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CLERK OF THE TABLE:	J. LEMERELLE

THE AUDITOR-GENERAL

ON

COMPETITION AUTHORITY OF KENYA

**FOR THE YEAR ENDED
30 JUNE, 2025**



COMPETITION AUTHORITY OF KENYA

ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE, 2025

Prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

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1. ACRONYMS AND DEFINITION OF KEY TERMS

a. Acronyms

ABP	Abuse of Buyer Power
AfCFTA	African Continental Free Trade Area
AFCL	African Capital Limited AII
AGPO	Access to Government Opportunities
AI	Artificial Intelligence
AIDS	Acquired Immuno-Deficiency Syndrome
AKI	Association of Kenya Insurers
BCERP	Business Central Enterprise Resource Planner
BCM	Business Continuity Management
BCMS	Business Continuity Management System
BETA	Bottom-Up Economic Transformation Agenda
CA	Communications Authority
CAK	Competition Authority of Kenya
CBE	Competency Based Education
CBK	Competency Based Education
CCC	COMESA Competition Commission
COMESA	Common Market for Eastern and Southern Africa
COSO	Committee of Sponsoring Organizations
CPA	Certified Public Accountant
CSR	Corporate Social Responsibility
DCI	Directorate of Criminal Investigations
DGP	Digital Credit Providers
EACCA	East Africa Community Competition Authority

EAC	East Africa Community
EPZ	Export Processing Zone
ERMF	Enterprise Risk Management Framework
EU	European Union
FMCG	Fast Moving Consumer Goods
FY	Financial Year
GoK	Government of Kenya
HHI	Herfindahl-Hirschman Index
ICN	International Competition Network
ICPAK	Institute of Certified Public Accountants
ICT	Information Communication Technology
IRA	Insurance Regulatory Authority
IRMF	Institutional Risk Management Framework
ISMS	Information Security Management System
JSS	Junior Secondary Schools
KAM	Kenya Association of Manufacturers
KEBS	Kenya Bureau of Standards
KEMRA	Kenya Motor Repairers Association
KIFWA	Kenya International Freight and Warehousing Association
KNCCI	Kenya National Chamber of Commerce and Industry
KNBS	Kenya National Bureau of Statistics
KPI	Key Performance Indicators
KPSA	Kenya Private Schools Association
KUESA	Kenyatta University Economics Students' Association
LC	Local Content

LSK	Law Society of Kenya
MAAK	Motor Assessors Association of Kenya
MNC	Multinational companies
MoU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
NCA	National Competition Agencies
NCPWD	National Council for Persons with Disability
NOC	National Oil Corporation
NTSA	National Transport Safety Authority
OECD	Organisation for Economic Co-operation and Development
ODPC	Office of the Data Protection Commissioner
PPRA	Public Procurement Regulatory Authority
PWD	People with Disability
QMS	Quality Management System
RETRAK	Retail Trade Association of Kenya
RTP	Restrictive Trade Practices
SDG	Sustainable Development Goals
SME	Small Medium Enterprises
UNCDF	United Nations Capital Development Fund
WCO	World Customs Organisation
WCRD	World Consumer Rights Day
WTO	World Trade Organization
YPP	Young Professionals Program

2. KEY ENTITY INFORMATION AND MANAGEMENT

a. Background information

The Competition Authority of Kenya ('the Authority') is established under section 7 of the Competition Act, Cap 504, Laws of Kenya ('the Act'). Its mandate is to enhance the welfare of the people of Kenya by promoting and protecting effective competition in markets and preventing unfair and misleading market conduct throughout Kenya to:

- i. Increase efficiency in the production, distribution, and supply of goods and services;
- ii. Promote innovation;
- iii. Maximize the efficient allocation of resources;
- iv. Protect consumers;
- v. Create a conducive environment for investment, both foreign and local;
- vi. Capture national obligations in competition matters concerning regional integration initiatives;
- vii. Bring national competition law, policy, and practice in line with best international practices; and
- viii. Promote the competitiveness of national undertakings in World markets.

The Authority has a statutory obligation under section 83 of the Act to prepare an Annual Report for submission to the National Assembly by the Cabinet Secretary, the National Treasury and Economic Planning. The Report captures the overall performance of the Authority, based on its key interventions and performance indicators.

This Report also provides the nature and scope of the Authority's activities; its plans and priorities, including the number and nature of complaints and applications determined and/or under consideration; the number and nature of investigations completed and continuing; and significant studies and market inquiries completed during the Financial Year 2024/2025. It also includes the Authority's Financial Statements for the same period.

i. Vision

A Kenyan economy with globally efficient markets and enhanced consumer welfare for shared prosperity.

ii. Mission

To enhance competition and consumer welfare in the Kenyan economy by regulating market structure and conduct to ensure efficient markets for sustainable growth and development.



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iii. Motto

Creating efficient markets for consumers.

iv. Core Values

The guiding principles in the operations of the Authority are:

- i. **Customer focus** – We commit to attaining the highest standards in service delivery to all stakeholders in line with ISO 9001:2015;
- ii. **Integrity** – We commit to acting in an honest, transparent, and responsible manner while implementing our programmes;
- iii. **Professionalism** – We are guided by professional ethics aimed at building an appropriate corporate culture and creating the right corporate image;
- iv. **Impartiality** – We uphold the highest levels of equity by treating all stakeholders without any discrimination whatsoever;
- v. **Teamwork** – We adopt a participatory approach and work together at all levels in the conduct of business; and
- vi. **Innovation and Creativity** – We are a learning organization that embraces change and continuously enhances creativity and innovation in our business processes.

b. Principal Activities

The Authority's mandate is to promote and safeguard competition in the national economy and to protect consumers from unfair and misleading market conduct. This, as specified in the Act, has the objective of enhancing the welfare of the people of Kenya. The Act's approach is competition neutrality, meaning it applies to all persons, including the national and devolved Governments' actions, and State Corporations insofar as they engage in trade.

The Authority achieves its mandate through the following specific functions: -

- a. Promoting and enforcing compliance with the Act;
- b. Receiving and investigating complaints from legal or natural persons and consumer bodies;
- c. Promoting public knowledge, awareness, and understanding of the obligations, rights, and remedies under the Act and the duties, functions, and activities of the Authority;
- d. Promoting the creation of consumer bodies and the establishment of good and proper standards and rules to be followed by such bodies in protecting competition and consumer welfare;



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- e. Recognizing consumer bodies duly registered under the appropriate national laws as the proper bodies, in their areas of operation, to represent consumers before the Authority;
- f. Making available to consumers information and guidelines relating to the obligations of persons under the Act and the rights and remedies available to consumers;
- g. Carrying out inquiries, studies, and research into matters relating to competition and the protection of the interests of consumers;
- h. Studying government policies, procedures and programmes, legislation, and proposals for legislation to assess their effects on competition and consumer welfare and publicizing the results of such studies;
- i. Investigating impediments to competition, including entry into and exit from markets, in the economy as a whole or particular sector and publicize the results of such investigations;
- j. Investigating policies, procedures, and programmes of regulatory authorities to assess their effects on competition and consumer welfare and publicize the results of such studies;
- k. Participating in deliberations and proceedings of government, government commissions, regulatory authorities, and other bodies about competition and consumer welfare;
- l. Making representations to government, government commissions, regulatory authorities, and other bodies on matters relating to competition and consumer welfare;
- m. Liaising with regulatory bodies and other public bodies in all matters relating to competition and consumer welfare; and
- n. Advising the government on matters relating to competition and consumer welfare.

c. Key Management

No.	Designation	Name
1.	Board Chair	Mr. Shaka Kariuki
2.	Board Member	Mr. Stephen Githinji
3.	Board Member	Mr. Joseph Zacharia Ngugi
4.	Board Member	Mr. Joseah Rotich
5.	Board Member (Exited in FY 24/25)	Ms. Lena Munuve
6.	Board Member (Exited in FY 24/25)	Dr. David Wanyama, PhD
7.	Board Member (Exited in FY 24/25)	Dr. Alome Achayo, PhD
8.	Board Member (Exited in FY 24/25)	Mr. Abdi Mohammed
9.	Director General	Mr. David Kemei
10.	Director Policy, Research, Risk and Quality Assurance	Dr. Adano Wario Roba
11.	Director Corporate Services	Eric Mwangi
12.	Director Competition and Consumer Protection	Joel Omari
13.	Ag. Corporation Secretary and Manager Legal	Maurice Nzuki
14.	Manager Internal Audit	Ochieng' Ochiel
15.	Manager Buyer Power	Dr. Priscillah Njako, PhD
16.	Manager Communication and External Relations	Mugambi Mutegi
17.	Manager Supply Chain Management	Walter Masinde
18.	Manager Consumer Protection	Boniface Kamiti



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No.	Designation	Name
19.	Manager Planning Policy and Research	Ninette Mwarania
20.	Manager Mergers and Acquisition	Raphael Mburu
21.	Manager Finance	Ambrose Age'nga
22.	Manager ICT	Mercelline Anduro
23.	Principal Risk and Quality Assurance Officer	Beryl Mwandale
24.	Manager Human Resource and Administration	CHRM Rachael Okuom
25.	Manager Enforcement and Compliance	CPA Bernard Ayieko

d. Fiduciary Management

No.	Designation	Name
1.	Director General	Mr. David Kemei
2.	Director Corporate Services	Eric Mwangi
3.	Manager Finance	Ambrose Age'nga
4.	Manager Supply Chain Management	Walter Masinde
5.	Director Policy, Research, Risk and Quality Assurance	Dr. Adano Wario Roba
6.	Director Competition and Consumer Protection	Joel Omari

e. Fiduciary Oversight Arrangements

The following are the Board committee and members who provided fiduciary oversight during the year;

Technical & Strategy Committee

No.	Designation	Name
1.	Mr. Joseah Rotich	Chair
2.	Mr. Stephen Githinji	Member
3.	Mr. Joseph Ngugi	Member

Audit Committee

No.	Designation	Name
1.	Mr. Stephen Githinji	Chair
2.	Mr. Joseah Rotich	Member
3.	Mr. Joseph Ngugi	Member

Finance and Human resource committees were not constituted as the terms of Independent board members expired in the 2nd quarter of this year. Finance and Human resource matters are currently presented to full board pending appointment of new board members.

f. Headquarters

15th Floor CBK Pension Towers
Harambee Avenue
P.O. Box 36265 – 00200
NAIROBI, Kenya

g. Contacts

Tel: +254-20-2628233 or +254-20-2779000

Email: info@cak.go.ke

Website: www.cak.go.ke

h. Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA

2. Other Banks

Kenya Commercial Bank Limited KICC Branch P.O. Box 30081 - 00100 NAIROBI	National Bank of Kenya Times Tower Branch P.O. Box 72866 - 00200 NAIROBI
ABSA Bank Yaya Centre Branch P.O. Box 30120 – 00100 NAIROBI	Family Bank Limited Family Bank Towers Branch P.O. Box 74175 – 00200 NAIROBI

i. Independent Auditor

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084, GPO 00100
NAIROBI, KENYA

j. Principal Legal Adviser

The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
NAIROBI, KENYA

Other Legal Advisors

No.	Name of Law Firm	Address
1.	Office of the Attorney General & Department of Justice	Sheria House, Harambee Avenue P.O. Box 40112 - 00100 NAIROBI
2.	Rachier & Amollo Advocates	Mayfair Centre, Ralph Bunche Road P.O. Box 55645 - 00200 NAIROBI
3.	Wesonga, Wamalwa & Kariuki Associates Advocates	Embassy House, Harambee Avenue P.O. Box 45770 - 00100 NAIROBI
4.	Ramadhan Mukira Advocates	Manga House, Kiambere Road, Upperhill P.O. Box 103797 - 00101 NAIROBI


3. BOARD OF DIRECTORS FY 2024/2025

Directors	Details
 <p>Mr. Shaka Kariuki</p> <p>Date of Birth: 5th April, 1969 Designation: Board Chair Term: Appointed on February, 2023</p>	<p>Mr. Kariuki was appointed Chairperson of the Board of Directors for three years, with effect from 10th February 2023.</p> <p>He serves as the Co-CEO of Kuramo Capital Management, LLC an independent investment management firm driving catalytic private institutional capital to fast-growing African businesses. In his role as the Chairman of the Investment Committee of Kuramo Capital, he leads Kuramo Capital’s investment activities across Africa. Additionally, Mr. Kariuki leads Kuramo Capital’s Board Governance strategy across all portfolio companies.</p> <p>Further, Mr. Kariuki currently serves in leadership roles in various companies across the African continent, including in Kenya, Ethiopia, Zimbabwe, South Africa, and the Democratic Republic of Congo. He also serves on various advisory boards of companies in Europe and the USA. He is the former chairperson of Deseret First Credit Union in the USA.</p> <p>He has extensive experience in key leadership roles in various investment and asset classes, including private equity, fixed income, domestic and emerging markets, investment banking, and hospitality.</p> <p>Mr. Kariuki received a Master’s in Government from Harvard University and holds a B.S. in Economics and an MBA with an emphasis in Finance from Brigham Young University. He is a member of the CFA Institute and the Harvard Club in New York City.</p>


Directors	Details
 <p>Mr. David Kemei Date of Birth: 12th December, 1964 Designation: Director-General Term: Appointed in October 2024</p>	<p>Mr. Kemei was appointed as the Authority's Director-General on 7th October, 2024. In this role, he is tasked with championing and spearheading the execution of the Authority's mandate as outlined in the Competition Act CAP 504.</p> <p>He has a wealth of expertise and knowledge spanning over 30 years in various sectors, including regulatory, financial, academia, health, tourism, energy, commercial and corporate governance, with over fifteen years in senior leadership roles. His skillset includes corporate and financial management, accounting, project implementation, resource mobilization, collaboration with global agencies, and stakeholder management.</p> <p>Mr. Kemei holds a Master's degree in Business Administration and a Bachelor's degree in Commerce from the University of Nairobi. He is a qualified public accountant, a Certified Regulation Specialist, and a certified practitioner in executive coaching.</p> <p>He previously worked at DGMB Training Solutions Ltd, the Electricity Regulatory Board (now the Energy and Petroleum Regulatory Authority), the Nation Media Group, Windsor Golf Hotels & Country Club Ltd, Kenya Shell (now Vivo Energy) and lectured at five (5) universities, among others. In addition, he has served on public sector Boards as a chairperson and director at Kenya Reinsurance Corporation, Zep Re, and Kenya Medical Training College. He has served as the chair of the audit committee at the Commission for Revenue Allocation.</p>
<p>Mr. Stephen Githinji Date of Birth: 29th June 1985</p>	<p>Mr. Githinji is a State Counsel in the Office of the Attorney-General and Department of Justice. He has experience in strategic public</p>




Directors	Details
<p>Designation: Alternate to the Hon. Attorney-General Term: Appointed in January 2023</p>	<p>interest litigation in constitutional, environmental and electoral law and practice. He is an advocate of the High Court of Kenya and holds a Bachelor of Laws Degree from the Catholic University of Eastern Africa and a Postgraduate Diploma in Law from the Kenya School of Law.</p>
<div data-bbox="288 658 507 909" data-label="Image"> </div> <p>Mr. Joseph Zacharia Ngugi</p> <p>Date of birth: 14th June 1966 Designation: Alternate to the Principal Secretary, The National Treasury Term: Appointed in March, 2024</p>	<p>Mr. Ngugi is the Director of Macro Planning in the Macro and Fiscal Affairs Department at the National Treasury. Mr Ngugi heads the Tax Policy Division at the National Treasury. He represents the Principal Secretary of the National Treasury in Kenya Petroleum Refinery Limited. He holds a Bachelor of Arts (Economics and Sociology) Degree from Egerton University and a Master of Arts (Economics) from the University of Nairobi. Mr Ngugi has excellent knowledge of tax policy with over twenty years of experience. He has spearheaded the preparation of the Excise Duty Act, 2015, the Tax Procedures Act, 2015, the Tax Appeals Tribunal Act, 2013, Act, the Miscellaneous and Fees Act, 2016, and the VAT Act, 2013. He also participated in the preparation of the East African Community Customs Management Act, 2004 and the East African Community Common External Tariff.</p> <p>Mr Ngugi also participates in the review of the domestic tax legislation every year and participates in East African Community meetings on Customs and other tax-related matters. Mr. Ngugi has previously served as alternate Director at the Kenya Trade Network Agency, Retirements Benefits Authority, and Coffee Development Fund.</p>


