



**REMARKS BY THE CHIEF EXECUTIVE OFFICER OF
KENYA INSTITUTE OF SUPPLIES MANAGEMENT
(KISM) DURING FOR THE OPENING OF THE
WORKSHOP ON THE ROLE OF ENVIRONMENT,
SOCIAL GOVERNANCE (ESG) & DIVERSITY, EQUITY
AND INCLUSION (DEI) IN PROCUREMENT AND
SUPPLY CHAIN MANAGEMENT ON 23RD APRIL,
2024 AT LAKE NAIVASHA RESORT**

- ❖ **Distinguished Participants,**
 - ❖ **Resource Persons,**
 - ❖ **Colleagues,**
 - ❖ **Ladies and Gentlemen,**
- Good Morning!

A. Welcoming Remarks

1. I am quite delighted to join you this morning as we open this important workshop on **Environmental, Social, and Governance (ESG), and Diversity, Equity, and Inclusion (DEI) in Procurement and Supply Chain Management.**
2. I **convey greetings** from the entire KISM Fraternity led by **the Council** to all of you and I also express our message of commitment to service delivery in **professionalization of supply chain management and connected practices** in Kenya.
3. From the onset, I wish to **thank you for creating time** to be here. I also wish to **appreciate the leadership of your respective institutions** for facilitating and partnering with the Institute during this workshop. I recognize our resource person, and I thank you for preparing content for this training.
4. I am briefed with us are **practitioners not only in area of supply chain management** but also in **audit and environment governance among** other sectors.
5. This is quite encouraging since an an Institute we believe in **peer-to-peer models of delivery** that brings together professionals from diverse backgrounds to share experiences, challenges and knowledge as all operate in the **same governance ecosystem.**

6. Please indulge me to recognize the presence of the participants from;

- i. Kenya Revenue Authority (KRA),
- ii. Central Bank of Kenya,
- iii. Nandi County,
- iv. Equity Bank,
- v. Kenya School of Government (KSG),
- vi. KENGEN,
- vii. NCBA,
- viii. KETRACO,
- ix. ICEA LION,
- x. NARUWASCO,
- xi. National Heroes Council, and
- xii. Nairobi Technical Training Institute.
- xiii. Kenya Tourism Board.
- xiv. Kericho County among others.

7. We value all of you and we look forward to continue working with you in upscaling our **Vision of building competent and ethical supply chain management practitioners.**

B. About KISM and The Course

Ladies and Gentlemen,

8. Just to apprise you, KISM is a public entity established under the “Supplies Practitioners Act 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”.**

9. The Institute **licences and regulates** the procurement and supply chain professionals (PSCM) professionals in Kenya. Anyone that practices PSCM

in Kenya must be **registered and licensed** by KISM and be of good standing.

10. Our Mission is to **train, register licence, discipline and regulate supply chain management practitioners.**

11. This course therefore has been curated in the advancement of our Statutory mandate. Particularly, ***The Role of ESG & DEI in Procurement and Supply Chain Management*** was selected as an **emerging issue** in supply chain management, that the Institute felt needed attention and awareness among supply chain practitioners in our economy.

Ladies and Gentlemen,

12. Increased globalization and pressure on the adoption of **sustainable supply chain practices** have sparked discussions on both **Environmental, Social, and Governance (ESG) and Diversity, Equity, and Inclusion (DEI)** and performance on the supply chain worldwide.

13. My view is that ESG can be employed to **mitigate potential global supply chain risks** and significantly influence an organization's growth. The role of procurement and supply chain management in ESG is to **promote sourcing, reduce environmental impact, and ensure best practices** throughout the supply chain.

14. On the same accord, **Diversity, Equity, and Inclusion (DEI)** are the most **prominent** social aspects in implementing ESG principles. Research indicates supply chain organizations show strong

intent to support diversity, equity, and inclusion - particularly women and underrepresented races and ethnicities – ***according to Dana Stiffler.***

15. In Kenya through laws and policy, the Government strongly supports DEI. **Notably, the Access to Government Procurement Opportunities (AGPO)** augments that Inclusion angle to this programme. This affirmative action initiative of the Government of Kenya seeks to facilitate the youth, women, and persons with disabilities owned enterprises to be able to participate in government procurement.

16. **Article 227 of the Constitution** provides for the protection and advancement of these vulnerable groups in procurement. The Public Procurement and Asset Disposal Act. To achieve this, the **Act under sections 157 (12) & (13)** requires that public entities **reserve 30%** of their procurement budget for enterprises owned by the mentioned specialized groups.

17. I had an opportunity in **my past service in 2022** to lead a team of technical experts in conducting a study on the impact of AGPO.....

18. I urge all of us to **ensure compliance and strengthen inclusion and related frameworks in our Institutions.** It is clear to me, this workshop therefore explores the ESG principles and examines DEI specifically.

Specific objectives of the workshop:

- i. Understand the concept of ESG & DEI and their evolution in shaping corporate strategy

- ii. Appreciate the importance and benefits of ESG & DEI in procurement.
- iii. Evaluate the importance of DEI for organizations.
- iv. Formulate strategies for implementing DEI in organizations
- v. Understand the Preferences and Reservation Act and Regulations (AGPO) as a DEI initiative.
- vi. Examine automation tools and challenges of implementing DEI

19. I therefore call upon all participants to be strategic in equipping themselves with **relevant and dynamic skills to match the fast-paced work environment.** I am sure the content that we have put together will meet your expectations.

20. I have also reviewed the Programme and I have no doubt the resource persons lined to deliver the content are upto the task. Please **feel free to interact, grow your networks, and learn as much as possible** for your personal growth and optimal performance in the responsibilities bestowed on you to serve.

Conclusion

21. As I conclude, I wish to encourage you to be good ambassadors of KISM, for those of you who are not our members, please join us. For those who are our members, let us **sustain compliance** to be in good standing. I have requested my team to set aside some time to take you through our registration and licensing processes to familiarize yourselves, and give us feedback.

22. Finally, as the CEO of the Institute I wish to assure you that we are embarking on a journey to transform the Institute to a model institution. We are **rationalizing our strategies** to be more members

and stakeholders-centric, and we will keep all of you involved and updated in the work we are doing.

23. For all our Members, I invite you to join us in the scheduled Annual General Meeting on **Friday, 26 April 2024** at Bomas of Kenya. We will have a great opportunity to share on our performance in the past year as we reflect on the coming year.

24. I thank you all most sincerely, and I thank you for choosing KISM.

Kenneth Matiba
Chief Executive Officer
Kenya Institute Supplies Management

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