Iron and Steel Africa Review is a digital publishing media house that highlight the opportunities in the iron and steel industry in Africa, working closely with government agencies and industry players to bring you the latest and accurate news on opportunities, challenges and policies influencing the industry.

About Event Organizer

Bulb Interactive is the official event coordinator of the Iron and Steel Marketers Breakfast.

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1. Managing Directors’ Foreword
2. Event highlights
3. Speeches from Keynote speakers
   1) **Ms. Betty Maina CBS** - the Principal Secretary, State Department of Investment and Industry in the Ministry of Industry, Trade and Cooperatives
   2) **Mr. Hitan Majevdia**, CECM Roads, Public Works and Transport, Nairobi County Government
   3) **Mr. Charles Gichane** – Marketing Manager Apex Steel
4. Plenary discussions
   - The Government as a key player in the industry
   - The China Factor
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“It is my great honor to welcome you to our 1st Marketers’ Breakfast - a platform for marketers and managers in the iron and steel sector and its value chain to come together and discuss business opportunities, challenges, present their products and services, network, learn and seal deals. Africa is a developing continent with a comparatively big demand for iron and steel for its economic development. The Steel industry is among the top 5 major contributors to any economy in the world. The rise of the Asian tigers is due in part to their steel industry for example China, India, south Korea, Malaysia just to name a few. South Korea is the biggest ship builders in the world. African has one of the largest iron ore deposits in the world, and Kenya is one of the African countries with viable deposits which remains untapped. So you can imagine the potential Kenya has to accelerate our economic growth.

“The Iron and Steel industry is not given the much needed attention in Africa, and this hinders Development.” Mr. Profits
The theme of this event is: **Opportunities in the Steel sector for Kenya’s Development in line with the Big Four Agenda.**

It is in this regard that we have organized this forum bringing together the relevant public and private players to explore and exchange knowledge on how to grow this vital industry. The Big 4 Agenda enacted by the government plays a major role towards the realization of this dream as it provides many opportunities for the Steel sector.

I hereby welcome you to this event to learn, network, exchange knowledge, meet potential partners, explore new opportunities and grow your business network.

The Iron and Steel Marketers’ Breakfast was held at KICC, Nairobi – Kenya on 3rd May 2019. The event created a coalition of the Iron and Steel marketers that brainstormed and held principal discussions on practical actions, explore solutions and build consensual approaches on the major themes relating to the Iron and Steel sector throughout Africa.
In its capacity as a platform for engaging marketers, the government, academia and citizens, the Iron and Steel Marketers’ Breakfast identified Iron and Steel Africa Review as a ‘game changer’ for the metal industry. Bringing together intellectuals and scholars in the country, the Breakfast convened major stakeholders for essential discussions on the major themes relevant to the growth of the iron and steel industry.

Within each session of the breakfast, relevant stakeholders held fervent discussions in order to frame the challenges, learn from similar successful experiences, discuss and exchange ideas, technologies, innovations, markets and products in the metal industry. This was to seek potential solutions to tackle the problem in the iron sector in an effective manner.

The chairs of every session presented the decision outcome, highlighted problems, best practices and debated solutions. This was open to further suggestions and queries.

It was discussed that the plan of action and priorities examines the means in which the quality of iron and steel can be raised across the country to achieve the Big 4 Agenda.

Overall, the Iron and Steel Marketers’ Breakfast reinstated the pivotal role of the iron and steel sector as agents of change to galvanizing innovative societies and complementing the efforts made by policy makers in that regard.
The participants included Government ministries in charge of industrialization, Nairobi county, Nyandarua county and the private sector such as Steel manufacturers, metal Fabricators, contractors, developers, real estate companies, auto body builders, automotive companies, engineers, bankers, insurers and entrepreneurs.