Directors	Details
 <p>Mr. Joseah Rotich</p> <p>Date of birth: 19th December 1965 Designation: Alternate to the Principal Secretary, State Department for Trade and Enterprise Development Term: Appointed in October, 2020</p> <p>1.</p>	<p>Mr. Rotich has a wealth of experience in trade and economic policy. In addition to over 25 years of experience in trade policy, he has leadership and strong coordination skills along with long-term experience in trade negotiations. He has spearheaded several trade negotiations among them: EAC-EU EPA, COMESA-EAC-SADC Tripartite FTA as lead negotiator for the EAC Partner States, the African Continental Free Trade Area (AfCFTA) as key Kenyan negotiator and chair of the Technical Working Group (TWG) on Rules of Origin since commencement of the negotiations, and EAC-CET and EAC Rules of Origin Review and Kenya-UK EPA and Kenya-USA as lead negotiator on market access and Rules of Origin, among other bilateral negotiations.</p> <p>He has also worked at the Kenya Embassy in Brussels as a Commercial Counsellor for 6 years (2002-2009) covering the EU, Belgium and Luxembourg, African, Caribbean and the Pacific Partner States (ACP) activities, and World Customs Organisation (WCO).</p> <p>Mr. Rotich holds a Post Graduate Degree from Brussels University (ULB) in International Economic Law, and Diploma in Multilateral Diplomacy/Conferencing from the United Nations Institute for Trade and Research (UNITAR), a Bachelor of Arts (Economics) Hons, from Moi University, among other trainings on trade policy including WTO, and Leadership.</p>
	<p>Mr. Maurice Nzuki is an advocate of the High Court of Kenya of 13 years standing, having</p>



Directors	Details
 <p>Mr. Maurice Nzuki Date of birth: 30th June, 1987 Designation: Ag. Corporation Secretary & Manager, Legal Services Term: Appointed in June 2024</p>	<p>been admitted in the year 2012. He is responsible for providing secretarial services to the Competition Authority’s Board; advising on corporate governance and legal matters within the Authority; managing the litigation function and overseeing legal representation of the Authority.</p> <p>Prior to his appointment, he served as the Senior Legal Officer at the Competition Authority of Kenya and worked as a Senior Associate at Muriithi Kireria and Associates and an Associate at Nyamu and Nyamu LLP.</p> <p>Mr. Nzuki holds a Master’s in Law from the University of Nairobi, a Bachelor of Law degree from the Catholic University of Eastern Africa and a Postgraduate Diploma in Law from the Kenya School of Law. He is an advocate of the High Court of Kenya, a member of the Law Society of Kenya, and the East Africa Law Society, being a member of the In-House Committees in both societies. He is also a Certified Public Secretary, CPS(K) and a member of the Institute of Certified Secretaries of Kenya (ICS). Mr. Nzuki is a Chartered Mediator (ICMC) and has also been trained in competition law, consumer protection law, management and legal audit among others.</p>

4. MANAGEMENT TEAM

Management	Details
 <p>Mr. David Kemei Designation: Director-General Term: Appointed in October 2024</p>	<p>Mr. Kemei was appointed as the Authority’s Director-General on 7th October, 2024. In this role, he is tasked with championing and spearheading the execution of the Authority’s mandate as outlined in the Competition Act CAP 504.</p> <p>He has a wealth of expertise and knowledge spanning over 30 years in various sectors, including regulatory, financial, academia, health, tourism, energy, commercial and corporate governance, with over fifteen years in senior leadership roles. His skillset includes corporate and financial management, accounting, project implementation, resource mobilization, collaboration with global agencies, and stakeholder management.</p> <p>Mr. Kemei holds a Master’s degree in Business Administration and a Bachelor’s degree in Commerce from the University of Nairobi. He is a qualified public accountant, a Certified Regulation Specialist, and a certified practitioner in executive coaching.</p> <p>He previously worked at DGMB Training Solutions Ltd, the Electricity Regulatory Board (now the Energy and Petroleum Regulatory Authority), the Nation Media Group, Windsor Golf Hotels & Country Club Ltd, Kenya Shell (now Vivo Energy) and lectured at five (5) universities, among others. In addition, he has served on public sector Boards as a chairperson and director at Kenya Reinsurance Corporation, Zep Re, Kenya Medical Training College. He has served as the chair of the audit committee at the Commission for Revenue Allocation.</p>

Management	Details
 <p>Dr. Adano W. Roba, PhD Designation: Director Policy, Research, Risk and Quality Assurance</p>	<p>Dr. Roba has broad areas of interest in applied research and has over 20 years of research and policy experience. He joined the Authority in July 2018 and is responsible for developing effective strategies for economic analysis, policy, research, quality management systems, and performance. Before joining the Authority, he was a Senior Policy Analyst at the National Treasury’s Fiscal & Economic Affairs Department, where he was involved in several task forces that developed legislation on climate change, petroleum, minerals, energy, and their related regulations.</p> <p>He also served as a Senior Lecturer in environmental economics at both the University of Eldoret and Moi University.</p> <p>Dr. Roba earned his PhD from the University of Amsterdam, the Netherlands, and an MSc from the University of York, UK. He has several monographs, peer-reviewed articles, and book chapters to his name, and also in collaboration with colleagues.</p> <p>Dr. Adano was the Acting Director General of the Authority from January 2023 to October 2024.</p>
	<p>Mr. Mwangi joined the Authority in December 2014 as the Manager of Internal Audit. He was appointed Director of Corporate Services in February 2018. He has over nineteen (19) years’ experience in auditing Government Parastatals. Previously, he has worked with the Kenya National Bureau of Statistics (KNBS), the Kenya Film Commission (KFC), and the Office of the Auditor General (OAG).</p>



Management	Details
 <p>Eric Mwangi Designation: Director, Corporate Services</p>	<p>He holds a Master of Business Administration (Finance Option) and a Bachelor of Science Degree (Hons.) from the University of Nairobi. He is a Certified Public Accountant (Kenya), Certified Fraud Examiner (CFE), and Certified Information Systems Auditor (CISA). Mr. Mwangi is an active member of the Institute of Certified Public Accountants (ICPAK), Association of Certified Fraud Examiners (ACFE), and Information System and Control Association (ISACA). He is also a qualified Quality Management System ISO 9001: 2015 Auditor.</p>
 <p>Amenya Omari Designation: Director, Competition and Consumer Protection</p>	<p>Mr. Omari is a public-sector legal counsel with over 15 years of experience. He is responsible for providing secretarial services to the Authority's Board; advising on corporate governance and legal matters within the Authority; managing the litigation function and overseeing legal representation of the Authority. Before his appointment, Mr. Omari served as the Principal Legal Officer and Head of the Legal Division at the Witness Protection Agency of Kenya.</p> <p>His earlier work experience was at the Office of the Director of Public Prosecutions as Senior Prosecution Counsel and at the Office of the Attorney General, where he served as State Counsel. He holds a Master's Degree in Competition Law from the Brussels School of Competition, a Master's Degree in Law from the University of Zimbabwe, a Bachelor of Laws from the University of Nairobi, and a</p>

Management	Details
	<p>Postgraduate Diploma in Law from the Kenya School of Law.</p> <p>He is an Advocate of the High Court of Kenya, a member of the Law Society of Kenya and the East Africa Law Society. Additionally, he is a Certified Public Secretary CPS(K) and a member of the Institute of Certified Secretaries of Kenya (ICS). His training spans various fields including competition law, consumer protection law, trial advocacy, prosecution, negotiation, witness and victim protection, leadership, management, and communication.</p>
 <p>Mr. Maurice Nzuki Designation: Ag. Corporation Secretary & Manager, Legal Services Term: Appointed in June 2024</p>	<p>Mr. Maurice Nzuki is an advocate of the High Court of Kenya of 13 years standing, having been admitted in the year 2012. He is responsible for providing secretarial services to the Competition Authority’s Board; advising on corporate governance and legal matters within the Authority; managing the litigation function and overseeing legal representation of the Authority.</p> <p>Prior to his appointment, he served as the Senior Legal Officer at the Competition Authority of Kenya and worked as a Senior Associate at Muriithi Kireria and Associates and an Associate at Nyamu and Nyamu LLP.</p> <p>Mr. Nzuki holds a Masters in Law from the University of Nairobi, a Bachelor of Law degree from the Catholic University of Eastern Africa and a Postgraduate Diploma in Law from the Kenya School of Law. He is an advocate of the High Court of Kenya, a member of the Law Society of Kenya, and the East Africa Law Society, being a member of the In-House Committees in both societies. He is also a Certified Public Secretary, CPS(K) and a member</p>

Management	Details
	<p>of the Institute of Certified Secretaries of Kenya (ICS). Mr. Nzuki is a Chartered Mediator (ICMC) and has also been trained in competition law, consumer protection law, management and legal audit, among others.</p>
 <p>Ochieng' Ochiel Manager, Internal Audit</p>	<p>Mr. Ochiel has vast experience in the fields of auditing, finance, and taxation, both in the public and private sectors, spanning over 16 years. He holds a Master of Business Administration (MBA) degree from the University of Nairobi, a Bachelor of Commerce degree (Accounting) from Daystar University, a Certified Public Accountant (CPAK) and a Certified Information Systems Auditor (CISA) from Strathmore University.</p> <p>Before he was appointed the Manager of Internal Audit at the Authority, he served as the Senior Internal Audit and Risk Management officer at the Kenya Civil Aviation Authority. His prior work experience was at the Kenya Rural Roads Authority, Compassion International, and Kenya Utalii College. Mr. Ochiel's key responsibilities include offering independent and objective assurance on the effectiveness of the internal controls, risk management, and governance processes.</p> <p>He is a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and the Information Systems and Control Association (ISACA).</p>

Management	Details
 <p>Dr. Priscilla Njako, PhD Designation: Manager, Buyer Power</p>	<p>Dr. Njako joined the Authority in March 2019 as the inaugural manager for the Buyer Power Department. With a career experience spanning 25 years, she has served in various leadership positions with teaching and consultancy engagements in corporate law, competition law and regulatory governance at the Catholic University of Eastern Africa and Strathmore University, as well as in legal practice.</p> <p>Priscilla's key responsibilities include investigating complaints of Abuse of Buyer Power and delayed payments and carrying out market assessment. Her duties also include engaging in research to identify the most effective practices for effective enforcement. She has a keen interest in the enforcement of competition law in ways that are apt for the needs of developing countries and is both a published author and a frequent commentator on the intersection of competition law and economic inclusion.</p> <p>Priscilla holds a Doctorate in Competition Law from the University of Pretoria, a Master of Laws Degree (LLM) from the University of South Africa, a Bachelor of Laws Degree (LLB) from the University of Nairobi and a Diploma in Law from the Kenya School of Law. She also holds a Certified Public Secretaries qualification (CPSK) from the Kenya Accountants and Secretaries Board (KASNEB) and various certificates in Competition Law. She is an active member of the Law Society of Kenya and a Certified Public Secretary.</p>
 <p>Mugambi Mutegi</p>	<p>Before joining the Authority, Mugambi worked at the Nation Media Group (NMG). He served as a writer and editor attached to the Business Daily publication. His main role at the Communications & External Relations Department is ensuring the Authority's</p>

Management	Details
<p>Designation: Manager, Communications and External Relations</p>	<p>stakeholders are informed about the Authority’s mandate.</p> <p>The department develops and executes strategies through which the Authority can increase its visibility as well as enhance its corporate image among key stakeholders. Mugambi’s background working at a leading media company has benefited the Authority as it seeks to strengthen its relations with members of the 4th estate, a key stakeholder in creating awareness about the Authority’s mandate. Mugambi holds a Master of Arts in Communication Studies from the University of Nairobi.</p>
<div data-bbox="233 1146 592 1393" data-label="Image"> </div> <p>Walter Masinde Designation: Manager, Supply Chain Management</p>	<p>Mr. Masinde holds a Master of Business Administration (MBA) degree (Procurement & Supply Chain Management) from the University of Nairobi, a Bachelor of Business Administration (BBA), and a postgraduate Diploma in Purchasing and Supply Chain Management (CIPS-UK), a Diploma in Supplies Management (KNEC) and a Procurement Practitioners License from the Kenya Institute of Supplies Management.</p> <p>He holds professional memberships to the Kenya Institute for Supplies Management (KISM), the Chartered Institute of Purchasing and Supply (UK), and the Chartered Institute of Logistics and Transport. Mr. Masinde is an accomplished professional in Supply Chain Management with over fifteen (15) years of experience.</p>

Management	Details
 <p>Boniface Kamiti Designation: Manager, Consumer Protection</p>	<p>Mr. Boniface Kamiti joined the Authority in February 2015. He heads the Consumer Protection Department, overseeing the investigation and resolution of consumer-related complaints and issues. Before joining the Authority, he worked with various UN agencies and the Centre for Corporate Governance.</p> <p>Mr. Kamiti holds a Master of Global Competition and Consumer Law Degree from the University of Melbourne, a Master of Arts in Economic Policy and Management from the University of Nairobi, and a Bachelor of Arts in Social Science (Economics) from the Catholic University of Eastern Africa. He has over 15 years of experience in arbitration, conducting consumer-related investigations, programme and project management, Results-Based Management, and stakeholder management.</p>
 <p>Ninette K. Mwarania Designation: Manager, Planning, Policy and Research</p>	<p>Ninette provides leadership in Research, corporate planning and policy development, which are critical to advancing the Authority's mandate. She is also in charge of advocacy and International relations functions, responsible for supporting in maintaining effective partnerships. In addition, she oversees knowledge management, resource mobilization, and corporate performance monitoring and evaluation.</p> <p>Ninette holds a Master of Business Administration (Marketing Management) Degree from the University of Nairobi and a Bachelor of Commerce (Banking and Finance) Degree from Kenyatta University. In addition, she is pursuing a Master of Commerce in Competition and Economic Regulation at the</p>

Management	Details
	<p>University of Johannesburg. She is an active member of the Marketing and Social Research Association (MSRA) and is a full member of the Kenya Institute of Management (KIM).</p>
 <p>Raphael Mburu Designation: Manager, Mergers and Acquisitions</p>	<p>Mr. Mburu joined the Authority in December 2014. He possesses advanced skills in Competition Law and Economics dealing with the regulation of market structure. He holds a Master of Business Administration (Leadership and Sustainability) from the University of Cumbria, a Post-graduate Diploma in EU competition Law from King's College London, and a Bachelor of Science Degree from JKUAT.</p> <p>He is an active member of the Competition Law Association, the British Group of the International League of Competition Law (Ligue Internationale du Droit de la Concurrence - LIDC).</p>
 <p>Ambrose Ageng'a Designation: Manager, Finance</p>	<p>CPA Ambrose Ageng'a is a holder of a Master of Business Administration (Finance option) degree from the University of Nairobi and a Bachelor of Commerce Degree from the Catholic University of Eastern Africa. He is also a Certified Public Accountant of Kenya (CPAK) and an active member of the Institute of Certified Public Accountants of Kenya (ICPAK).</p> <p>CPA Ageng'a has over 22 years of work experience in both the private and public sectors, having previously worked in corporates the Kenya Revenue Authority, and the Salaries and Remuneration Commission. He has also been involved in Audit Committee activities at both the County and National Government levels.</p>

Management	Details
 <p>Mercelline Anduro Designation: Manager, Information and Communications Technology (ICT)</p>	<p>Ms. Anduro has over 14 years of experience in network management, database administration, web design, corporate communication, hardware and software maintenance, and user support from the Public Sector. She has been involved in various ICT projects, ICT Strategy formulation, execution, and alignment with business, ICT security, Business Continuity Management, Project Management, and Forensic investigations.</p> <p>She holds a Master of Science in Information Systems Management (KCAU), a Bachelor's in Business Information Technology (KEMU), and a Diploma in Computer Studies (TUM). She is also a qualified Microsoft Certified Solutions Associate and Microsoft Certified Professional. She has attended various management courses including Corporate Governance, Risk Management, Information Security Management, and Business Continuity Management. She is an active member of the Computer Society of Kenya.</p>
 <p>Beryl Mwandale Designation: Principal Risk and Quality Assurance Officer</p>	<p>Ms. Mwandale has experience in the fields of auditing, finance, enterprise risk management, business continuity, policy analysis, and quality assurance both in public and private sectors spanning over twelve years. Ms. Mwandale holds a Bachelor of Science Degree in Actuarial Science and a Masters of Finance Degree.</p> <p>She is also a qualified ISO 9001:2015 and ISO 22301:2019 Management Systems Auditor, ISO 31000:2018 Lead Risk Manager, and ISO 27001:2013 implementer. She has attended various courses on Competition Law and Policy, Leadership and Management, Risk</p>

Management	Details
	<p>Management, Information Security Management, and Business Continuity Management.</p>
 <p>CHRP, Rachel Okuom Designation: Manager, Human Resources and Administration</p>	<p>Ms. Okuom has more than 14 years' experience in managing Human Resource functions in both Public and Private sectors. She currently provides leadership in the development and implementation of HR strategies, policies, and programs that enable the Authority to effectively deliver on its mandate.</p> <p>She holds a Master of Business Administration (Strategic Management) from the University of Nairobi and a Bachelor's Degree in Business Management (Human Resource) from Masinde Muliro University. She is a Certified Human Resource Practitioner (CHRP), a trained workplace counsellor, a Certified Professional Coach (CPC), and an ISO 9001:2008 Certified Auditor. Ms. Okuom is also a full and active member of the Institute of Human Resource Management (IHRM).</p>
 <p>CPA, Benard Ayieko Designation: Manager, Enforcement & Compliance</p>	<p>CPA Benard Ayieko is an Economist, Lawyer, Certified Secretary (CS) and a Certified Public Accountant (CPA). He joined the Authority in December 2016 as a Senior Advocacy Officer in charge of Policy, Research and Advocacy. Currently, he leads a team of investigators responsible for carrying out investigations, competition analysis and sanctioning of Restrictive Trade Practices (RTPs). He has over sixteen (16) years' work experience in policy, research, advocacy and trade and investment. He has also worked for a diplomatic mission, international audit, tax and advisory firm, commercial bank, a NGO and in the capital markets field.</p> <p>He holds a Master of Arts (Economics), Bachelor of Arts (Economics) and Bachelor of Laws (LL. B)</p>

Management	Details
	<p>degrees (all from the University of Nairobi). He also holds a post-graduate diploma in Law from the Kenya School of Law and a diploma in Banking & Finance. He is a Certified Public Accountant (CPA) and a member of the Institute of Public Accountants of Kenya (ICPAK). He is a Certified Secretary (CS) and a member of the Institute of Certified Secretaries of Kenya (ICS). He is an Advocate of the High Court of Kenya and a member of the Law Society of Kenya (LSK). He has numerous certificates on competition law training and is a certified Quality Management System ISO 9001:2008 Lead Auditor. He is an accredited African Development Educator (ADE), a certified Director with the Institute of Directors Kenya (IOD-K) and a Member of Public Relations Society of Kenya (PRSK).</p>



5. CHAIRMAN'S STATEMENT

It gives me utmost pleasure to present to you the Authority's Annual Report and Financial Statements for the FY 2024/25. The report highlights the Authority's efforts to promote markets competition and enhance consumer welfare, and also presents our financial performance.

