secondary and Tertiary Beneficiaries [Public] on SC. [Views of members from counties as early from 10th January 2022 which will then culminate into a national discussion for final content into the newly reviewed act finally approved for use].
- Train the fourth estate on matters of Supply Chain reporting.
- Develop applicable systems and structures that will enhance promotion of local content and promote Fair Trade within the Continent of Africa, starting with Kenya.

Transforming Supply Chain Management to Drive Economic Recovery and Social Impact'



1.0 Introduction

The Kenya Institute of Supply Management together with the National Treasury and the Public Procurement Regulatory Authority in collaboration with other intergovernmental agencies hosted the first inaugural National Dialogue on Procurement & Supply Chain (SCM) & SPURS excellence awards 2021 held at Pridelnn Paradise Beach Resort and SPA, Mombasa from 13th – 17th December 2021. The overall clarion call for the inaugural National Dialogue on Procurement & Supply Chain (SCM) conference was "Supply Chain Transformation" with the

theme, 'Transforming Supply Chain Management to Drive Economic Recovery and Social Impact' The expectations of the Conference was that this & future dialogues will generate resolutions that will constitute the agenda to formulate and review policies and legislations that will sustainably drive the anticipated transformative changes to enhance the efficiency of supply chains, the integrity of the practitioners, and hence the performance of the socio-economic machinery for the sustainable and progressive development of the Country and beyond. It is expected that these dialogues will incentivize stakeholders and supply chain practitioners get involved in the agenda setting for policies and legislations and best practices that will sustainably drive the anticipated transformative changes driven by transformed mind-sets towards a sustainable and progressive development of the Country and beyond. The objectives of the conference were:

- To demonstrate the link between sound Supply Chain Management and sustainable socio- economic development in Kenya
- To establish a competent caucus of transformed supply chain practitioners and stakeholders
- To evaluate the policy and legislative frameworks that govern public procurement
- To develop benchmarks and resources for capacity building along supply chains
- To evaluate the impact of transformed supply chain management practices in Kenya
- To enhance gender, Youth and PWDS inclusion in the public and private sector supply chains
- To assess Kenya's preparedness in adapting the management of its supply chains, to emerging social and environmental issues, evolving regional, continental & global dynamics in trade
- To assess the perception of the public about their role in the transformation of the management of procurement and supply chains
- To enhance the partnership of Industry practice & Academia in SCM transformation

Panel 1



Panelists: Ms. Winnie Maru, KEPISA; Mr. Peter Njonjo, CEO/Co-Founder Twiga Foods and Prof. Maurice Mashiwa, Director, Policy Advisor Serano

Panel 1: Doing More Than Business Part 1: The Pathway to Recovery

2.0 CONFERENCE THEMES

Panel 1: Doing More Than Business Part 1: The Pathway to Recovery

The Plenum discussed the importance of self-transformation as a tool to influence organizational, country and continental change using our skills, knowledge and capabilities. It discussed how data could be used as an invaluable

tool in supply chain, Supply chain management leadership and the ingredients of recovery from the pandemic. The session stressed on the need for unity in tackling societal issues giving examples of how nations, companies and various institutions came together to fight the corona pandemic. Challenges and successes in recovery from the pandemic within the context of supply chain transformation were highlighted and recommendations given. Some of the key areas that were highlighted include:

- We need to improve our supply chains to remain competitive
- How to integrate new and emerging issues into the transformation agenda
- We must be robust in addressing various supply chain risks
- How do we address the speed at which the market addresses the practice
- We tend to spend too much to feed ourselves, we must focus on productivity
- We must introduce commercial farming to remain competitive

Panel 2



Panelists: Prof. X.N. Iraki, Lecturer, University of Nairobi, Council Member Grace Murichu and Mr. John Mugo, World Bank Project, KEMFSED

Panel 2: Doing More than Business Part 2: Purposeful Supply Chain Financing

The Plenum focused on the importance of purposeful Supply Chain Financing as a factor in the development of the country's supply chains as a whole. Challenges and successes in accessing credits especially for small scale businesses were also discussed within the context of supply chain transformation and recommendations given.

Some of the key areas that were highlighted include:

- Importance of blue economy in strengthening our supply chains
- The need to incorporate technology in our supply chains
- Supply chain inefficiency

- Access to credit is minimal
- How we bring in the financial sector to invest in our supply chains
- How we can reduce supply chain disruptions
- Lack of Trust as the main the problem in supply chain financing.
- We must ensure suppliers are paid in time

The Plenum further highlighted the factors that hampers the growth of Blue economy in our country and cited technology, access to credit, using of archaic fishing methods among others as the hindrance to the growth of marine fishing in our country.