Some of the companies and government agencies represented were – State Department of Industry, Nairobi county ministry of Roads, Public works and Transport, Apex steel, Doshi Group, Devki Group, Moca Ltd, Optiven Construction, Username Real estate, Toyotsu Auto Mart Kenya, Bosc, Keshav Global Trading, IMAC, Masscom Kenya, PIDITEL Ltd, Kenya Pipes Ltd, Ngao Credit, CBIT, Leexung Construction Ltd, East Africa Radio, Jamika Ltd, CVTE, Financial Fortune, Mageche Investment, Xin Ltd, Bidii hardware, The JW Show, Hareep Insurance, Vartech EA, Solitech, Grid Branding Solutions, Bliss, Top Mask Engineering, Construction Review, Business Today, entrepreneurs, and etc, not forgetting the larger public who are the major consumers.
“It is a pleasure to be part of this Breakfast that will mobilize the iron and steel sector towards advancing development in the country. The importance of iron and steel in the development effort in any country cannot be undermined.

Steel is the backbone of the economic activity of any country. The capita steel consumption is an internationally recognized indicator of the level of development of any country. The iron and steel industry is highly fragmented. Asia dominates this industry and represents 61%. Taking a closer look at home, Kenya’s local steel industry is heavily dependent on imported raw materials as no local sources have been developed to date. Local deposits of iron ore and coal, which are the raw materials of the production of iron identified in several locations in the country (Kitui, Taita-Taveta, Homabay and Kakamega) have not attracted commercial interest.

The iron and steel industry in Kenya forms about 13% of the manufacturing sector, which in turn contributes to the GDP significantly. Annual consumption of steel was approximately 1.6 million metric tons by 2017. It is estimated that the country spent about 90-billion Kenya shillings on importation of steel in 2018 against export of 12 billion shillings. This import bill can be reduced if high quality steel is produced locally.
Towards developing local sources of iron and steel raw materials, various investors have expressed interest in the project such as Posco from America and Sino Steel from China but are yet to firm up their interests. This information gives an indication of what level of business opportunity exists in the sector. However, the sector is faced with a myriad of challenges such as; unavailability of raw materials, achieving economies of scale to reduce costs and improving the quality of output to suit various industrial requirements.

The government has strategized to promote the sector through facilitation of investment in commercial exploitation of iron and coal deposits in the country, enactment of mining Act 2016 to guide and regulate the mining sector and development of a framework for public private partnerships.

I would like to thank the Iron and Steel Africa Review for steering this conversation that is geared towards advancing the steel sector. We hope to be at the lead at increasing the country’s GDP.”
“It is indeed an honor and a great pleasure to be a part of this Breakfast organized by Iron and Steel Africa Review set to establish a novelty in the Iron and Steel industry, and the national economy at large as well as highlighting avenues upon which the government can partner with the private sector to achieve county goals, thanks to the Iron and Steel Africa Review team. This morning, the Nairobi County Government Ministry of Roads, Public works, and Transport is delighted to be a part of a much-needed forum. Highlighting avenues upon which the government can partner with the private sector to achieve county goals, thanks to the Iron and Steel Africa Review team.

I would begin by quoting his Excellency President Uhuru Kenyatta’s words, during the Kenya-Mauritius Business Forum, that: “The success of the private sector is key in job and wealth creation as well as in the generation of the revenue needed by governments to provide basic services to citizens.”

Governments and businesses enter public-private partnerships, rather known as PPPs, to achieve better outcomes. However, successful partnerships are not easily accomplished. Managing PPPs effectively requires knowing not just what governments loss or gain, but also the value businesses receive.
In the same vein, we as a country as you may know, have embarked on the Big 4 agenda, rendering the public-private partnerships more wanting than ever. The ministry, right from national level, identifies the Steel industry as the backbone of any country’s economic activity, forming about 13 percent of the manufacturing sector.

This, ladies and gentlemen translate to a significant contribution to the GDP. The Big 4 has in particular singled out 8 priority sectors under its manufacturing pillar, including agro-processing, textile, leather, construction materials, oil and mining, iron and steel and ICT. All of which each and every member at this forum has a stake in.

By identifying the mutual interests between different players in the industry, we can enter partnerships and pool resources to work towards the same goals, achieving greater impact than if we were undertaking individual initiatives.

Through this, we could actually own the Big 4 agenda in our respective roles. That it is not just a slogan we hear on the news, by the government, being funded and facilitated in some way. That when we hear of terms such as ‘Affordable Housing’, it is not a matter of wait and see, rather, proactively engaging, to see it turn into something we intentionally worked into fruition.