Global economic growth is projected to slow down in 2025, with the World Bank forecasting global GDP growth to weaken to 2.3% and the OECD projecting a slowdown to 2.9%. Rising trade tensions, policy uncertainty, and tighter financial conditions largely drive this. This slowdown is anticipated to be more pronounced in advanced economies. Closer home, the Economic Survey 2025 confirmed Kenya's economy grew by 4.7% in 2024. This growth was largely driven by vibrant agriculture, financial and insurance services, manufacturing, real estate, and transport and storage sectors, which underpin the National Treasury's projection of a rebound to 5.3% in 2025. The country's interconnectivity with the global economy has made the economy competitive globally, and in attracting foreign direct investment. This was evidenced by an increase in the high-value merger transactions notified to the Authority.

During the period under review, the Authority implemented the final phase of its 3rd Strategic Plan 2021 - 2024. Our internal assessment indicates that we delivered on 93% of our targets, representing an improvement from the 90% recorded in our 2nd Strategic Plan. This Strategic Plan was anchored on three pillars - delivering effective enforcement, research and advocacy, and visibility and organizational sustainability. These ensured that the Authority directed its critical resources and efforts to delivering its mandate.

The pillar on delivering effective enforcement focused on increasing deterrence of anti-competitive practices and abuse of buyer power, regulation of market structure, and enhancing consumer welfare. Specifically, our interventions in the steel, retail and financial sectors saw penalties totalling KES 1.44 billion imposed to remedy anti-competitive conduct by major players.

An assessment conducted on select decisions taken by the Authority indicated that consumer savings of over KES 900 million were realized in the paints and cement sectors. In addition, KES 76.29 million was recovered from powerful buyers, securing the survival of SMEs. Further, merger approvals unlocked investments worth over KES 25 billion, contributing to employment creation and increased consumer choice.

From a consumer welfare perspective, the Authority's enforcement footprint is visible in key sectors such as financial services, health and manufacturing, where corrective action against misinformation by manufacturers on product composition and quality was taken during the reporting period. Additionally, we secured refunds, repairs, or replacements worth KES 21.4 million through the resolution of consumer complaints. Consumer education was integrated into the Junior Secondary Schools' curriculum to empower learners about their rights early in life.



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Under the research and advocacy pillar, we engaged over 5,000 stakeholders, including businesses, SMEs, and public officers, aimed at deepening the competition culture and enhancing compliance. Regionally, we worked with peer agencies to tackle cross-border challenges in digital markets and extinguish anti-competitive behaviours. In addition, three market inquiries in the digital markets and the agriculture sector were finalized. Policy recommendations have been implemented to enhance the competitiveness of the business environment in Kenya. Notably, the Animal Feeds Market Inquiry was recognized at the 2025 International Competition Network Annual Conference as an initiative that not only supports the government agenda on food security and nutrition but also enhances regional trade and integration through competitive markets.

While we celebrate these achievements, the Authority continues to navigate an evolving regulatory landscape, including the rapid evolution of digital markets. These dynamics underscore the critical focus of our 4th Strategic Plan, FY 2023 - 2027, whose clarion call is, *"Promoting and Sustaining Enforcement for Enhanced Consumer Welfare."* Stakeholders should therefore expect to see enhanced enforcement action with regard to deterring anti-competitive conduct, sanctioning abuse of buyer power, and efforts targeted at enhancing consumers' welfare. These initiatives shall be aligned with emerging issues in our markets, including Big Data, Artificial Intelligence, and climate change and sustainability.

Lastly, I take this opportunity to record my sincere gratitude to all our stakeholders, especially the National Treasury, as well as development partners, for their continued support in our mandate execution. I also wish to appreciate my colleagues on the Board and staff for their invaluable contribution and dedication in supporting the Authority's mandate. I look forward to a vibrant FY 2025/26.



Shaka Kariuki
Board Chair

6. REPORT OF THE DIRECTOR GENERAL

I present to you the FY 2024/25 Annual Report and Financial Statements outlining the Authority's activities and achievements over the past twelve (12) months. Our interventions in various sectors of the economy focused on enhancing the competitiveness of our markets, locally and internationally, therefore enhancing consumer welfare.

A comprehensive account is provided in the main report, where all functional units have detailed their accomplishments during this reporting period. Our targets and achievements were guided by the Authority's 3rd Strategic Plan FY 2021 - 2024, which concluded on June 30, 2025. Our initiatives are aligned with the Government priorities contained in the Vision 2030 Blueprint, the Sustainable Development Goals, and the Bottom-Up Economic Transformation Agenda (BETA), among others.

During the year under review, the Authority continued to focus its interventions on sectors that have a significant impact on the majority of the Kenyan population, have a positive multiplier effect on the economy, and address emerging issues, while seeking to foster innovation, growth, and sustainability in our economy. To this end, the Authority extinguished anti-competitive practices and consumer rights infractions. Our work protected SMEs from exploitation by large businesses and ensured consumers have a choice of goods and services, access to competitively priced products, and enjoy the benefits of innovation. These efforts were driven through sector-specific investigations.

We have noted a 37% increase in consumer complaints lodged with the Authority, increasing from six hundred and sixty-eight (668) cases in FY2023/24 to nine hundred and fifteen (915) cases in FY2024/25. This surge is attributable to sustained efforts to raise awareness among consumers about their rights and obligations, and the Authority's robust complaints-handling mechanisms. Overall, the Authority's interventions resulted in savings of KES 21.4 million from consumer redress. While these numbers are encouraging, we remain committed to bolstering our presence at the grassroots.

We widened our reach by collaborating with the Ministry of Education to sensitize 49,321 learners and 885 teachers in 96 Junior Secondary Schools across Makeni, Tharaka Nithi, Nairobi, and Homa Bay Counties on competition and consumer protection concepts.

One way of gauging the economic environment is through merger control. These transactions are a pointer to the attractiveness of the economy to local and international investors. During the year under review, the Authority received a total of one hundred and twenty-eight (128) merger applications, marking a 20% increase from the previous year's one hundred and seven (107)



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applications. The manufacturing, finance & insurance, and the distribution sectors accounted for 52.9% of the merger notifications, signifying their importance in the overall economic landscape.

We recognize that businesses could leverage Artificial Intelligence (AI) and Big Data to distort markets, making their covert operations hard to detect. Indeed, cartel conduct cases typically take up to three years from the fact-finding stage to closure, and the rise of digital technologies adds further complexity to detection. To address this, we have set up a forensic laboratory to aid in evidence collection, analysis, and reporting for investigations.

Abuse of buyer power dampens the competitiveness of markets through conduct such as reducing supply prices by significant amounts, threats of termination or unilateral termination of contracts without a reasonable justification, delaying payments, refusal to receive or return goods without justifiable reasons, and transfer of costs or risks to suppliers. In the year ending June 2025, the Authority's interventions secured the sustainability of SMEs in various sectors by recovering delayed payments owed to suppliers amounting to KES 76.29 million, thereby contributing to job preservation and SME sustainability in the economy.

To better understand our markets, including the level of competition, barriers to entry, and any consumer welfare concerns, the Authority conducted two market inquiries focusing on the animal feeds and fertilizer sectors. The animal feeds inquiry revealed that regulatory challenges and market concentration led to high prices and provided solutions to ameliorate the situation. Additionally, the Authority conducted a market study focusing on the internet provision services and an ex-post evaluation of its past decisions and interventions on abuse of buyer power in the Kenyan retail chain sub-sector (supermarkets). The recommendations from these studies will enhance decision-making to create efficient markets for consumers.

To promote stakeholder engagement and compliance with the Act, the Authority escalated its advocacy efforts by engaging various stakeholders, including County Governments, Academia, the Legal Fraternity, and sector regulators, among others. Moreover, in line with our advisory role, we provided opinions to various policymakers to ensure that legislation and policies developed are pro-competitive. We also participated in various regional and international forums to articulate our position on competition and consumer welfare.

In enhancing the Authority's visibility and corporate image, we undertook various activities and programs geared towards increasing awareness of the Act among our stakeholders. During the review period, the Authority published all its determinations, clearly articulating the reasoning behind each decision. This was aimed at increasing the transparency of our processes and ensuring that we remain accountable to our stakeholders. We also kept our stakeholders, including the Media, apprised of key developments in our ongoing enforcement interventions through the issuance and publicizing of various statements, orders, and press releases.

The achievements highlighted would not have been possible without the support of its highly skilled employees, who diligently execute its mandate. It remains our resolve to empower our employees with the requisite technical skills and competencies to execute their tasks, with a key focus on ensuring they are well-honed regarding emerging areas in competition law enforcement.

We are also grateful to our parent Ministry, the National Treasury, for their continued budgetary support and policy guidance. The Board has instrumental in facilitating the Authority to achieve its targets. We appreciate our stakeholders who have supported our quest to create efficient markets for Kenyan consumers.

Looking ahead in the Financial Year 2025/26, the Authority plans to implement the initiatives outlined in the 4th Strategic Plan, which will run from 1st July, 2025 to 30th June, 2028 as we continue to strengthen our collaborations with other regional bodies, learning institutions, and regulators.

One of our intentions is to increase investigations against anti-competitive conduct across key sectors of the economy, with the aim of extinguishing practices like price fixing, abuse of dominance and market allocation. By the end of the planning period, we intend to increase our consumer-related cases by 120%, comprising cases submitted by Kenyans as well as investigations initiated on our own volition. We also plan to conduct more market inquiries into key sectors of the economy, take corrective enforcement actions where applicable, and propose appropriate policy recommendations. We acknowledge that Kenyans want us to engage more with them. To meet this, we shall invest in more awareness creation activities through social and traditional media channels. In the medium term, we intend to bring our services closer to citizens, possibly through collaborating with *Huduma* Centres.



David K. Kemei
Director-General

7. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2024/25

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the Director General to include in the financial statement, a statement of the national government Entity's performance against predetermined objectives.

The Authority has three strategic pillars and 13 objectives within the current Strategic Plan for the FY 2021/2024. These strategic pillars are as follows:

- i. **Pillar 1: Delivering Effective Enforcement** - This relates to the regulation of market conduct and Market Structure. Market Conduct involves deterrence of abuse of buyer power, anti-competitive Practices, consumer contraventions, and mergers implemented without the approval of the Authority. Market structure, on the other hand, involves approval of mergers notified to the Authority;
- ii. **Pillar 2: Research & Advocacy** - This entails conducting market inquiries and studies to support optimal decisions by the Authority. Further, to deepen the competition culture, the Authority engages stakeholders through various platforms Such as conferences, workshops, and country engagement; and
- iii. **Pillar 3: Visibility and Organizational Sustainability** - This involves management of resources, leveraging ICT and activities that increase awareness of the Authority and its mandate.

The Authority develops its annual work plans based on the above three pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Authority achieved its performance targets set for the FY 2024/25 period for its three strategic pillars, as indicated in the table below:

Strategic Goal	Objective	Key Performance Indicators	Target	Achievements	Remarks
Delivering Effective Enforcement	To reform the Merger Analysis Process to Minimize Financial Burden on Businesses	% of Merger Notifications finalized	100	98	The pending 2% is constituted of mergers that were notified towards the end of the FY
	To Enhance Deterrence of Unfair Market Conduct to Safeguard Access to Markets and Consumers	% of ABP cases finalized	100	65	The negative deviation was occasioned by an increase in the number of complaints received as against the human resource available.
	Increase detection and take measures to address misleading and unfair practices that harm consumers	% of consumer cases finalized	72	55	The negative deviation was occasioned by an increase in the number of complaints received as against the human resource available. The number of consumer complaints received increased from 665 in 2023/24 cases to 915 in 2024/25
	To enhance deterrence of anti-competitive practices for sustained consumer welfare	% of cases concluded	100	39	The negative deviation was occasioned by an increase in the number of complaints received against the human resource available. The number of RTP cases

Strategic Goal	Objective	Key Performance Indicators	Target	Achievements	Remarks
					received increased from 73 in 2023/24 cases to 75 in 2024/25
Research & Advocacy	To advance knowledge of sectoral and emerging markets	No. of research reports	2	2	Animal feed market inquiry was finalized, and the fertilizer inquiry was initiated
	To Enhance Effective Advocacy	No. of conferences on Competition and Consumer Protection	2	2	International Competition Network and Consumers International Congress
Visibility and Organizational Sustainability	Increase awareness	% determinations published	100	100	All decisions and determinations were published



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8. CORPORATE GOVERNANCE STATEMENT

The Authority is committed to maintaining the highest standards of integrity, professionalism, ethics, and compliance with all applicable laws in its operations. In the performance of its functions, the Authority is guided by the Constitution of Kenya, 2010, the Act and other applicable laws. The Board is committed to ensuring that the Authority's obligations, roles, and responsibilities to its various stakeholders are fulfilled through its corporate governance practices.

i. The Chairperson

The Chairperson provides leadership and governance and fosters the environment for the overall Board and individual Directors' effectiveness, by ensuring that the Board considers all key and appropriate issues promptly. He is responsible for ensuring adherence to good corporate governance practices and procedures and continuously promoting the highest standards of integrity, probity, and corporate governance throughout the Authority and particularly at the Board level. The Chairperson ensures that the Board plays a full and constructive part in the development and determination of the Authority's strategies and policies. He ensures that the Board is furnished with timely and sufficient information to enable it to discharge its duties effectively.

ii. Members of the Board

Section 10 of the Act provides for the composition of the Board. It comprises the Chairperson, the Principal Secretary for the National Treasury, the Principal Secretary, State Department for Trade and Industry, and the Hon. Attorney-General. Members of the Board also include five (5) independent, non-executive members, appointed from among persons experienced in competition and consumer welfare matters. The Director-General is an *ex-officio* member.

The Board is responsible for the overall strategic direction and operational guidance of the Authority, including;

- (a) Establishing short- and long-term goals of the Authority and developing strategies to achieve these goals;
- (b) Monitoring the Authority's performance against these set goals;
- (c) Overseeing the preparation of annual financial statements and reports;
- (d) Approving annual budgets; and
- (e) Ensuring that the Authority has adequate systems of internal controls, together with appropriate monitoring of compliance activities to ensure business continuity.

iii. Separation of Board and Management

The Authority upholds sound governance practices through a clear separation of roles between the Board and the Management. The Board provides strategic direction, policy oversight and

fiduciary accountability while Management is responsible for the day-to-day operations and implementation of board-approved strategies. This distinction ensures effective checks and balances, enhances transparency and promotes accountability in the execution of the Authority's mandate.

iv. Composition of the Board FY 2024/25

During the period under review, the terms of some independent members of the Board expired, and the Director-General was appointed. However, under Clause 3(5) of the Schedule to the Act, the Board retained the requisite quorum to continue conducting its business. The Board had four committees: Technical and Strategy Committee, Finance, Human Resources Committee, and Audit Committee, to support the execution of its duties.