Panel 3



Panelists: Prof. X.N Iraki, Prof Jonathan Annan, Strathmore University, Dr. Paul Lotay, CEO CHMP and Dr. Jackson Ndolo, School of Business, KCA University.

Panel 3: | Special Session 1: Research Tracking | Supply Chain Transformation - Academic Angle Perspective

The Plenum discussed the need for partnership between academia and Business (Industry) as a critical aspect for supply chain transformation. Challenges and successes in the collaboration between the university and the industry were highlighted and recommendations given.

Some of the key issues that were highlighted include:

- Maintaining the spirit of learning on Supply Chain Management
- Innovation and partnership between academia and Business (Industry) is critical for supply chain transformation.
- We all must be part of the entire process of supply chain transformation agenda to elevate the conversation.
- Research is key in the transformation agenda, the country must invest in research and development
- KISM must be at the fore front in research
- Universities must partner with industry to get grants.
- Spur preparedness and involvement of academia in supply chain. Preparedness is critical in supply chain to avoid undue emergencies.
- Team Work as Practitioners will drive the journey of transformation easier.
- Recovery Strategies on supply chain is critical
- There is need to build resilience and collaborations - linking of students with industries is critical - especially students and supply chain professionals
- Marine Industry has huge unexploited potential - produce what you must not import
- Value addition critical along the Value Chain - we must reduce spend.
- Maize and Meat supply chains require efficiency as they are key in the transformation journey
- Supply chain transformation brings enormous unexploited opportunities.
- Nobody will give us (supply chain professionals) a seat at the table, we must be relevant and up to date.

Panel 4



Panelists: Ms. Pauline Opiyo, Ag. DG PPRA; MR. Kinoti Muriuki, AGPO Secretariat National Treasury; CM Nimo Hussein, Dr. Aleri Odari, Lecturer, JOOUST, Mr. John Orimbo, Founder, Ability Africa, Ms. Lucy Kamura, Unique Tracking Co. Ltd.

Panel 4: | Doing More than Business Part 3: Inclusive Supply Chains

The Plenum discussed progress made by both levels of government in empowering Youth, Women and Persons with Disabilities (PWD) and challenges of Access to government procurement opportunities (AGPO) programme. A number of resolutions were arrived at including PPRA agreeing to have a conversation with Uwezo Fund, Youth enterprise fund and commercial banks to relax the funding conditions for youth, women and Persons With Disabilities (PWD)'s led enterprises.

Some of the key issues arising from the session include:

- There are challenges government is facing with AGPO Programme especially in terms of Monitoring of the program.
- The main objective of AGPO which is to create employment for the youth, women and PWD, transfer technology and to promote local industry has not been achieved fully.
- KEPSA must take chance to train its members on the AGPO opportunities.
- The Procuring Entities (PEs) must help in sensitizing the youth on the need to participate in the tenders and not used by proxies.
- The PE must give an equal opportunity to participate in the contracts. The list of suppliers must be exhausted to ensure all suppliers are given the opportunity to participate in the tendering process.
- Late disbursement of funds to the counties cause delays and late payments to suppliers
- Late payments are also as a result of suppliers changing accounts and giving alternative

accounts for payment, some of which are usually inactive causing payments to bounce back.

- There are several success stories. The number of those who are not successful are more than the success stories.
- There is a lot of bureaucracy, procedures, and processes in accessing AGPO by PWD.
- The youths, women and PWD must be given a chance to participate in government tenders because of their agility, energy and innovation
- The youths, women and PWD has lost hope in AGPO, the program was meant for certain "Special people"
- Youths, women and PWD are given low value tenders like supply of flowers, mineral water, and printing of cards.
- The state must consider providing LPO financing to solve problem of finance.
- In order to transform supply chains in Kenya we must focus on SME's in order to add value to our supply chain.
- Involving technology in terms digitization of the whole procurement process will lock out youths, women and PWD. It shall be discriminating.
- Lack of information about the procurement opportunities available to the women, youth and PWD.
- The organizations at county level take advantage of the ignorance and divert the opportunities to their proxies.

Panel 5



Panelist: Mary Chao Mwandime, Chairperson Kenya Medical Supplies Authority during the National Dialogue Conference

Panel 5: Doing More than Business Part 4: Strengthening Supply Chain in the Health Sector

The objective of this session was to look at the challenges that ought to be addressed in order to strengthen health supply chain. Challenges and successes in straightening of health supply chain system were highlighted and recommendations given.