Collaboration with private sector partners can enable government reach better results in its work with for example decent working conditions, employment opportunities or sustainable and responsible production.

We stand a better chance to address these challenges and achieve systemic change if we engage private sector partners who have the influence to drive and lead the change through their core business and value chains.

So henceforth, at an individual level, we might want to adopt former US President John F. Kennedy’s challenge when he got into office, “Ask not what your country can do for you; ask what you can do for your country.”

There is no better platform that can find solutions to grow the Iron and steel sector than this one. This breakfast has brought together people from different walks of life that are key to achieving growth and success in the sector.”
It is a great occasion and I would like to thank Iron and Steel Africa Review for this great opportunity and for organizing such an awesome event.

I am happy for what the industry has done and am looking forward as this platform will help form very strong relationships that will raise the industry both economically and socially. As we all know, the well-being of what will soon be 2 billion people on the African continent depends on the vitality, dynamism and quality of the steel manufacturing industry.

The private sector needs to come on board and ensure stability of the steel sector in Kenya. We need to embrace local production and manufacturing that will go a long way in realizing the growth of the industry. The dependency on imported raw materials is killing our local market.

We as Apex Steel are ready to engage and partner with other stakeholders to ensure efficient manufacturing of quality iron and steel. We believe that the value we can add to our customers is the ability to partner. Our pride and joy lie in our quality.

The future of the steel industry lies in our hands. It is a time for Kenya to compete on international platforms, not only for athletics but also in manufacturing.”
The sessions addressed issues that were overarching within the iron and steel sector. Solutions were provided to serve as fundamental changes that future enhancements would be built on. In conclusion, proclamations were made that implementation of the suggested solutions would serve as a measurement of development in the manufacturing industry and in the overall country level growth.

The following were the topics of discussion:

- The Government as a key player in the industry
- The China Factor
- Private sector investments and opportunities
Government as a key player in the steel Industry

“Policy interventions by the government will be a true enabler and facilitator in supporting the growth of the steel industry,” Gideon Oele stated.

The government has promised to partner with the steel industry in Kenya to ensure its international presence and competitiveness.

Key players in the steel industry also asked the government to review policies in the sector to be able to favor the local manufacturer. They pleaded with the government to first seek the help of the local industries before bringing foreign investors.

This would see local steel manufacturers grow and take part in national projects as well as supply raw materials for construction. In return, this will boost the country’s economy and the GDP at large.
The China Factor

Though Africa is arguably the most endowed continent in the world when it comes to mineral wealth one would be mistaken to think otherwise given the low production and consumption of most mining production. Take the example of steel. Steel comes from iron ore and South Africa is the seventh-largest producer of iron-ore and has also traditionally been the fourth largest exporter worldwide, feeding the fast-growing Chinese economy.

A focus on exports has meant that despite the fact that Africa does produce iron ore, it’s consumption of crude steel has been pegged at a mere 2 percent of global consumption while producing just about the same percentage of crude steel. Steel is essential in both construction and industry as a whole and Africa’s low consumption is an indicator of her poor economic health.

China is the world’s largest producer of steel and it is also the world’s largest consumer of the material. It has approximately 10 times the steelmaking capacity of the world. Over time, it has been accused of dumping cheap steel on the global market to beat out competitors. The country was the largest exporter
of steel in the world in 2015. This represented approximately 24 percent of all steel exported globally. Given such a dominant market share, along with the large amounts of steel used across different sectors of its economy, China dominates most of the African’s steel sector. This has led to the closure of many domestic steel manufacturers in the developing world as most consumers rely on the imported steel.

To counter the influence China has on the steel industry, local companies need to collaborate and create synergies that align with the governments agenda. Being strategic in their planning and execution will see them win contracts and tenders more easily leaving no room for the foreign investors. The government was also urged to prioritize local companies before seeking foreign investors. By so doing, the local companies will be at the forefront of development of the country.

**Private Sector Investment and Opportunities**

In today’s world, successful steel players must anticipate to exploit change other than simply reacting to it. Steel companies must first commit to the identity and be very clear on how they provide value and the few things required to do so. Companies were urged to have a clear understanding of the way they create value for both consumers and the economy at large.