Table 1: Board Members' Educational Background

No.	Name	Position	Educational Background
1.	Mr. Shaka Kariuki	Chairman	Economics
2.	Mr. David K. Kemei	Director-General	Accounting
3.	Mr. Stephen Githinji	Member	Law
4.	Mr. Joseph Zacharia Ngugi	Member	Economics
5.	Mr. Joseah Rotich	Member	Economics
6.	Ms. Lena Munuve (July 1 - Nov 24, 2024)	Member	Marketing
7.	Mr. Abdi Ali Mohamed (July 1 - Nov 24, 2024)	Member	Sociology
8.	Dr. Kasera Achayo, PhD (July 1 - Nov 24, 2024)	Member	Management
9.	Dr. David K. Wanyama, PhD (July 1 - Nov 24, 2024)	Member	Accounting & Finance
10.	Dr. Adano W. Roba, PhD (July 1 - Oct 6, 2024)	Ag. Director General	Economics

v. Board Meeting Attendance

The Board is required to meet regularly, depending on the needs of the business of the Authority. Full board meetings should be held at least four (4) times a year, and not more than 4 months should lapse between the date of one meeting and the date of the next meeting. During the period under review, the Board held nine (9) meetings. The Board and Board Committees members' attendance during the year was as follows:

Table 2: Full Board Meetings Members' Attendance FY 2024/25



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No.	Name	Position	No. of Meetings
1.	Mr. Shaka Kariuki	Chairman	9
2.	Mr. David K. Kemei	Director-General	8
3.	Mr. Joseph Zacharia Ngugi	Member	3
4.	Mr. Stephen Githinji	Member	7
5.	Mr. Joseah Rotich	Member	9
6.	Ms. Lena Munuve (July 1 - Nov 24, 2024)	Member	4
7.	Mr. Abdi Ali Mohamed (July 1 - Nov 24, 2024)	Member	5
8.	Dr. Kasera Achayo, PhD (July 1 - Nov 24, 2024)	Member	5
9.	Dr. David K. Wanyama, PhD (July 1 - Nov 24, 2024)	Member	7
10.	Dr. Adano W. Roba, PhD (July 1 - Oct 6, 2024)	Ag. Director General	4

vi. Technical and Strategy Committee

This Committee is mandated to advise on strategic planning and implementation of the Act, and guide the management on the technical aspects of the operational performance and functions of the Authority. It is responsible for advising and recommending to the Board the approval of the strategy, examining the objectives and the progress of the Authority in achieving what it has set out to do in the Performance Contract.

It is the Board's structural means for reviewing management's recommendations on matters under the Act and recommending them to the Board for approval. The Committee is also responsible for examining management recommendations to the Board on Risk Policy and monitoring its implementation.

The Committee consists of three (3) members, but during the period under review, the following served in the committee: Mr. Joseah Rotich (Chair), Mr. Stephen Githinji, Mr. Joseph Zacharia Ngugi, Mr. Abdi Mohamed and Dr. David K. Wanyama. The Committee held seven (7) meetings.

Table 3: Technical and Strategy Committee Meeting Attendance

No.	Name	Position	No. of Meetings
1.	Mr. Joseah Rotich	Chair	7
2.	Mr. Stephen Githinji	Member	7
3.	Mr. Abdi Mohamed	Member	2
4.	Dr. David K. Wanyama, PhD	Member	3
5.	Mr. Joseph Zacharia Ngugi	Member	4

vii. Finance Committee



This Committee is responsible for recommending financial policies, goals, and budgets that support the realization of the mission, values, and strategic goals of the Authority. It also reviews the Authority's financial performance against set goals and targets. It is responsible for ensuring that the Authority has effective and efficient internal financial controls, recommending long-term, medium, and short-term financial plans, and ensuring their consistency with the Strategic Plan.

The Committee consisted of three (3) members, namely: Mr. Abdi Mohamed (Chair), Dr. David K. Wanyama, and Mr. Joseph Zacharia Ngugi. During the year under review, the Committee held three (3) meetings.

Table 4: Finance Committee Meeting Attendance

No.	Name	Position	No. of Meetings
1.	Mr. Abdi Mohamed	Chair	3
2.	Dr. David K. Wanyama, PhD	Member	3
3.	Mr. Joseph Zacharia Ngugi	Member	3

viii. Human Resource Committee

This Committee oversees the implementation of the human resource policies and succession planning of the Authority to ensure compliance with national policies and legislation. It organizes the structure and performance evaluation of senior staff and oversees and advises the Board on the recruitment and promotion of the senior staff.

It reviews and recommends human resource policies for the efficient and effective functioning of the Authority. It is responsible for forecasting and recommending the Authority's long-term, medium and short-term human resource needs, ensuring motivated, qualified, and high-performing staff.

The committee consisted of three (3) members, namely, Ms. Lena Munuve (Chair), Dr. Kasera Achayo, and Mr. Stephen Githinji. During the year under review, the Committee held two (2) meetings.

Table 5: Human Resource Committee Meeting Attendance

No.	Name	Position	No. of Meetings
1.	Ms. Lena Munuve	Chair	2
2.	Dr. Kasera Achayo, PhD	Member	2
3.	Mr. Stephen Githinji	Member	2



ix. Audit Committee

The Board recognizes that ethical management is key to the Authority's sustainability and is committed to ensuring that ethics and integrity remain at the core of the Authority's operations. In furtherance of this, the Board continuously implements systems and processes that are intended to integrate ethical practices in all the Authority's operations.

The Audit Committee's objective includes ensuring that the Authority's internal controls are planned, structured, and implemented. Further, the Committee reviews the proposed audit scope, approach, and audit deliverables, and ensures the implementation of internal and external audit recommendations. The mandate relating to financial reporting and related reporting practices requires the audit committee to review the annual financial statements of the Authority, the external auditor's opinion, and their comments on internal controls and other observations. It also reviews significant accounting and reporting issues and their impact on financial reports, as well as legal matters that could significantly affect the financial position of the Authority, among other financial reporting responsibilities.

The Committee consists of three (3) members, but during the period under review, the following served in the committee: Dr. Kasera Achayo (Chair), Mr. Joseah Rotich, Ms. Lena Munuve, Mr. Stephen Githinji, and Mr. Joseph Zacharia Ngugi. During the year under review, the Committee held six (6) meetings.

Table 6: Audit Committee Meeting Attendance

No.	Name	Position	No. of Meetings
1.	Mr. Stephen Githinji	Chairperson	2
2	Mr. Joseah Rotich	Member	6
3	Ms. Lena Munuve	Member	4
4	Dr. Kasera Achayo, PhD	Member	4
5	Mr. Joseph Zacharia Ngugi	Member	3

x. Board Evaluation FY 2024/2025

Mwongozo, the Code of Governance for State Corporations, requires that the Board of Directors in State Corporations carry out annual performance evaluations and file a report thereof with the parent Ministry and the State Corporations Advisory Committee. During the year under review, the Board conducted an evaluation and attained a score of 97.84%.

9. MANAGEMENT DISCUSSION AND ANALYSIS

i. Compliance with Statutory Requirements

The Authority complied with all statutory requirements, including the PFM and Procurement Acts and remittance of taxes, deductions and other laws and regulations.

ii. Communication Policy

The Authority's Communication Policy guides the management of the core functions through clear, consistent, and coordinated communication. Effective competition enforcement depends on stakeholders' understanding of their roles, the Authority's mandate, and the remedies available under the law. This Policy, therefore, provides a framework to ensure that all communication from the Authority is well coordinated, strategically managed, and responsive to the diverse information needs of stakeholders. Specifically, the Policy promotes the timely, accurate, and transparent dissemination of information; promotes the Authority's visibility, accessibility, and accountability; encourages the use of diverse communication channels and formats to reach all audiences; fosters courteous, client-focused engagement; and safeguards stakeholder trust and confidence in the Authority's integrity and impartiality.

iii. Major Risks

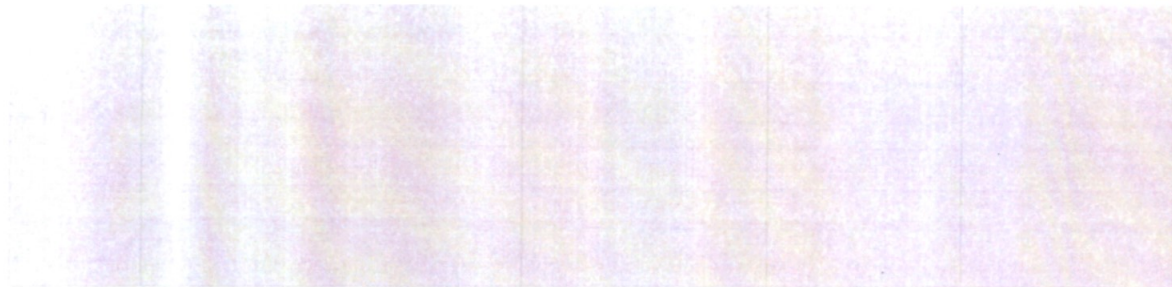
The Authority recognizes the critical importance of identifying and managing risks that may impact the achievement of its objectives under the Plan. To ensure a proactive approach to risk management, the Authority has developed a risk matrix that outlines key potential risks, their likelihood, severity and overall risk levels. The Authority's risks are summarized below;

S. No	Risk	Risk Likelihood	Severity	Overall Risk Level	Mitigation Measures
1.	Data Breach or Cybersecurity Incidents	High	Severe	High	<ul style="list-style-type: none"> • Implement strong cybersecurity controls • Regular system audits • Capacity building for staff on data security
2.	Resource Constraints and inadequate funding	Medium	High	High	<ul style="list-style-type: none"> • Prioritize key projects • Pursue alternative funding avenues • Optimize resource allocation through efficient planning
3.	Regulatory Compliance Gaps	Medium	High	High	<ul style="list-style-type: none"> • Conduct regular compliance audits • Update policies to reflect regulatory changes • Capacity Building
4.	Political or Economic Policy Changes	Medium	Severe	High	<ul style="list-style-type: none"> • Actively engage stakeholders • Adapt to external shifts
5.	Operational Disruptions (e.g., Pandemics)	Low	Severe	Medium	<ul style="list-style-type: none"> • Maintain and regularly update the business continuity plan • Ensure remote work capabilities are in place
6.	Inadequate Staff Capacity (Skills and Numbers)	High	High	Critical	<ul style="list-style-type: none"> • Allocate the budget for implementing the approved training plan • Benchmarking for best practices • Consider partnerships or consultancy support for skills gaps
7.	Lack of Public Trust and/or Reputation Damage	Low	Severe	Medium	<ul style="list-style-type: none"> • Ensure transparency in operations • Adherence to communication procedures to manage media relations well
8.	Increased Litigation	Medium	High	High	<ul style="list-style-type: none"> • Allocate adequate legal budget • Ensure thorough legal review of decisions • Adherence to laid down Acts, procedures and guidelines

9.	Failure to Detect Anti-Competitive Conduct	Medium	High	High	<ul style="list-style-type: none"> Strengthen case documentation Enhance legal team capacity Enhance investigative tools Use data analytics Collaborate with national, regional and international counterparts for Intelligence Enhanced market surveillance
10.	Low Public Awareness of Competition and Consumer Protection Issues	Medium	Medium	Moderate	<ul style="list-style-type: none"> Enhanced public participation Increase public awareness campaigns Engage in advocacy with stakeholders Enhance transparency and accessibility of the Authority's information
11.	Inability to keep up to date with Technological Advancements	High	Medium	Medium	<ul style="list-style-type: none"> Regularly review technological trends Update regulatory frameworks Capacity building for staff on emerging technologies
12.	Cross-Border Competition enforcement challenges	Medium	High	High	<ul style="list-style-type: none"> Establish partnerships with regional and international competition agencies Harmonize enforcement strategies with global standards Conduct joint investigations
13.	Inadequate Research-Driven Decision-Making	Medium	High	High	<ul style="list-style-type: none"> Allocate adequate resources for market analysis and research Capacity building for staff on research methodologies, data analysis and best practices for evidence-based decision-making



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- Enhance Collaboration with industry experts
- Partner with academic institutions, think tanks and other regulatory bodies for broader insights and expertise
- Periodic Review of Decisions: Conduct retrospective reviews of major decisions



iv. Material Arrears in Statutory and Other Financial Obligations

During the year, the Authority complied with all its statutory and regulatory obligations including compliance with the Public Finance Management Act and Regulations, staff related obligations and statutory deductions obligations.

10. ENVIRONMENTAL AND SUSTAINABILITY REPORT

The Authority's mandate is to promote and safeguard competition in the national economy and protect consumers from unfair and misleading conduct. In so doing, it promotes sustainability through the implementation of policies and activities as outlined below;

i. Sustainability strategy and profile

The evolving global political and macroeconomic landscape presents both opportunities and challenges for the execution of the Authority's mandate to promote fair markets and protect consumers. Enforcing the competition law and safeguarding consumer welfare must be responsive not only to economic shifts but also to sustainability imperatives driven by climate change, global policy realignments, and inclusive development goals. The Authority achieves this through;

- a. **Disability Mainstreaming:** Towards actualization of **SDG 10 on Reduced Inequalities**, the Authority ensured that the percentage of Persons with Disabilities (PWDs) in the workforce stood at 5.6% of the total staff establishment, in line with the requirements of the National Council for Persons with Disability (NCPWD). The Authority routinely shares job opportunities with the Council for uploading on its Employment Portal to increase the advertisement's reach, over and above publishing on its Website and Social Media platforms. In addition, the Authority's Management was taken through a disability mainstreaming training to build awareness, knowledge, and practical skills to integrate disability inclusion into policies, programs, services, and workplace culture. Internally, the Authority has a Disability Mainstreaming Committee that proactively equips staff with an understanding of how to design and implement services, communications, and physical environments that accommodate persons with disabilities.
- b. **Affirmative action on procurement of goods, works and services:** Through the empowerment of the Youth, Women, and PWDs, under the preference and reservations group in the procurement of goods, works, and services, the Authority awarded 39%, amounting to KES 41.2 million of its contracts to suppliers in the AGPO category, with KES 3.6 million (3.39%) of them being awarded to PWDs. Further, 73% of goods and services amounting to KES 77.4 million procured by the Authority in the reporting period were locally sourced.

ii. Environmental Impact

- a. **Restoration of Forest Cover** - The Authority contributed to the National Tree Growing and Restoration Campaign aimed at restoring 10.6 million hectares of degraded land by



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planting 15 billion trees by the year 2032. Towards this, the Authority in the FY 2024/25 planted two thousand seven hundred (2700) trees in Nyandarua County.

- b. **Digitalization:** The Authority has sustained its efforts to ensure full digitalization and automation of its processes, thus cutting down on printing paper and toners. This aligns with SDG 13 on Climate Action, which has seen the Authority reduce its carbon footprint across products, services, and processes by 80%. Furthermore, in enhancing service delivery, the Authority re-engineered its exemption application and consumer complaint handling processes, resulting in cost reduction and time savings.

iii. Employee Welfare

- a. **Training:** The Authority implemented targeted training programs to enhance organizational excellence in the delivery of its mandate. The initiatives were delivered through workshops, in-house sessions, and conferences aimed to boost competency, service delivery, and career growth for the staff. The programs also aimed to foster a high-performance culture and strengthen the Authority's capacity to navigate regulatory challenges.
- b. **Young Professional and Internship Programmes:** The Authority runs annual programmes for Young Professionals (YPs) and Graduate Interns aimed at exposing young Kenyans to the tenets and practices of competition law. Ten (10) Interns and five (5) YPs - Masters graduates -were engaged during the review period. The objective of the one (1) year programmes is to expose graduates joining the labour market to a real work environment to enhance their skillsets and employability. This aligns with SDG Goal 8, which promotes inclusive and sustainable economic growth, employment, and decent work for all.

iv. Market Place Practices

- a. **Commemoration of the World Consumer Rights Day:** The Authority sensitized Junior Secondary School students and teachers on environmental sustainability and greenwashing during the commemoration of the World Consumer Rights Day under the theme: *A just transition to sustainable lifestyles*. This was aimed at educating them on the considerations of businesses on climate change and sustainable consumption.
- b. The Authority fast-tracked and approved a merger transaction involving the acquisition of 100% of the shares in Mananasi Fibre Limited by Del Monte Kenya Limited. The

transaction was to enable the acquirer to adopt a solution for the disposal of pineapple plant waste that was both economically and environmentally viable and less costly. The transaction was finalized within 14 days in support of companies that support environmental sustainability.