Some of the key issues that were highlighted include:

1. The health product's supply chain should aim to begin with the patient in mind.
2. We should focus on how to make health care systems resilient and agile.
3. Health supply chain must not be looked at in isolation, we must consider the whole Health supply chain ecosystem.
4. Procurement functions must be left to be managed by procurement professionals.
5. The overall objective of procurement is to manage the overall cost of the supply chain.
6. In managing health systems the following key considerations must be factored in
 - Cost of the supply chain
 - Transparency and visibility
 - Efficiency of the system
 - Inventory management
 - Management of ordered volumes
 - Technology shared platform to share information
 - Real time deliveries.

7. Technology is key in creating visibility and the ability to create data for decision making.

8. The health product should aim to reach the delivery point.

Some of the Challenges of healthcare supply chain include

- i. Capacity to manage the Healthcare supply chain
- ii. Lack of proper Infrastructure
- iii. Weakness in financing resources
- iv. Lack of feasibility
- v. Lack of resilience in our organizations
- vi. Lack of data integration
- vii. Governance
- viii. Lack of value systems
- ix. Weak financial management systems

Panel 6



Panelists: L to R: Mr. Bramwel Mwalo, CEO Xetova, Mr. Amaha Bekele: Partner, Deloitte, East Africa, CM Moses Omondi and Fred Gachoka, Large Business Enterprise Manager Kenya, SAP

Panel 6: Doing More than Business Part 5: Technology as a Driver of Supply Chain Transformation

The focus of the plenum was to interrogate the role of technology as driving force in the supply chain transformation agenda. It was agreed that there is need for training among Supply Chain members on technology. Technology does not transform things, it's the people. It's important for KISM to get the feedback from members and speak about the solutions and guide technology adoption. It was found that a lot technology lack local context in-terms of the law. We must start home grown solutions to technology problems. The technology tools we are coming up with must address our problems.

Some of the key issues arising from the session include

- IFMIS is not aligned to the procurement law. It's not programmed to follow the legal provisions
- Getting feedback from IFMIS is difficult
- Procurement Systems should conform to the law.
- IFMIS is not a procurement system, procurement have a system called procurement to pay.
- Data collection must be real time, we have learned a lot from COVID-19 pandemic. We must think with the end result in mind.

- Technology does not transform things, it's the people. it's important for KISM to get the feedback from members and speak about the solutions and guide technology adoption
- There is need for training among SC members on technology.
- We can use E-Auction to leverage technology in Procurement.
- SAP responds to feedback from the users and use that information to improve its services.

Panel 7



Panelists: Prof. X.N Iraki, CM Jeremiah Nthusi and Prof. Jonathan Annan, Strathmore University

Panel 7 Special Session 2: Research Tracking | Supply Chain Transformation - Academic Angle Perspective

The objective of this session was to look at the academic perspective to the role of technology as driving force in the supply chain transformation agenda. The discussion focused on Big Data Analytics in Agri-Food Value Chains and Value Chain Enhancement by Quality Process & Risk Management Integration. It was agreed that Value chain enhancement is our weakest point, we must add value to our products to be competitive for example Branding. We must increase our reliance on locally manufactured goods and capacity building rather than global supply chain.

Some of the key issues arising from the session include:

- Big data is driving supply chain. We must dig that data.
- Humanitarian supply chain are unpredictable, unsustainable and unreliable.
- There are increased Risks to service delivery and decreased product quality to end users.
- Traditional Supply chains are unpredictable. You can predict but you cannot be specific.
- Don't train in the traditional sense but train to add value.
- Processes are there to guide and keep us on track. If the process is not working, drop it
- Supply chain professionals must collaborate with IT to provide solution to data analytics.

- How do we build big data solutions to help farmers in Kenya?
- Big data analytics can help farmers for instance plan and decide the size of their markets.
- How do we capture, process and analyze the available data?
- M-PESA is a case of big data analytics solutions.
- Huduma centers are a good example of strong institutions providing services to the population.
- A successful IT operation must be guided by ethical practices that seek to promote good corporate citizenship.

