Remarks by Mr. Kenneth Matiba, Secretary/Chief Executive Officer, Kenya Institute of Supplies Management (KISM) during the Opening of the Application of Modern Technology in Supply Chain Management: Leveraging Artificial Intelligence and Blockchain Techniques, 2 – 6 September 2024 at Lake Naivasha Resort

Saluations

❖ **Our Guests and Partners,**
❖ **Distinguished Participants,**
❖ **Our Resource Persons,**
❖ **Colleagues,**
❖ **Ladies and Gentlemen,**

Good Morning!

1. We've convened this week to participate in the first supply chain technology-focused workshop being conved by the Kenya Institute of Supplies Management (KISM) themed ***Application of Modern Technology in Supply Chain Management: Leveraging Artificial Intelligence and Blockchain Techniques***.

2. From the onset, I wish to express my **gratitude** to each and every one of you for attending this important inaugural event for the supply chain profession in Kenya**. Please name and recognize participants.**

3. On behalf of the Institute, we thank you and appreciate your organizations for enabling and supporting your participation in this Forum.

Ladies and Gentlemen,

4. As an Institute, we take cognizance of the role technology in **global, regional and national economic and social transformation.**

5. Almost every element of modern life has undergone significant change, largely due to the influence of technology. **The way we work, learn, interact, and conduct business** has all changed significantly as a result of technological improvements.

6. Communication, business and commerce, education, healthcare, procurement and supply chain management, transportation and mobility, entertainment, and media are some of the major industries going through this transition.

7. The Government of Kenya has made deliberate attempts to stay abreast of and leverage technology for the economic growth of the country

8. In April 2022, the government launched its ten-year **Digital Masterplan 2022-2032**, to align with global technological advancements and enhance the rise of Kenya's digital economy.

9. The digital masterplan identifies **four (4) key pillars** - **digital infrastructure, digital services and data management, digital skills, and driving digital innovation for entrepreneurship.**

10. Other key priority areas under the masterplan include development of a **legal, policy & regulatory framework, research & development, information security & cyber management and emerging technologies.**

11. Kenya's **national budget allocations for FY2022/2023** set aside **$132 million for ICT initiatives.** As supply chain professionals, we are expected to be the vanguard and stewards of how these resources as applied.

12. Notably, today, supply chain management is undergoing changes thanks to digital technology, which is providing revolutionary advantages that **improve productivity, visibility, and flexibility.**

13. Economies requires companies to integrate digital technology in order to **stay resilient and competitive.** Supply chains now span continents and involve various stakeholders.

14. Emerging technologies such as **Blockchain, Artificial Intelligence (AI), Big Data Analytics, and Robotic Process Automation (RPA)** are revolutionizing how supply chains operate, making them more efficient, transparent, and resilient.

15. In Kenya, the adoption of these technologies **presents a significant opportunity to enhance the performance of supply chains across various sectors, contributing to economic growth and development.**

16. Blockchain technology for instance, which is frequently connected to cryptocurrencies, is having a big influence on supply chain administration. **Its main benefit is that it makes the ledger clear and impenetrable.**

17. Artificial Intelligence (AI) and Machine Learning (ML) are reshaping how data is analyzed in supply chains. These technologies enable predictive analytics, which can forecast demand trends with high accuracy.

18. The Internet of Things (IoT) involves the use of interconnected devices that can track and monitor the status of goods in real-time.

19. However, even with all the existing opportunities, certain drawbacks of adopting new technologies in SCM range from the financial implications of **adopting new technologies to the complexities surrounding their implementation and data security concerns.**

20. Knowledge gaps and technology complexity is one major challenge. Integrating technologies like IoT or blockchain into existing supply chain systems often requires a **thorough understanding of both the technology and the supply chain process**. This complexity can sometimes lead to reluctance to adopt, especially in industries with long-standing traditional methods.

21. Data security is a paramount concern, particularly with technologies that rely heavily on **data sharing**, such as blockchain and IoT.

22. The cost of adopting cutting-edge technology can be a significant challenge. Businesses must weigh these costs against the potential long-term benefits and savings. For example, the initial investment in AI-driven analytics platforms might be high, but they can lead to **considerable savings** through **improved efficiency and reduced waste over time.**

23. As the premier professional supply chain and procurement agency, the Institute hopes to take the lead in implementing **cutting-edge technology** in supply chains and procurement by collaborating with other key players.

Ladies and Gentlemen

24. This workshop aspires to become a unique annual event that will attract continental attention, **positioning Kenya as a hub for innovation and excellence** in supply chain management across Africa.

25. The sessions for this inaugural workshop will:
Foster Innovation; Highlight the latest technological trends and innovations in supply chain and procurement management.
Empower Professionals; Equip supply chain and procurement professionals with the skills and knowledge needed to thrive in the digital age.

Promote Collaboration; Encourage collaboration between the public and private sectors to drive technology adoption and innovation.

Enhance Efficiencyk; Share best practices and success stories to enhance operational efficiency and resilience in supply chain management.

Address Challenges; Discuss regulatory, infrastructural, and skill development challenges and strategies to overcome them.

26. As an Institute, at the end of the sessions, we expect that there shall be:

    - Increased awareness and understanding of emerging technologies in supply chain and procurement.
    - Enhanced skills and competencies among supply chain professionals.
    - Development of actionable recommendations for policymakers to support technology adoption.
    - Strengthened collaboration and networking among stakeholders in the supply chain ecosystem.
    - A clear roadmap for integrating emerging technologies into supply chain practices in Kenya.

27. As I conclude, I want to assure our members that we are making positive progress in the work we are doing at the Institute, just to mention:
    a. *ERP Launch*
    b. *Increase numbers in membership*
    c. *Service Charter*

> *d. RPL Framework*
>
> *e. CPSP-K Pathway*
>
> *f. HELB Opportunities*
>
> *g. Career Hub*
>
> *h. Disciplinary Initiatives*
>
> *i. Regional Hubs*
>
> *j. Kenya College of SuppLY Chain Management*
>
> *k. Fellowship Policy among others.*

28. With those remarks, it is now my humbly duty to declare this **Application of Modern Technology in Supply Chain Management: Leveraging Artificial Intelligence and Blockchain Techniques**, officially open.

I Thank You!

Kenneth Matiba
Secretary/Chief Executive Officer

2nd September, 2024
Lake Naivasha Resort