- c. The Authority supported the sustainability of the SMEs in Kenya by facilitating the recovery of KES 76.29 million in delayed payments by powerful buyers. This recovered amount is expected to support the growth and expansion of the business, thus contributing to employment creation.
- d. In resolving complaints, the Authority ensured that consumers saved KES 21.4 million from either refunds, repairs or replacements arising from goods or services purchased. This has promoted consumer satisfaction and driven awareness of their rights and obligations.
- v. **Corporate Social Responsibility**
 - a. **Restoration of Forest Cover** - The Authority contributed to the National Tree Growing and Restoration Campaign aimed at restoring 10.6 million hectares of degraded land by planting 15 billion trees by the year 2032. Towards this, the Authority in the FY 2024/25 planted two thousand seven hundred (2700) trees in Nyandarua County.

MANAGEMENT SYSTEMS

In its ongoing commitment to excellence, resilience, security, and effective governance, the Authority implemented four key management systems that collectively enhance institutional performance and sustainability during the review period. These are the Quality Management System (QMS) based on ISO 9001:2015, which promotes service efficiency and continual improvement; the Business Continuity Management System (BCMS) aligned with ISO 22301:2019, which ensures preparedness and operational resilience during disruptions; the Information Security Management System (ISMS) guided by ISO/IEC 27001:2022, which safeguards data and upholds information integrity; and the Enterprise Risk Management Framework (ERMF) anchored on ISO 31000 guidelines and the Committee of Sponsoring Organizations (COSO) Framework, which strengthens risk identification, assessment, and mitigation across all functions. Together, these systems reinforce the Authority's capacity to deliver its mandate effectively while adapting to an evolving operational environment.

i. Quality Management System (ISO 9001:2015)

The Authority retained its certification to the ISO 9001:2015 International Standard, thereby upholding the implementation of its QMS. The QMS has continued to enhance operational efficiency, particularly in the resolution of customer complaints and incorporation of stakeholder feedback to improve service delivery.

Building on the previously implemented process automation, the Authority has realized greater efficiency in resource utilization and entrenched a culture of continuous improvement. The QMS reflects strong leadership commitment and active staff involvement across all levels of the Authority.

Its effectiveness is sustained through periodic internal and external audits, alongside regular evaluation of quality targets to ensure compliance with applicable standards and identify areas requiring enhancement. Performance is monitored using Key Performance Indicators (KPIs), which inform Management Reviews for institutional alignment. Additionally, customer feedback mechanisms enable the Authority to monitor service trends and respond to emerging issues, thereby maintaining a dynamic and responsive quality management environment.

Quality Policy

The Authority is committed to enhancing the welfare of the people of Kenya by promoting and protecting effective competition in markets and preventing unfair and misleading market conduct. Towards this, the Authority commits to comply with all applicable statutory



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requirements and continual improvement of its QMS based on ISO 9001:2015 International Standard. The Authority's top management reviews this policy and establishes quality objectives biennially to ensure sustained improvement and suitability. The policy is communicated, and applied throughout the organization and is available to relevant interested parties, as appropriate.

Quality Objectives

The Authority's quality objectives are related to;

1. The provision of quality and effective regulation of both market conduct and structure, buyer power, and protection of consumers from unfair and misleading market conduct;
2. The enhanced use of research and data to make informed and optimal decisions to support the delivery of the Authority's mandate;
3. Ensuring optimal utilization of the Authority's resources in the attainment of its mandate;
4. Enhancing customer satisfaction to exceed expectations by providing quality services;
5. Ensuring the Authority's operations comply with all applicable laws and regulations; and
6. Attracting, training, and retaining highly qualified, skilled, and motivated staff for the realization of its mandate.

ii. Business Continuity Management System (ISO 22301:2019)

The Authority successfully underwent a surveillance audit for its ISO 22301:2019 Business Continuity Management System (BCMS), reaffirming its commitment to sustaining essential services during disruptions. BCMS has strengthened the Authority's emergency preparedness, reduced downtime, and safeguarded core operations, thus reinforcing stakeholder confidence.

System performance is monitored through scheduled audits, simulation exercises, and periodic reviews of recovery strategies. Lessons continue to inform improvements, ensuring the Authority remains responsive and adaptive to emerging risks.

Business Continuity Policy

The Authority is committed to enhancing the welfare of the people of Kenya by promoting and protecting effective competition in markets and preventing unfair and misleading market conduct. To meet the strategic objectives and ensure the continuity of its operations, the Authority has adopted well-defined and time-tested plans and procedures, built redundancy in teams and infrastructure, and manages a quick and efficient transition to the backup arrangement for business systems and services.



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Towards this, the Authority commits to comply with all applicable requirements and continual improvement of its BCMS based on ISO 22301 International Standard. It further reiterates its commitment to delivering the fastest transition and the highest quality of services through backup arrangements, ensuring that customers, processes, and services are not disrupted. The Business Continuity objectives address the management of incidents before, during, and after a disruption.

iii. Information Security Management System (ISO/IEC 27001:2022)

The Authority continued to implement the ISO/IEC 27001:2022 Standard on Information Security, Cybersecurity, and Data Privacy Protection and conducted regular internal audits as part of its ongoing commitment to robust information security management.

A key milestone was the comprehensive update of the ISMS documentation to reflect changes in the operational environment, including the transition from Microsoft Navision 2016 (NAV) to Microsoft Business Central 365 Enterprise Resource Planner (BCERP). This process involved the detailed review and classification of security policies, procedures, and controls to ensure continued alignment with the standard and to safeguard the Authority's information assets.

To further reinforce information security, the Authority enhanced its ICT infrastructure with improved systems and technologies to support secure data handling and operational resilience. The ISMS is monitored through internal audits, continuous risk assessments, and review of security controls. Incident management procedures and regular evaluations ensure that vulnerabilities are promptly addressed, supporting the confidentiality, integrity, and availability of information across the Authority.

iv. Enterprise Risk Management

The Authority enhanced its ERM Framework through capacity-building initiatives targeting management and departmental ERM champions. Further, the ERM Policy and Framework were reviewed to reflect emerging risks and global best practices. The ERMF is anchored on ISO 31000– Risk Management – Guidelines and the COSO Framework, providing a structured approach for identifying, assessing and managing risks across the institution.

The Board continued to provide oversight to ensure sound risk governance. Key corporate-level risks addressed included cybersecurity, business continuity, reputational risk, and resource constraints. The Authority also conducted quarterly risk assessments to inform mitigation strategies, strengthen internal controls, and support informed decision-making.



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INTERNAL AUDIT AND ASSURANCE

The Internal Audit function provides assurance that the existing internal controls and processes are optimized for effective and efficient risk mitigation.

Twelve (12) main audits, six (6) follow-up audits, three (3) spot checks on cash, one (1) spot check on inventory stores, and one (1) review of the Authority's Institutional Risk Management Framework (IRMF) were undertaken during the period under review. The Audits revealed that there was a sound system of internal controls designed and implemented to ensure that processes meet set objectives.

Corruption Prevention

The Authority has a zero-tolerance policy for corruption and bribery-related activities. In collaboration with the Ethics and Anti-Corruption Commission (EACC), fifty (50) members of staff were sensitized on integrity. This has helped mainstream a culture of integrity, ethical conduct, and professionalism within the organization, with no reported cases of corruption during the reporting period.

Whistleblowing Policy

The Authority has a whistle-blowing policy that provides for the reporting of suspected corruption cases. Reporting channels, including an anonymous web portal, an ethics hotline, corruption reporting boxes, and email, were maintained during the reporting period. Through these channels, anonymous reports on unethical/fraudulent behaviour are made.

A SNAPSHOT OF IMPACT IN THE FY 2024/25

Delayed payments recovered	KES 76.29 million
Consumer savings	KES 21.4 Million
Investment supported by Merger Control	KES 25 billion
Award	Recognized by the International Competition Network (ICN) for the Animal Feeds Market Inquiry
Consumer Protection	37% increase in cases investigated from 668 in FY2023/24 to 915 in FY2024/25
Merger Control	128 merger applications in FY 2024/25, marking a 20% increase from 107 applications in the FY 2023/24
Junior Secondary Schools engagement	49,321 students and 885 teachers in 96 schools were sensitized on competition and consumer protection concepts
Commission for Administrative Justice (CAJ)	Scored 100% on complaints resolution and processing request for information

AUTHORITY'S PERFORMANCE AGAINST PREDETERMINED STRATEGIC GOALS

STRATEGIC GOAL ONE: DELIVERING EFFECTIVE ENFORCEMENT

i. Regulation of Mergers

The regulation of mergers and acquisitions is provided for under Part IV of the Act. The overarching goal is to ensure that mergers do not enable firms to dominate markets unfairly, which could lead to the suppression of innovation, harm to consumers through higher prices, reduced choices, or the suppression of competitors. Often, firms with market power may use it to engage in anti-competitive practices such as predatory pricing or exclusive agreements, which can harm the overall competitiveness of the market.

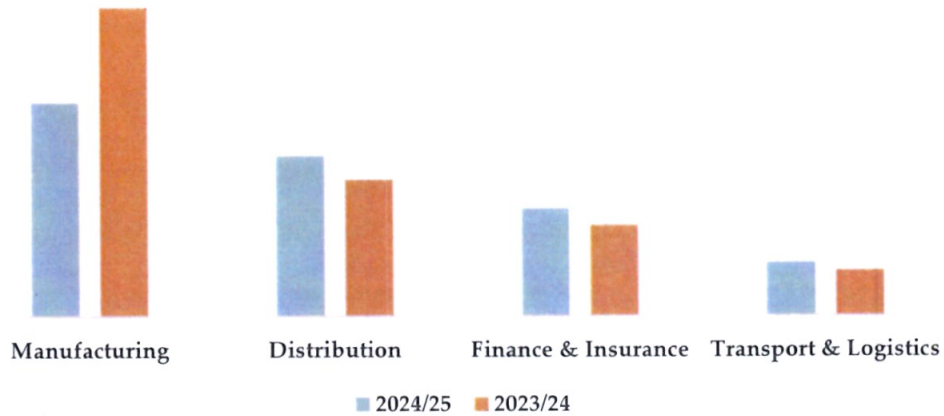
The Act mandates that all mergers, whether horizontal (between competitors), vertical (along the supply chain), or conglomerate (across different industries), must seek and obtain approval from the Authority before they are implemented. However, certain mergers may be excluded from these requirements if they meet specific criteria outlined in the Competition (General) Rules, 2019 and further clarified through the Substantive Assessment of Merger Guidelines.

In the FY 2024/25, the Authority received a total of one hundred twenty-eight (128) merger-related applications. Out of these, thirty (30) were full mergers, nineteen (19) exclusions, forty-five (45) COMESA mergers, six (6) non-mergers and twenty-eight (28) advisory opinions. These merger notifications originated from key sectors of the economy, including manufacturing, real estate, financial and insurance services, energy, distribution and Information and Communication Technology (ICT). The three sectors that recorded the highest number of notifications are manufacturing, distribution, and finance & insurance, accounting for 52.9% of all merger filings.

In FY 2024/25, the manufacturing sector recorded the highest percentage of notifications at 23.5% compared to 34% of the merger notifications in FY 2023/24. Further, the distribution sector recorded the second highest notifications at 17.6% compared to 15% recorded in FY2023/24. The finance and insurance sector came third at 11.8% compared to 10% in the FY 2023/24. The other sectors that recorded merger activity were: mining, printing, packaging, health, education, accounting & audit, e-commerce, pharmaceutical, floriculture, publishing, hospitality and ICT.

Figure 1 illustrates the distribution of merger activities across various sectors during FY 2024/25 compared to FY 2023/24.

Figure 1: Comparison of merger notifications by sector

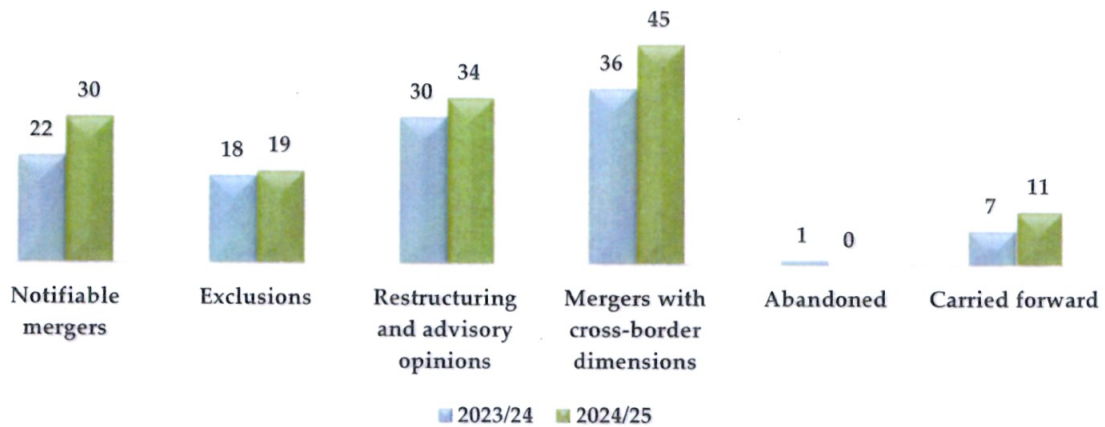


Among the applications filed, thirty (30) transactions met the thresholds for a comprehensive review as outlined in the Merger Threshold Guidelines. These thresholds are based on factors such as turnover or asset value, which determine whether a merger warrants an in-depth investigation to assess potential anticompetitive effects.

Nineteen (19) transactions satisfied the criteria for exclusion, meaning they did not meet the thresholds that would require detailed review under Part IV of the Act. These exclusions often apply to transactions that do not meet the threshold of combined turnover or value of assets, whichever is higher, of KES 1 billion. Additionally, thirty-four (34) notifications did not qualify as mergers under sections 2 and 41 of the Act because they involved restructuring activities, joint ventures which are not full-functioning, or advisory opinions, which are outside the scope of merger regulation.

The following graph provides a comparative overview of merger-related activities during the two financial years:

Figure 2: Overview of merger-related activities (number)



Mergers with cross-border dimensions accounted for approximately 48% of the total transactions. These are transactions where the merger affects multiple jurisdictions but with a nexus to the Kenyan market. Mergers confined to the local market (excluding non-mergers) accounted for approximately 52% of the total transactions.

Sample Cases

Merger approved without conditions: The acquisitions of direct control of Jumra Limited, Sojpar Limited, and Raisons Distributors Limited by Kimo Kali Holdings Limited

The Authority approved the acquisition of direct control of Jumra Limited, Sojpar Limited and Raisons Distributors Limited by Kimo Kali Holdings Limited. This was based on the fact that post-transaction, the merger was unlikely to raise competition concerns in the market for wholesale distribution of fast-moving consumer goods (FMCG) in Kenya. Similarly, the merger was unlikely to lead to negative public interest concerns.

The transaction would enable Kimo Kali Holdings Limited, which operates in Kenya through Twiga, to establish more efficient supply chains, lowering logistics costs, enhancing delivery times, and expanding access to previously underserved regions or customer segments. The market for wholesale distribution of FMCG in Kenya consists of large distributors and wholesalers operating through both traditional brick-and-mortar channels and digital platforms. Insights from the Authority’s investigation into the proposed transaction indicated that the wholesale distribution market remains fragmented and far from saturation, presenting opportunities for growth and enhanced competition. Post-merger, integration of the parties’ operations would give Twiga access to extensive market data, which they could utilize to customize their services and leverage the target’s fleets to deliver their products widely. However, the Authority established that none of the parties had



dominance or market power in the distribution and wholesale market of FMCGs. The merger was poised to enhance market efficiency and consumer welfare in the distribution and wholesale of FMCGs while reinforcing domestic SMEs' resilience in Kenya's supply chains.

Merger approved with conditions: The sale and purchase of the assets of Mombasa Apparel (EPZ) Ltd by Nava Apparels L.L.C-FZ

The Authority approved the acquisition of the entire assets of Mombasa Apparel (EPZ) Ltd by Nava Apparels L.L.C-FZ on condition that the acquirer retained all the target's 4,478 employees on terms that were no less favourable than their current terms of employment. This was subject to the individual employees accepting the acquirer's retention of employment offer. The approval was granted based on the finding that the transaction was unlikely to negatively impact competition in the market for the manufacture of clothing apparel for export.

The textiles and apparel sector is one of the key foreign exchange earners in Kenya. It has a three-tiered structure as follows: in the EPZ, approximately thirty-six (36) large, outside the EPZ, over 170 medium and large and more than 70,000 micro and small companies.