Panel 8



Panelists: John Mugo, Prof. Jonathan Annan and Mr. Silvester Kututa: Chairman, Express Shipping & Logistics East Africa

Panel 8: Doing More Than Business Part 6: Leveraging Logistics & Transportation to Spur Economic Recovery & Transformation

The Plenum discussed how to Leverage Logistics & Transportation to Spur Economic Recovery & Transformation. The continued integration of the world economies reveals the economic impact of logistics and transportation on both local, regional and international supply chains. Today, most prosperous regions of the world such as Greece, Italy (Rome), USA, Britain, Spain, the Netherlands, North America, Japan and Korea are either by the sea or have long coast line that connects them with the rest of the world. Ports such as those of Rotterdam in Netherlands, Singapore, Hong Kong have been able to sustain a relatively high economic growth rate of the regions in which they are situated. Most advanced economies are always by the sea. Transport through the sea is key. How can Kenya suffer drought and yet we are endowed with numeral water bodies including the ocean? The session discussions reveal that the cheapest oil is found in Rotterdam because of supply chain. Fuel is cheaper in Singapore than in the Middle East because of supply chain. It was agreed that we need as a country to promote local content, promote the trade within the continent of Africa. The mindset that procurement people are corrupt must change. We must forge partnerships going forward with universities. KISM was encouraged to collaborate with Logistics & Transportation professionals through training and capacity building. Challenges and successes in Logistics & Transportation industry were highlighted and recommendations given.

Some of the key issues arising from the session include:

- Blue economy is key to the attainment of the vision 2030. Blue Economy advocates for increased monitoring, control and surveillance to provide real time information of tides, storms fish migration etc.
- Trust is important in supply chain operations. Value people not money. KISM must have control over the content of supply chain that is taught in schools and colleges.
- Supply chains have been neglected in Africa. By 2005 only two universities were offering procurement courses in Africa.
- We need data to forecast for future
- We cannot eliminate fraud in procurement, we can only reduce it through E-procurement.
- Complicated Bid documents is a threat to Supply chain. Bid documents should be simplified and make them friendly to buying and selling organizations. We should try BAFO Best and final Offer as a procurement method.
- Stringent procurement law is a threat to supply chain in Kenya. The PPADA 2015 does not allow flexibility

Panel 9



Panel 9: Doing More Than Business Part 7: Re-imagining the Buying Organization: Trends, Threats and Opportunities

It became clear that Procurement is still an important function to both government and private organizations. It is increasingly becoming part of the success strategies of many business organizations today. Effective Procurement management is used as a tool to boost efficiency and competitiveness in most organizations. The Plenum discussion revealed that Procurement related corruption had become endemic in the world with huge sums of public funds going down to the drains. The focus of the plenum was to interrogate the Trends, Threats and Opportunities of buying organizations. It was revealed that Ethics, accountability and governance was the biggest problem in Africa today. Covid-19 exposed the rot in most governments. How would one be victimized – integrity is a virtue – that is what will enable the practitioner to survive. One must not agree in any way to be compromised or bulge to the pressure. It is critical to completely keep away from compromising ones integrity for any reason. A procurement system that lacks transparency and competition is an ideal breeding ground for corrupt behaviour. The work of the Procurement professional is often characterized with a lot of difficulties and challenges ranging from logistics, financial and legal impediments. Fighting corruption in the procurement must involve every stakeholder. It is important for buying organizations to go beyond simply trying to dictate compliance and move toward comprehension and capacity building. They should demand continuous improvement

from suppliers and must be ready to terminate a relationship where necessary with organizations tainted with corruption scandals. The Challenges and successes of a procurement professional were highlighted and recommendations given.

Some of the key issues arising from the session include:

- The importance of Supply chain has been misunderstood.
- It is wrong to rely on the international bodies to finance our research. We must invest in research as a country.
- We must do more research if we want to be better supply chain in our organizations
- Transport through the sea is key.
- How can research papers written by professors and academia be relevant to practitioners
- We must package ourselves as supply chain members and procurement practitioners
- KISM must forge collaborations and partnerships with universities going forward.
- There is need to build individual and institutional capacity.
- Standard tender documents are very complex- participants are of the opinion that these standard tender document should be simplified.
- When you stand for the right thing, the institute will stand with you (KISM).