The private sector, which plays a major role in the steel industry in Kenya, was urged to adopt appropriate strategies to be competitive in terms of prices, delivery schedules, timely completion and quality of products, export orientation and be energy efficient and producers of value-added steel required by the critical sectors of the economy.

“There are opportunities and it is the mandate of individual companies to compete for them,” Gideon Oele explained.

Individual companies need to learn how to be effective in their delivery of services to their consumers. Steel is the most commonly used metal in the world. The sector has been able to exhaust almost the best talents available for the manufacturing sector. It also has a higher scope of attracting new skills by way of offering opportunity to rising technology and innovation. The private sector should take advantage of this new wave to grow the industry.
The conclusions and resolutions of the Breakfast were adapted into the launch of Iron and Steel Africa Review which is a digital media house and events organiser with a focus on Africa's Iron and Steel industry. The Network that will for the first time in Africa, only focus only on the iron and steel industry. Its goal is to highlight challenges and opportunities in the industry, raise the standard of doing business in Africa and inspire and be the catalyst to bring about a sustainable globally competitive domestic capability to produce and manufacture quality iron and steel products in Africa.

Through highlighting challenges and opportunities in the iron and steel industry and working closely with government agencies and industry players, Iron and Steel Africa Review introduced 3 events,

1. Iron and Steel marketers Breakfast
2. Technicians workshop
3. Iron and Steel Conference

Iron and Steel marketers Breakfast

Is a quarterly platform that brings together marketers in the sector to discuss business opportunities, network and present their products and services

Technicians Workshop

Is an innovation platform held twice a year, that brings together Technicians and Experts in the industry to exchange knowledge, new skills and learn new technology
Iron and Steel Conference

This is an annual platform that bring together industry leaders and heads of state in the region meet to discuss policies, opportunities, exhibit, network and seal deals

This will realize the industrial upgrading and develop the iron and steel sector into an industry with international competitive capacity that may basically satisfy the demand of the national economy and social development in terms of quantity and quality.

Together with the government agencies, Iron and steel Africa Review hopes to turn proclamations into actions, aspirations into reality and convey the way forward towards positioning the Steel industry as an agent of global industrial transformation

ACKNOWLEDGEMENT

“Ladies and Gentlemen,
I would like to thank you for being a part of this event and making it a huge success. This has been especially organized to publicly announce the launch of the Iron and Steel Africa Review. This was informed by the huge gap in the steel sector majorly in the Africa continent.

I would like to thank the State Government and the local authority of Nairobi for enabling the accepting our invitation to be here with us today as we discuss matters in the steel sector. This being our first event, It sure a great honor to us.

I would like to thank the representatives from key players in the steel industry who graced the occasion today Apex Steel, Doshi, Devki Group, construction companies, developers, financial institutions and all visitors and companies represented here especially the non-steel companies.

Our 2nd Iron and Steel Marketers’ Breakfast on 29th November this year at the Sarit Centre.
“We are looking forward to a time when the steel industry in Kenya and Africa at large will be the business of the century. I am happy with the initiative that Iron and Steel Africa Review has created to promote the industry and bring together key players in the industry to discuss pressing issues concerning the industry. I am delighted and looking forward to more significant platforms like this in future,” Ms. Naomi Ndung’u Doshi Steel

“Steel is important, just as the economy of a country is concerned. Therefore, the success of this Breakfast is a step forward in the journey of valuing the metal industry. I thank Iron and Steel Africa Review for this wonderful platform and looking forward to more and even better engagements in future,” Benson Okore Devki Group marketing manager expressed.

“Nothing better has ever happened in the steel industry in Kenya like this platform- Marketers’ Breakfast. I am highly overwhelmed by what Iron and Steel Africa Review is doing to promote the metal industry. Keep up with the good work and we are looking forward to being part of this noble journey,” Mr. Peter Gitonga Optiven Ltd.

“I am happy for what the industry has done and am looking forward as this platform will help form very strong relationships that will raise the industry both economically and socially”. Mr. Charles Gichane, Marketing Manager-Apex Steel Ltd