The merger was likely to strengthen Kenya's export manufacturing base, which would create employment opportunities and boost industrial competitiveness. This merger signalled a business environment increasingly open to strategic investments that increase foreign exchange earnings and safeguard jobs.

ii. Restrictive Trade Practices

The Authority regulates market conduct under Part III of the Act, which prohibits agreements between undertakings, decisions by undertakings, or concerted practices by undertakings, which have, as their object or effect, the prevention, distortion, or lessening of competition in trade in any goods or services in Kenya. Such practices include fixing purchase or selling prices, dividing or allocating markets, collusive tendering, and sharing of commercially sensitive information, among others.

Further, the Authority sanctions abuse of dominant positions by undertakings. Some of the practices that constitute abuse of dominance include: limiting or restricting production, market outlets/access through predatory or other practices, imposing unfair prices, or other unfair trading conditions.

Seventy-five (75) restrictive trade practices (RTP) cases were investigated during the reporting period. Out of these, twenty-eight (28) involved coordinated cartel conduct, thirty-nine (39) abuse of dominance, and eight (8) involved agreements by associations. Twenty-nine (29) of these cases had been finalized, while forty-six (46) were at various stages of investigation at the end of the



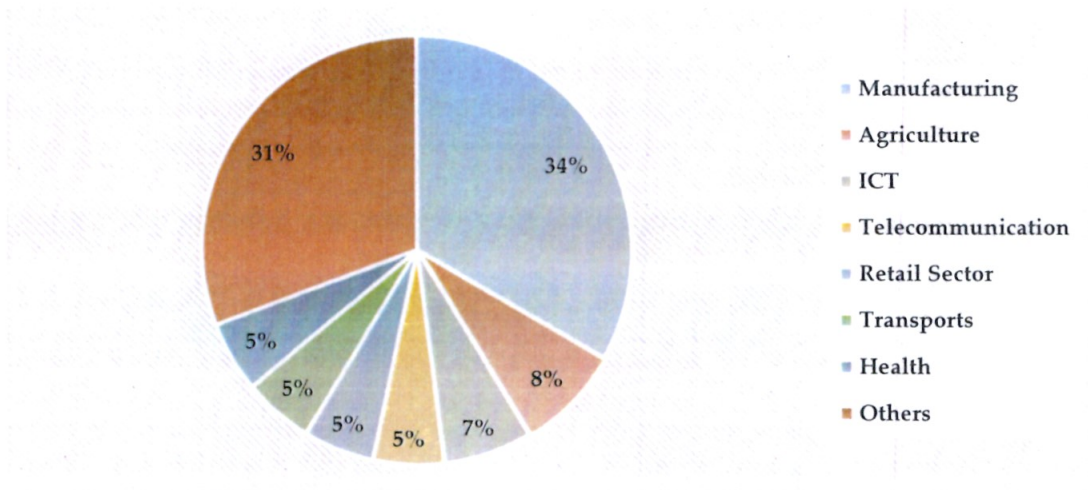
reporting period. Specifically, eleven (11) were at the preliminary stages and thirty-five (35) were at an advanced level of investigation.

The Act provides that undertakings may apply to the Authority for an exemption from the provisions of the Act that prohibit collusive/coordinated practices. In deciding whether to grant an exemption, the Authority considers if the exemption will, among others, provide greater public benefits that outweigh the lessening of competition, maintain or promote exports, and improve or prevent the decline in production of goods or provision of services.

During the year under review, the Authority reviewed four (4) exemption applications from the energy, manufacturing, transport and agriculture sectors. One application was granted while the other three (3) were still under evaluation at the end of the financial year. Specifically, two (2) applications were under investigation while one (1) was encumbered by a matter before the courts.

Thirteen (13) compliance checks were conducted to ensure that undertakings adhered to various conditions attached to the Authority’s decisions. The compliance checks emanated from decisions on mergers, consumer protection, and RTPs. Eight (8) checks were finalized while five (5) were at different stages at the close of the year under review. Further, the Authority issued six (6) advisory opinions to stakeholders.

Figure 3: Cases investigated by sector



During the year under review, the investigated cases originated from twenty-two (22) sectors. The Manufacturing sector accounted for the highest proportion at 34%, up from 21.5% in the FY 2023/24, followed by Agriculture at 8%, a slight decrease from 8.9% in the previous financial year. Other notable sectors included ICT (7%), and health, Transport, Telecommunications, and Retail (each at 5%). The remaining 31% of cases were distributed across various sectors such as Sports, Real Estate, Energy, Petroleum Products, Construction, Financial, Professional Associations,



Reinsurance, Horticulture, Beverages, Aviation, Passive Infrastructure, Digital Taxi Services, and Education.

In line with BETA, the investigation of restrictive trade practices has played a vital role in promoting fair competition and improving consumer welfare, particularly within the manufacturing and agriculture sectors. As presented in Figure 3 above, a majority of the cases investigated originated from these two sectors, underscoring their centrality to the economy and the challenges they face. The cases involved practices such as price fixing, market allocation, and abuse of dominance—conduct that distorts markets and disadvantages consumers and SMEs. Addressing these practices supports the BETA agenda by fostering a level playing field, encouraging innovation, enhancing market access for small-scale producers, and ultimately ensuring consumers benefit from better prices and improved product and service choices.

Sample Cases

Price Fixing: The Competition Authority of Kenya vs Kenya International Freight and Warehousing Association

The Authority initiated investigations into an alleged RTP by Kenya International Freight and Warehousing Association (KIFWA) pursuant to Section 31 (1) of the Act. Specifically, the conduct involved a pricing directive through various media outlets by KIFWA, a trade association, that acts as the sole representative of all clearing, forwarding and warehousing companies in Kenya.

KIFWA had directed that minimum service fees be introduced for cargo tariffs relating to classification and declaration across air, road, and sea transport. This mandatory directive by KIFWA to its members on the prices to be charged amounted to price fixing, which is prohibited under sections 21 (3) (a) as read together with 22 (1) (b) (i) of the Act.

KIFWA, in a press briefing held in Mombasa, stated that the purpose of the minimum fees was to curb price undercutting, which had emerged due to the actions of middlemen and traders exploiting clearing agents. They added that the measure was also aimed at enhancing earnings within the sector. However, the directive had the effect of causing not only high uncompetitive prices for the services offered to consumers, but also of deteriorating the quality of these services to the detriment of consumers.

In the course of investigations, KIFWA, under section 38 of the Act, requested the Authority to enter into a settlement. Following the conclusion of negotiations by both parties, in which KIFWA admitted having contravened the provisions of the Act, a settlement agreement was reached whose terms were: KIFWA shall pay a settlement amount of KES 405,450.00; KIFWA's employees



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and members shall undergo competition law compliance training undertaken by the Authority; and KIFWA shall develop and furnish the Authority with a competition compliance programme within six (6) months after the compliance training for the Authority's approval which shall be subjected to a compliance check.

Exemption Application: National Oil Corporation of Kenya and Rubis Energy Kenya Limited

The Competition Authority of Kenya (the Authority) granted an exemption to the National Oil Corporation Kenya Limited (NOC) and Rubis Energy Kenya PLC (Rubis) to enter into a Non-Equity Strategic Partnership for five (5) years.

NOC is a State corporation wholly owned by the Government of Kenya. It operates across the petroleum supply chain, including upstream oil and gas exploration, midstream petroleum operations, and downstream petroleum operations. Rubis is a subsidiary of the French Rubis Group operating in East, Central, and Southern Africa, focusing on downstream and midstream petroleum operations.

According to the parties, the cooperation was intended to revamp, expand and modernize NOC's operations through the injection of capital and the provision, by Rubis, of managerial capabilities, technical expertise and innovation.

In granting the exemption, the Authority noted that the strategic partnership is not likely to lessen or negatively impact competition in the sector. Further, the market structure will not be significantly altered, but instead, the partnership seeks to enhance its combined competitive edge.

Section 21(1) of the Act prohibits agreements, decisions, or concerted practices by undertakings that have as their object or effect the prevention, distortion, or lessening of competition in trade in any goods or services in Kenya unless the partnership has been exempted by the Authority upon application for exemption.

An exemption application may be granted if the Authority is satisfied that there are exceptional and compelling public policy justifications for the cooperation between competitor businesses.

In its analysis, the Authority considered if the proposed arrangement would: (i) Maintain or promote exports; (ii) Improve or prevent a decline in the production and distribution of goods and provision of services; (iii) Promote technical or economic progress or stability in any industry; and (iv) Obtain a benefit for the public which outweighs the lessening in competition that the practice occasions.

In compliance with this regulatory requirement, the Authority in September 2024 received an exemption application from NOC and Rubis outlining their desire to enter into a non-equity strategic partnership for eight (8) years.

One of the justifications tendered was that the arrangement, which is not a merger or acquisition, will “unlock financing by Rubis of NOC’s downstream business to grow NOC’s value, modernize and expand NOC’s retail outlets, leading to increased sales and market share.” The application included proposals to collaborate in, among others, business growth, procurement, decision-making, marketing initiatives, fuel card systems, branding, and information rights.

The Authority published the application in the Kenya Gazette in October 2024 in fulfilment of its public participation obligation. The Authority reviewed the submissions, including those from the State Department for Petroleum in the Ministry of Energy and Petroleum and the Energy and Petroleum Regulatory Authority (EPRA), which both submitted that this strategic partnership is not likely to cause competition concerns in the sector.

When analyzing exemption applications, the Authority considered the relevant product market. This comprised products/services that are interchangeable or substitutable by the consumer due to their characteristics, prices and/or intended use. In this case, the relevant product market was determined to be the distribution and marketing of petroleum products in the downstream petroleum operations.

In addition, the Authority determined the relevant geographic market for the parties. This is the physical area in which parties undertake the business, and where competition conditions are sufficiently similar. With regard to this strategic partnership, the parties distribute their products nationwide. Therefore, the relevant geographic market was determined to be national in scope.

Based on the Authority’s assessment, and considering the market shares of the parties, it was determined that the strategic partnership will not significantly alter the market structure and, resultantly, is unlikely to have negative effects on competition. It is expected to enhance the competitive ability of NOC.

Specifically, the partnership aims to modernize NOC’s operations by leveraging Rubis’ expertise and resources. The partnership is expected to enhance competition in the downstream petroleum market by strengthening NOC’s market position, efficiency and profitability.

In addition, the partnership is expected to improve NOC’s operational efficiencies to the benefit of the consumers. Premised on the foregoing, and under section 26(4) of the Act, the Authority granted an exemption for the Non-Equity Strategic Partnership between NOC and Rubis for five (5) years, with periodic review and assessment of the partnership’s impact. Such an assessment



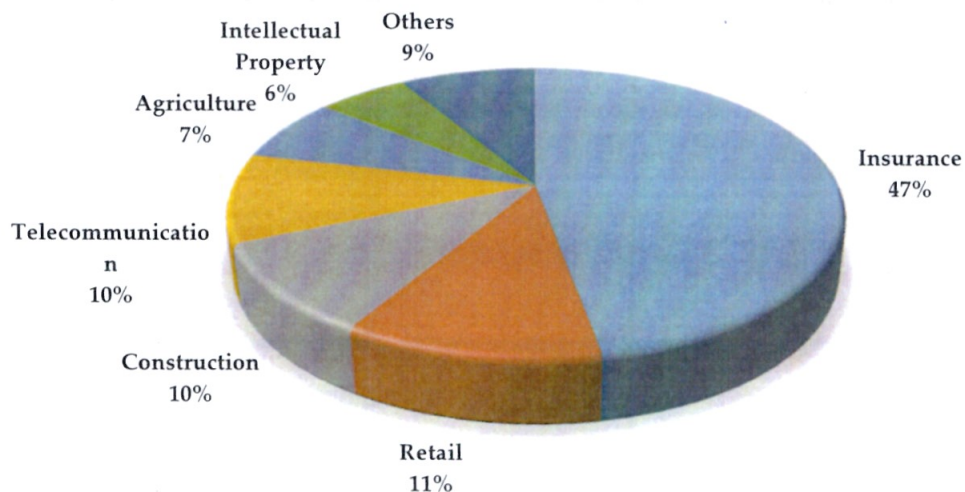
will be based on criteria like operational improvements, market competitiveness, and progress on agreed performance benchmarks.

iii. Abuse of Buyer Power

Regulation of Abuse of Buyer Power (ABP) is guided by sections 2 and 24A of the Act. These provisions address concerns where powerful buyers exploit their market position to the detriment of suppliers, including SMEs. The conduct that amounts to abuse of buyer power includes: delayed payments, unilateral termination of contract without a justifiable reason, unilateral variation of contract, transfer of costs or risks to suppliers, among others. The objective of regulating buyer power is to foster fairness in the markets and protect vulnerable suppliers from powerful buyers' exploitative practices that hinder SME growth, innovation and sustainability.

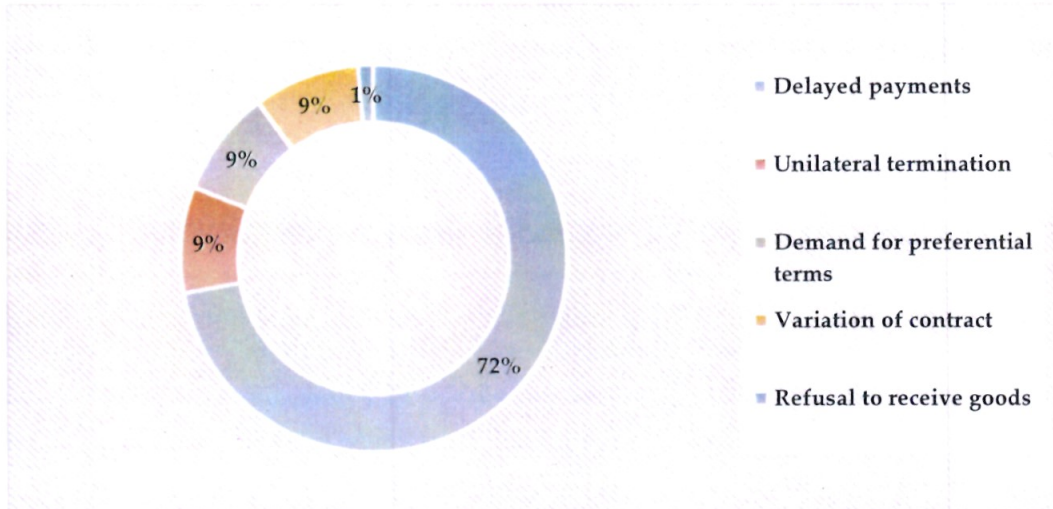
During the period under review, the Authority investigated a total of sixty-nine (69) cases relating to ABP, forty (40) of which were concluded as at the end of the reporting period. Further, through its enforcement, the Authority facilitated the recovery of KES 76.29 million in delayed payments owed to suppliers. The insurance sector accounted for 47.14% of all cases investigated. This can be attributed in part to increased sensitization efforts to the insurance sector players. The retail sector recorded 11.43%, and the construction and telecommunication sectors each at 10% of all ABP cases investigated. The agriculture sector followed at 7.14% while intellectual property complaints represented 5.71%. Other sectors included manufacturing, hospitality, cosmetics, healthcare, translation services and electronics, each accounting for 1.43%.

Figure 4: Cases investigated by sector



In terms of the nature of conduct investigated, complaints relating to delayed payments were the highest, contributing to 72% of the total complaints. Other conduct investigated included unilateral termination of contract, demand for preferential terms and unilateral variation of contract terms, each accounting for 9% of the matters respectively and refusal to receive goods accounting for 1%.

Figure 5: Nature of conduct in ABP



Sample Cases

Delayed Payments: Link Valuers and Assessors and Trident Insurance Company

The Authority received a complaint from Link Valuers regarding non-payment for motor vehicle assessment services offered to Trident Insurance Company Ltd (Trident) insured. Link Valuers alleged that it provided professional motor vehicle assessment services to Trident's clients and that, upon completion and invoicing for work done, Trident delayed payments amounting to KES 2,000,720.00.

The complaint was reviewed under sections 2 and 24A of the Act, which define buyer power and prohibit conduct that constitutes abuse of buyer power, respectively. In addition, the complaint was assessed against the Buyer Power Guidelines, 2022, specifically Guidelines 43 – 49, which set out the factors used to determine the presence of buyer power. Analysis revealed that fewer insurance companies were offering general insurance as compared to the number of motor vehicle assessors in the market. This imbalance resulted in service providers like Link Valuers being economically dependent on insurance firms. Insurance companies, on the other hand, had



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access to a wide pool of assessors, allowing them to easily switch providers. Based on this assessment, the Authority established that Trident held buyer power over the complainant and may have abused it by delaying payments, contrary to section 24A (1) of the Act.