Panel 10

Panel 10: Special Session 3: Doing More Than Business: Open Spaces Session and Report Back: Pitfalls in Public Procurement

The objective of this session was to have an open session where participants could freely discuss their issues. Out of a number of issues raised, the topic "Pitfalls in Public Procurement" had the highest votes. Procurement professionals felt that they are sacrificial lambs and easy targets in procurement related cases. It was resolved that Procurement audits and investigations should be done by procurement auditors not accountants. Procurement professionals were advised that the best way to avoid all these pitfalls is compliance to the regulations and integrity. They must also ensure every instruction from "above" is in writing and to ensure that records are up to date. Procurement professionals requested to be involved in the review of the standard tender documents. They said the current standard tender documents are very many and they are not very easy to use. Looking at the standard tender documents there is a paradigm shift because of the change of law. One critical chapter was about contract management. General condition of contract and contract data sheet is a bit bigger as it took care of the dispensation of law that requires that all that is needed by the law is inserted there in. Need for all practitioners to read before the content is reviewed and made smaller upon being inserted in the government digital platforms. There is also need to know what awaits the potential bidders. It is important to realize that an LPO is not considered as a contract – hence the question would be ...where the contract is.

Some of the key issues arising from the session include:

- What's the role of KISM in defending the procurement professionals?
- Procurement professionals need to believe in themselves
- There is need to review the procurement law
- The std docs are many forms having similar items required to be filled.
- Most IFMIS transactions are done outside IFMIS making such transactions illegal in law.
- The council members must come to the rescue of the KEMSA employees
- We need to sit at a round table to transfer knowledge to our suppliers through sensitization.
- People need to be sensitized and if any issues, it be addressed on time.
- Due to use of old standard tender documents there was a delay and hence issued the standard tender document with a rider that there would be room for making improvement into the document with time.
- There has been collection of inputs from those coming in formally. A team will be formed to go through them and hence with stakeholder engagement, some of the members will go through the proposed changes before being given a final review.
- There will be an elaborate training programme by PPRA; it will be a little different as will be charged as compared to earlier when most of the training offered were fully sponsored.
- Audit is done by accountants – hence becoming a huge challenge. Need to have auditors that understand the entire process hence able to carry out auditing of procurement processes.
- Views of members regarding the ACT will begin as early within the counties from 10th January 2022 which will then culminate into a national discussion for final content into the newly reviewed act which will be finally approved for use.
- Also collegial nature of the supply chain is an aspect that was sensitized to the public. Showing the different roles that each professional that plays a role along the chain is very clear. The awareness helps to sensitize.
- Need to raise ones value on the SCM table – in Board Rooms – it enables things to begin to change in the right direction.

Panel 11



Panelists: L to R: Mr. Kenneth Karani, Assistant Director, PPD National Treasury, Ms. Pauline Opiyo, Ag. DG PPRA, CM Diana Mwacharo, CM Dr. Vincensia Apopa & Ms. Sophia Muturi, Corruption Prevention Department, EACC

Panel 11: Plenary | Doing More than Business Part 8: Fostering Partnerships to Mitigate Risk in Supply Chain

The Plenum discussed how to foster partnership to mitigate risks in supply chain. It was revealed that the DCI usually involve procurement experts given by KISM in their investigations and to provide expert opinion or statement used in the courts. Currently DCI does not have an official MOU with KISM so as to be recognized in courts. The DCI get procurement cases after the Auditor general's report, from the whistle blowers and cases from the counties. Most cases include procurement officers colluding with contractors on tenders, bid rigging, misplaced procurement files, bribery and evaluation team awarding undeserving contractors. The evaluation committees do not authenticate the documents. KISM should be recognized by the courts as experts in procurement cases. Expert's advice would automatically require compensation when giving statements, writing opinions which can be used in courts. The session discussion found out that most court prosecutors do not understand the procurement process. EACC, DCI do not have a mandate to recommend sack of procurement officers. DCI has three investigative units, for one to be considered in the units, one must be an accountant, procurement officer or officers of the court.

Some of the key issues arising from the session include:

- Corruption is not the problem, it is a result of a weakness in the system.

- We must advocate for behavioral change right from our examinations and our education systems.
- EACC officer were initially police officers but currently we are recruiting from other professions.
- Cases take too long to conclude because there are many players involve and for justice to prevail, proper investigations must be done.
- If before any investigations you are already presumed guilty, why should you be required to give a statement.
- The process of investigations is taking too long and draining our officers.
- Entrench the culture of conflict of interest. Lets support the debarment process.
- AOG is looking forward to collaboration with KISM
- We are an oversight office to provide assurance to Kenyans how public funds are being used.
- We collaborate with procurement professionals when we audit.
- Investigations are always fault finding mission making the whole process lack objectivity.
- Let's get things right the fight time as procurement professionals.

SPURS AWARDS PICTORIALS



SPURS AWARDS PICTORIALS



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KISM ANNUAL REPORT 2021

Laying A Solid Foundation For Sustainable Supply Chain Management Transformation For Posterity



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