A Notice of Investigation was issued under section 31 of the Act, outlining the allegations and requiring a response from Trident. In response, Trident indicated that it had engaged the complainant and reached a settlement proposal to clear the outstanding payment. The Authority facilitated the engagement between the parties to ensure an amicable resolution. Trident subsequently paid the outstanding amount of KES 2,000,720.00, enabling Link Valuers to continue its business operations.

Delayed Payment: Collins Okoth T/A Sacc Urban Auto and Occidental Insurance Company Limited

The Authority received a complaint from Sacc Urban Auto (Sacc) regarding the delayed payment of KES 2,596,047.30 for motor vehicle repair services rendered to clients insured by Occidental Insurance Company Ltd (Occidental). Upon review of the complaint under sections 2 and 24A of the Act and Guidelines 43–49 of the Buyer Power Guidelines, 2022, the Authority found that the market structure was tilted against motor vehicle garages, as the number of insurance companies offering general insurance was significantly lower than that of garages. This imbalance created a dependency that led to the determination that Occidental held buyer power and may have abused it through delayed payments. A Notice of Investigation was issued, and following engagements, Occidental agreed to settle the outstanding amount of KES 2,596,047.30. The payment enabled Sacc to avoid financial strain and sustain its operations.

Lack of Jurisdiction: Camusat Kenya Ltd and Wananchi Group (Kenya) Ltd & Wananchi Telecom Limited

The Authority received a complaint from Camusat Kenya Ltd (Camusat) claiming abuse of buyer power by Wananchi Group (Kenya) Ltd and Wananchi Telecom Ltd. The claim of abuse of buyer power by delaying payments, unilateral termination or threats thereof and demanding preferential terms unfavourable to the supplier was assessed under Section 24A (1) of the Act.

It was noted that the dispute between the parties was pending before the High Court at Nairobi (Milimani Commercial Courts), Commercial and Tax Division, filed as *Camusat Kenya Ltd v*



Wananchi Group (Kenya) Limited & Another - Commercial Case E594 of 2024. Notably, the issues raised in the aforesaid court were similar to matters constituting the subject matter of the complaint lodged with the Authority. Rule 34(5)(a) of the Competition (General) Rules, 2019 provides that a complaint may not be considered by the Authority where the complaint lodged, in whole or in part, is before any court or the Competition Tribunal.

The existence of a civil claim against Wananchi Group (Kenya) Ltd and Wananchi Telecom Ltd precluded the Authority from further investigation into the matter. The Authority, therefore, terminated investigations.

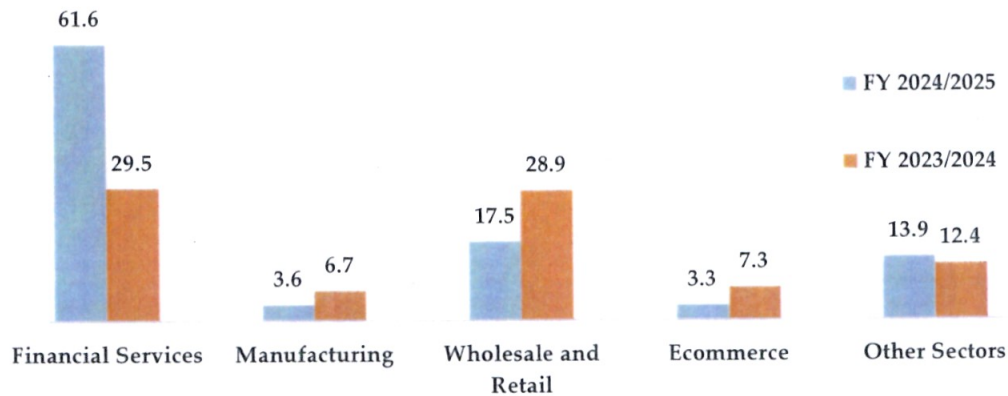
iv. Consumer Protection

Part VI of the Act empowers the Authority to receive and investigate complaints relating to unfair and misleading market conduct by suppliers of goods and services in the Kenyan economy. Specifically, this mandate covers false or misleading representations, unconscionable conduct, product safety standards, product information standards, as well as liability for unsuitable goods and defective products. The Authority also creates awareness among consumers regarding their rights, obligations, and the remedies available under the Act. Further, the Authority promotes the creation of, and collaboration with, consumer bodies to increase consumer awareness and protection. This is in addition to its role of advising the Government on matters relating to consumer protection.

Following the incorporation of key aspects of consumer protection strands into the Competency-Based Education (CBE) curriculum for Junior Secondary School (JSS) in 2024, specifically in Business Studies, English, Social Sciences and Pre-technical Studies, it is necessary to create awareness among teachers and students. Therefore, in partnership with the Ministry of Education, the Authority sensitized 49,321 learners and 885 teachers. The sensitizations were carried out in ninety-six (96) JSS drawn from four (4) counties of Makeni, Tharaka Nithi, Homabay and Nairobi.

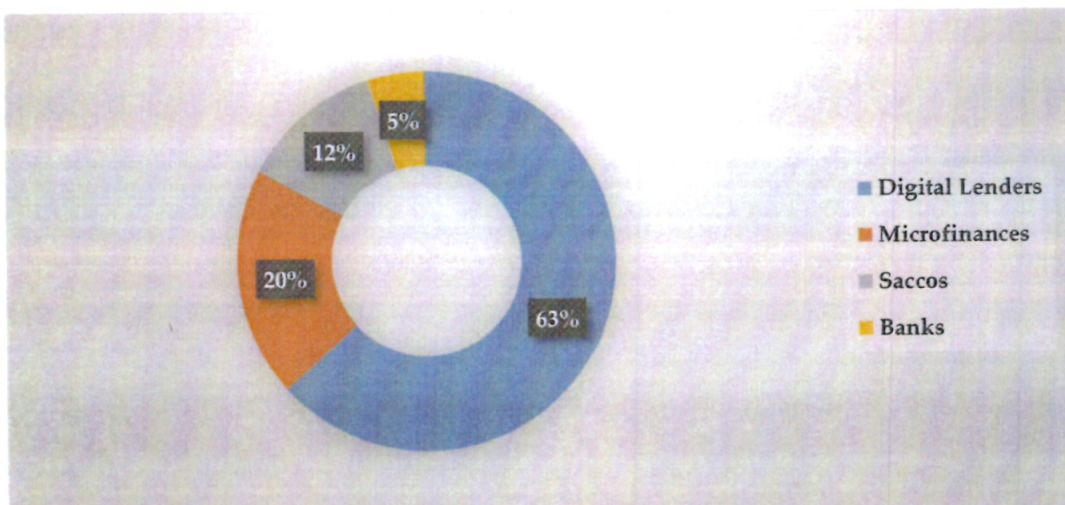
During the period under review, the Authority received and investigated nine hundred and fifteen (915) consumer cases drawn from twenty (20) sectors of the economy. This marked a 37% increase from the six hundred and sixty-eight (668) cases investigated in FY 2023/24. In the FY 2024/2025, the Authority finalized 57.3% of the total cases investigated, resulting in consumer savings of KES 21.4 million.

Figure 6: Percentage comparison of the sectors in the FY 2023/24 and 2024/25



The financial services sector (61.6%) and the wholesale and retail trade sector (17.5%) recorded the highest number of consumer violations, followed by manufacturing (3.6%) and e-commerce (3.3%). Other sectors namely; betting, agriculture, imports and exports, tourism, insurance, transport and storage, health, real estate (housing), professional services, electricity and gas (energy), education, accommodation and foods services, and construction recorded an increase (13.9%) in the number of consumer cases handled compared to the FY 2023/24.

Figure 7: Total number of cases received from the Financial Sector



Complaints in the financial services sector were mainly against digital lenders and microfinance institutions, comprising of the cases 61% compared to 34% in the FY 2023/24. This sector has, over the years, continued to record a high number of cases, a phenomenon which is attributable to the



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rapid growth of digital lending companies and digital applications that ease access to loans to consumers, albeit with attendant violations of consumer welfare provisions. The main consumer infringements included false and misleading representations and unconscionable conduct. Further, complaints against both deposit and non-deposit-taking financial institutions, such as Banks, Microfinance and SACCOs, relating to non-disclosure of fees and charges as well as unilateral mutation of terms and conditions were investigated.

Sectors such as aviation, manufacturing, real estate, and arts and recreation services recorded a reduction in complaints in the period under review compared to FY 2023/24. However, the Authority saw an increase in the number of complaints lodged relating to scams and fraud, mainly in e-commerce and trade. These matters are criminal and, therefore, the Authority collaborated with the Directorate of Criminal Investigations (DCI) to address them.

In ensuring timely redress of consumer complaints that have an inter-agency dimension, the Authority collaborated with sector regulators including the Kenya Bureau of Standards (KEBS), the Insurance Regulatory Authority (IRA), the Central Bank of Kenya (CBK), the Office of the Data Protection Commissioner (ODPC), the Communications Authority of Kenya (CA), the Sacco Societies Regulatory Authority (SASRA), the Tourism Regulatory Authority (TRA) and the Kenya Civil Aviation Authority (KCAA). For instance, the Authority collaborated with KEBS on consumer matters involving product information and safety standards and further referred consumer cases to specialized government agencies as prescribed under section 68 of the Act.

Sample Cases

False or misleading representation & unconscionable conduct: Nelson Mwangela Vs. African Capital Limited

The Authority received a complaint from Mr. Nelson Mwangela concerning a loan facility of KES 177,720.00 obtained from African Capital Limited (AFCL). The complaint related to an inflated loan balance of KES 500,000.00, allegedly due to the unilateral imposition of fees and charges by the financier. The matter was assessed under sections 55, 56(1) 2(a)(b)(d), 56 (3), and 56 (4) of the Act, on unconscionable conduct.

Following investigations, AFCL was duly served with a notice of investigations under section 70A as read together with section 31(4) of the Act and engaged in further correspondence with the Authority. Subsequently, AFCL proposed an amicable resolution with the complainant, which involved waiving the inflated charges and closing the loan account. In addition, a stop order was issued to the complainant's employer, and AFCL undertook a mandatory review of its loan terms and conditions to address the gaps identified, which included ambiguous clauses,



punitive clauses, improperly filled loan forms, and a broken consumer complaint handling mechanism.

As part of administrative measures, the Authority required AFCL to undertake a compulsory compliance training program for its staff. Additionally, AFCL committed to ensuring strict adherence to the provisions of the Act on consumer welfare.

False or Misleading Representation and Unclear Product Information Standards: Competition Authority of Kenya vs. Honey Manufacturers/Importers

In exercise of its mandate to initiate investigations *suo moto*, the Authority undertook a nationwide inquiry into the honey sub-sector pursuant to section 70A as read together with section 31 of the Act. The investigation involved market screening, mystery shopping, and subsequent laboratory testing of honey products sourced from various manufacturers and importers.

Samples of honey brands from 50 manufacturers/importers were analysed by an accredited laboratory, and findings revealed that over 80% of the tested products were non-compliant, containing additive levels exceeding permissible limits.

Following these results, the Authority commenced a formal investigation by issuing Notices of Investigation to all implicated parties, under section 70A as read together with section 31(4) of the Act and in accordance with the Kenya Standard KS EAS 36:2020 (Honey – Specification). Notably, the affected honey products were marketed and labelled as “100% Pure and Natural Honey,” which was found to be misleading and contrary to Clause 4.1 of KS EAS 36:2020. The clause stipulates that pure honey must not contain any added substances.

The labelling and sale of adulterated honey were deemed to violate sections 55(a)(i) & 60(1) of the Act, which prohibit the supply of consumer goods that fail to meet prescribed product information standards.

As a result, the parties were required to implement corrective measures to ensure that all aspects of product packaging, storage, and handling fully adhere to applicable laws and standards. The entities further committed to periodic compliance monitoring by the Authority to safeguard consumer welfare.



Unsafe Product: Recall of 50ml Single-Use Neutralizing Shampoo contained in Dark & Lovely Moisture Plus Kits by L'Oréal East Africa Limited

The Authority received a recall notification from L'Oreal East Africa Limited ("L'Oreal") relating to a safety concern regarding its 50ml single-use neutralizing shampoo contained in Dark & Lovely Moisture Plus Kit Super and Dark & Lovely Moisture Plus Kit Regular ("the products").

The recall was conducted under Rule 28(1) of the Competition (General) Rules, 2019 ("the Rules"), which empowers suppliers to recall goods upon detection of a safety-related hazard or upon receipt of complaints from consumers regarding any dangerous characteristic of the goods or injury resulting from the use of the goods. The Authority also applied Rule 28(2), (3), (4) and (5), which provides for the procedure governing voluntary product recalls in Kenya and Rule 29(1) and (2) of the Rules, which stipulates that products that have been recalled in foreign jurisdictions shall also be recalled in Kenya.

The Authority ensured that all the units of the products were withdrawn from the Kenyan market by following the provided batch numbers that uniquely identified the product, which guided the recall process for tracing the buyers of the product as well as the distributors who had purchased it. Following the successful collection of all the traceable products, the Authority witnessed destruction of the products at the manufacturer's Industrial Area chosen location.

STRATEGIC GOAL TWO: RESEARCH AND ADVOCACY

The Authority conducts market inquiries, studies, and research into matters relating to competition and consumer protection. During the year under review, the Authority conducted two (2) market inquiries and two (2) market studies informed by emerging concerns in the business environment.

The Act also empowers the Authority to conduct advocacy initiatives as one of the main pillars of contemporary competition law application. This is aimed at creating, expanding, and strengthening awareness of competition law and policy in the economy. Advocacy has been instrumental to the Authority in obtaining increasing compliance by stakeholders on competition and consumer law, and policy enforcement. In the year under review, twelve (12) advocacy engagements were conducted as illustrated in Table 7

i. Market Inquiries

a. Animal Feeds

During the reporting period, the Authority finalized a market inquiry into the animal feeds sector. The Government, under BETA, focuses on addressing the cost, quality, and access to agricultural inputs, including animal feeds, seeds, fertilizers and pesticides. Further, in the Medium-Term Plan 4 (MTPIV), the animal feed value chain has been identified as a key area requiring policy intervention. The animal feed sector is integral to the growth of livestock farming, which supports food security and economic development and holds enormous potential for value creation, employment, and investment. The inquiry was motivated by the realization that despite prioritization and policy efforts, the prices of animal feeds in Kenya have remained disproportionately high. The market inquiry assessed the market structure, interactions, and outcomes within the animal feed value chain. The Inquiry sought to uncover factors contributing to uncompetitive pricing and market inefficiencies, particularly those stemming from input costs, and to provide recommendations for reforms that promote sustainable growth and fair competition.

The specific objectives of the inquiry were to: (i) analyze the structure and dynamics of the animal feed sector in Kenya, particularly in dairy and poultry segments; (ii) evaluate pricing and cost trends, with a specific focus on major inputs such as maize, soybean meal, and sunflower cake; (iii) assess whether the observed market outcomes reflect effective competition or are indicative of anti-competitive practices; and (iv) identify opportunities for policy and regulatory intervention to enhance competition, reduce prices, and boost sectoral growth.

Key findings from the inquiry indicated that; the major factor behind high feed prices was the cost of key inputs, particularly soybean meal and sunflower cake, which were mostly imported from the region (Malawi, Zambia, Tanzania, and Uganda). These inputs were subject to significant mark-ups and pricing inconsistencies. Further, feed production market was concentrated and vertically integrated. A small number of firms, particularly the top four producers, accounted for over 50% of total commercial feed production, with even higher concentration in dairy and poultry feed segments. Many of these large producers were vertically integrated, giving them advantages over smaller competitors. The findings also pointed to the existence of regional and cross-border market challenges. The regional markets from which Kenya sourced key inputs were highly concentrated.

Four major corporate groups dominated soybean and sunflower processing and trade across East and Southern Africa. These players reportedly charged Kenyan manufacturers higher prices compared to other export destinations, raising suspicion of discriminatory pricing and possible market coordination. In addition, the animal feed market was characterized with barriers to entry and expansion. Smaller feed producers faced significant challenges due to a lack of access to competitively priced inputs and market information. Margin squeezing by integrated firms and opaque operations by intermediaries, such as brokers, had led to the exit of smaller players and had limited competition within Kenya. The lack of transparent access to market information, particularly on input pricing, created opportunities for coordination and exclusionary practices. This undermined competition and reduced the bargaining power of smaller feed manufacturers. The effects of the market failure in the animal feed market were the unrealized potential for savings.

To unlock the full potential of the animal feed sector and improve competitiveness, the Inquiry recommended regional coordination and trade facilitation. The Authority will collaborate with COMESA and EAC competition agencies to address cross-border anti-competitive practices. Further, mechanisms to make market information on feed input prices publicly accessible to level the playing field will be established. This will facilitate informed purchasing decisions by all market participants to reduce domestic fragmentation. Additionally, domestic policies should be harmonized, and inter-county taxes that translate to higher prices of goods. This will enhance internal competition and improve input accessibility, monitor market behaviour and pricing trends. Finally, continuous surveillance of market outcomes to determine if feed prices in Kenya converge with international trends should be undertaken.

b) Fertilizer Market Inquiry

Fertilizer plays a critical role in ensuring food security across the East African Community (EAC) by enhancing crop yields, improving plant health, and maintaining soil fertility. Recognizing this, both the EAC Vision 2050 and the EAC Industrialization Policy (2012–2032) have identified fertilizers and agrochemicals as priority sectors due to the region’s comparative advantage and potential for growth. In recent years, however, fertilizer prices across the EAC, despite global price declines, have remained high, negatively impacting farmers and prompting governments to intervene with subsidies. The sector also exhibits high levels of market concentration, potential anti-competitive practices, and significant barriers to entry.

In response to these concerns, the Authority, in collaboration with the East African Community Competition Authority (EACCA), initiated a market inquiry into the fertilizer sector, and it was ongoing as of the close of the reporting period.

The objective of the market inquiry is to evaluate the state of competition in the fertilizer sector across the EAC. Specifically, the study seeks to: (i) map fertilizer trading patterns by identifying product types and geographical markets, including import channels, ports of entry, and distribution networks across Kenya, Tanzania, Uganda, Rwanda, Burundi, and the Democratic Republic of Congo; (ii) examine the structure and degree of concentration among key players involved in manufacturing, importing, blending, distributing, and supplying fertilizers; (iii) analyze costs and price trends by reviewing the fertilizer value chain to understand cost components and price movements over the past five years; (iv) identify barriers by investigating regulatory, operational, and structural barriers to entry and exit within the fertilizer industry and (v) uncover impediments to competition and propose interventions.

The expected outcomes of this inquiry include: a comprehensive understanding of the fertilizer supply chain and competitive dynamics within the EAC region; identification of structural or behavioural competition concerns that may be inflating fertilizer prices or limiting market access; evidence-based policy and regulatory recommendations aimed at fostering more competitive, transparent, and accessible fertilizer markets; strengthened regional cooperation in competition enforcement and market monitoring through collaboration between the Authority and EACCA; and support for pro-competitive reforms that could ultimately lead to reduced input costs for farmers, improved food production, and greater food security in the region.

ii. Market Studies

a) Internet Market Screening Study

The Authority undertook a screening study of the internet services market in Kenya, focusing on regulatory frameworks and the effects of emerging technologies on competition and consumer protection. The study assessed the provision of internet services, both mobile and fixed broadband, to businesses and consumers.

As of December 2024, mobile internet accounted for over 70% of web traffic in Kenya. The market was found to be highly concentrated, with a Herfindahl-Hirschman Index (HHI) of 5,007.86, indicating limited competition. In contrast, the fixed broadband market was moderately concentrated with an HHI of 2,467.02, reflecting more competitive dynamics.

The study confirmed that mobile and fixed broadband services are complementary rather than substitutable, warranting separate market considerations. It also found that sampled providers offered accessible product information on their websites. The key recommendation from the screening was the need to conduct a consumer survey to better understand complaint handling and redress mechanisms, switching costs, and possible anti-competitive practices in the internet market.

b) Ex-Post Evaluation of the Authority's Decisions in the Retail Sector

The Authority initiated an evaluation of its past decisions and interventions on abuse of buyer power in the Kenyan retail chain sub-sector, and it was ongoing as of the close of the reporting period. This was aimed at assessing the impact of the Authority's Buyer Power decisions on the economy, in general, and specifically on the producers, suppliers, consumers, and MSMEs in Kenya.

Specifically, the Authority aimed to: assess the market situation post-intervention for welfare benefits - a reduction in delayed payments, employment growth, improved earnings for MSME suppliers, and entry of MSME suppliers in the retail sector; provide a basis for the Authority to improve the quality of its decisions, account for its decisions, and demonstrate the benefits of enforcing competition law and policy towards creating efficient markets for consumers; evaluate the assumptions upon which the retail sector intervention decisions were constructed to improve the design and implementation of remedies and increase its knowledge in analysis; and determine the deterrent effects of the Authority's decision in the retail sector on delayed payments, unilateral contract termination, and transfer of risks.

iii. Stakeholder Engagement

The Authority engaged stakeholders in various activities aimed at sharing information and experiences, learning and adopting international best practices on competition, consumer protection, and deterrence of abuse of buyer power. These are summarized in Table 7 below:

Table 7: Stakeholder engagement FY 2024/25

No.	Event/Forum	Stakeholders Engaged	Objective / key message	Expected Outcome
1.	Sensitization workshops on the proposed review and amendment to the public interest assessment, and stakeholders' sensitization on the merger filing process and the Consolidated Administrative Remedies and Settlement Guidelines	Participants included members of KNCCI, LSK, Law firms (Advocates), Civil Society and the business community	<ul style="list-style-type: none"> To gather further input from stakeholders on areas of amendment of the public interest guidelines, including other factors to be considered Creating awareness on the merger filing process, including the payment of merger filing fees through the E-Citizen portal; and Expounding on the key changes brought about by the Consolidated Administrative Remedies and Settlement Guidelines, 2023 and their effect on the stakeholders 	Efficiency in the merger application process and analysis
2.	Capacity building for MSMEs, manufacturers, retailers, suppliers, education and insurance sector stakeholders in Uasin Gishu, Mombasa and Nyeri counties	MSMEs in collaboration with Micro and Small Enterprises Authority, Kenya Association of Manufacturers (KAM), Retail Trade Association of Kenya (RETRAK), Association of Kenya Suppliers (AKS), Kenya Private Schools Association (KPSA), Association of Kenya Insurers (AKI), Kenya Motor Repairers Association (KEMRA), National Association	Creating awareness on the provisions of Competition Law regarding abuse of buyer power and the role of stakeholders in the enforcement process	Informed stakeholders and enhanced compliance with the Act



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No.	Event/Forum	Stakeholders Engaged	Objective / key message	Expected Outcome
		of Kenya Investigators (NAKI), KNCCI and Motor Assessors Association of Kenya (MAAK)		
3.	Capacity building of the East African Breweries (EABL)	EABL staff	Creating awareness on the provisions of Competition Law regarding abuse of buyer power and the role of stakeholders in the enforcement process	Informed stakeholders and enhanced compliance with the Act
4.	ACER Conference and Symposium	Government agencies, academia, corporates, legal fraternity, government	To deepen our stakeholders' knowledge of competition and consumer welfare and increase compliance with the law	Enhanced Knowledge sharing and collaborations with strategic stakeholders
5.	World Competition Day (WCD): Guest lecture	Kenya School of Law students and lecturers	<ul style="list-style-type: none"> Promote an understanding of competition law and policy in promoting economic equality and Enhance the Authority's corporate image in promoting effective competition 	Increased awareness of the Authority's mandate, better understanding of the Authority's role in promoting equality, and increased compliance with the Act
6.	Awareness Creation for the Staff of Anvil Holdings Limited	Staff from Ngao Credit, Upesi Money Transfer Limited, Switchlink Africa Limited, Lucent Insurance Brokers and Tracking Hub Limited that are under the Anvil Holdings Limited	Awareness creation among the staff regarding consumer welfare	A reduction in consumer complaints against their products and enhanced understanding of the provisions of the Act, as well as enhancing stakeholder relationships
7.	Compliance training for Mabati Rolling Mills and Insteel Limited	Management and staff from Mabati Rolling Mills and Insteel Limited	To ensure compliance with the terms of settlement between MRM and the	Enhanced compliance with the Act



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No.	Event/Forum	Stakeholders Engaged	Objective / key message	Expected Outcome
			Authority regarding competition law compliance training	
8.	World Consumer Rights Day (WCRD) 2025 and Junior Secondary School sensitizations	The Authority held WCRD in 3 counties, namely, Tharaka Nithi, Makueni and Homabay by carrying out awareness creation and sensitization to 45 selected Junior Secondary Schools following inclusion of consumer protection strands and sub-strands in their curriculum, for which the Authority had participated in developing. A total of 12,752 learners and 393 teachers were sensitized	<ul style="list-style-type: none"> To educate consumers on their rights, obligations, and remedies; Sensitize Junior Secondary learners on consumer protection; Engage consumer bodies through participation; Sensitizing consumers on how to lodge complaints Attend to consumer inquiries and queries; and Receive and document consumer complaints for further action 	Increased visibility and enhanced consumer awareness
9.	Sensitization of JSS Learners in Nairobi City County	36,548 JSS Learners and 492 teachers	To create awareness on consumer protection as well as deepen comprehension and understanding of the strands and sub-strands on consumer protection that were included in the JSS curriculum	Enhanced understanding of consumer protection provisions by the learners and teachers
10.	LSK Chapters Sensitization	The Authority engaged advocates in 6 LSK Chapters, namely: Mombasa, Kwale, Malindi, Kitui, Kajiado, and Machakos	Sensitization on competition law and policy, and the provisions of the Act	Strengthened awareness of competition law and policy



No.	Event/Forum	Stakeholders Engaged	Objective / key message	Expected Outcome
11.	Uganda knowledge exchange workshop	United Nations Capital Development Fund (UNCDF), Ministry of Trade, Industry and Cooperatives (MITC) of Uganda, Uganda Communications Commission (UCC), Bank of Uganda (BoU), Communications Authority of Kenya (CA) and the Central Bank of Kenya (CBK)	To benchmark competition and consumer protection enforcement in Kenya	Enhanced collaboration with sector regulators and strategic partners
12.	Kenyatta University Economics Students' Association Sensitization (KUESA)	Kenyatta University Economics Students' Association (KUESA) Members	<ul style="list-style-type: none"> To learn about the Authority's mandate and functions; and To learn about the available career opportunities for the students and the associated requirements and qualifications 	A deepened competition culture



iv. Advisory Opinions on various Bills, Regulations, Policies and Guidelines

During the year under review, the Authority reviewed various Bills and Regulations to inform and ensure that the various laws and policies were compliant with the provisions of the Act. These are summarized below:

Table 8: Advisory opinions

No.	Bill/Policy/Guidelines/Regulations Reviewed	Summary of the Bill/Policy	Advisory Opinion/Comments
1.	Draft National Consumer Protection Policy	Draft National Consumer Protection Policy (NCP), developed by the Kenya Consumer Protection Advisory Committee (KECOPAC) under Ministry of Investment, Trade and Industry State Department for Trade, outlines a comprehensive approach to safeguarding consumer rights and interests anchored on a rights-based foundation for protecting consumer transactions, including goods, services, digital trade, and emerging markets, across public and private sectors, and formal and informal markets	The Authority acknowledged that the development of a National Consumer Protection Policy was necessary for the enhanced protection of consumers. In addition, it reiterated its commitment to support the development of the National Consumer Protection Policy that will lead to effective coordination amongst sector regulators and county governments towards the enhancement of the welfare of consumers in the Republic of Kenya
2.	Zambia Competition and Consumer Protection Commission Regulations	The Competition and Consumer Protection Commission of Zambia was in the process of amending the Competition and Consumer Protection (General) Regulations 2011 (“the Regulations”), and the Guidelines for the Administration of Fines 2019 (“the Guidelines). CCPC requested the Authority to submit its comments on the regulations and guidelines	The Authority proposed that CCPC should clarify the various terms used in the regulations. Further, it was proposed that while penalties are outlined, there is a need to add other remedies to provide relief to a consumer or group of consumers

No.	Bill/Policy/Guidelines/ Regulations Reviewed	Summary of the Bill/Policy	Advisory Opinion/Comments
3.	Draft National Policy on Virtual Assets and Virtual Asset Service Providers Bill, 2024	The Bill provided a legislative framework to regulate virtual asset service providers and address potential financial crime risks associated with the misuse of virtual asset products and services, and for other related purposes.	<ul style="list-style-type: none"> The Authority proposed that the roles of supervisory authorities, competent authorities, and investigating authorities should be clarified. This would enhance inter-agency coordination and facilitate the effective exchange of information. Further, the Bill should be aligned with existing legal frameworks and Consumer Protection provisions. Finally, there should be an established monitoring of market conduct.
4.	AfCFTA Competition Protocol Regulations	The Protocol will be implemented through four regulations: AfCFTA regulation establishing the AfCFTA competition network; AfCFTA regulation on the procedures and powers of the authority; AfCFTA regulations on the composition and modalities of the tribunal; and AfCFTA regulations on mergers and acquisitions & abuse of dominance.	<ul style="list-style-type: none"> AfCFTA regulations on mergers and acquisitions & abuse of dominance: Article 4: Definition of merger, Article 5: Determination of Mergers with a Continental Dimension, Article 7 Applicable Market Shares, Article 8 Defining Relevant Market AfCFTA regulation establishing the AfCFTA competition network: Article 2: Objectives – proposal to delete objective (c) coordinate enforcement actions and investigations related to cross-border competition issues; Article 6: Functions of the ACN - Proposal to delete 1(f) Prepare and conduct advocacy programs, studies and inquiries on competition-related topics relevant to the continent. Article 7: Modalities of Operation Article 8: Cooperation on Concurrent Jurisdiction - Proposal to Delete this whole section. The provisions give the network enforcement functions that should belong to the regional Authority.



No.	Bill/Policy/Guidelines/Regulations Reviewed	Summary of the Bill/Policy	Advisory Opinion/Comments
5.	Telecommunications Market Structure	The Authority received a request from the Communications Authority of Kenya for an advisory on whether the revised telecommunications market structure and applications requirements instruments raise competition concerns.	The Authority advised CA to consider allowing other tiers access to the RTI business and clarification whether a single NFP can acquire multiple T4 licenses across different counties, provided that operations for each license are confined to its respective county.
6.	Memorandum on the complaint of anti-competitive practices by the Kenya Transporters Association (KTA) against multinational companies in Kenya	A request for information from the National Assembly's Departmental Committee on Trade, Industry and Cooperatives. The request follows a complaint from the Kenya Transporters Association (KTA) alleging that multinational companies (MNCs) in the transport and logistics sector prefer to deal with fellow MNCs, leaving out local Kenyan firms.	<ul style="list-style-type: none"> • The Authority pointed out that, based on the Act, the proposed arrangement to reserve 60% of transport services for local (Kenyan-owned) firms would undermine the object of the Competition Act and, if granted, would contravene the provisions of section 21 • Further, the Authority elucidated the process of analyzing a vertical agreement and pointed out that it may be only problematic if they result in a substantial prevention or lessening of competition • The Authority proposed a full investigation if the claim of price discrimination were proved.

v. Regional and International Engagements

During the period under review, the Authority engaged international and regional agencies in various joint activities;

Table 9: Collaboration with Regional and International Agencies

Agency	Activity
East African Community Secretariat	<ul style="list-style-type: none"> The Authority participated in the; <ul style="list-style-type: none"> 24th and 25th meetings of the Sectoral Council on legal and judicial affairs, Arusha, Tanzania 45th meeting of the Sectoral Council on Trade, Industry, Finance and Investment, Arusha, Tanzania 46th meeting of the Sectoral Council on Trade, Industry, Finance and Investment, Arusha, Tanzania The Legislative Draftspersons and Competition Experts to draft EAC Competition Legal Instruments for consideration by the Sectoral Council on Legal and Judicial Affairs, Kampala, Uganda
East African Community Competition Authority	<ul style="list-style-type: none"> Experts meeting to review the framework on the Enforcement of Cross-Border Mergers and Acquisitions and develop a Merger Operations Manual, Kigali, Rwanda The Authority facilitated and participated in a capacity-building on Competition Case Handling, Bujumbura, Burundi Case handlers' capacity building on investigation and analysis of cross-border mergers and acquisitions in Mombasa and Dar es Salaam
Philippines Commission	<p>The Authority presented its position on the role of competition in Agricultural development in the 2025 Forum on Competition in Developing Countries, Manila, Philippines</p>
Egyptian Authority	<p>The Authority participated in the Egyptian Competition Authority's 20th Anniversary Annual Conference, Cairo, Egypt, focusing on fostering cooperation in emerging areas of competition enforcement</p>
International Network	<p>The Authority presented its position in three sessions at the ICN Annual Conference, 2025, Edinburgh, Scotland. The sessions focused on: food and agriculture, advocating for competition and emerging areas, and ex-post impact assessment of enforcement and advocacy. Moreover, it was recognized for the Animal Feeds Market Inquiry</p>



Agency	Activity
10 th AfCFTA Meeting of the Committee on Competition Policy and 1 st AfCFTA Meeting of the Committee of Heads of Competition Authorities	The Authority attended the 10th meeting of the committee on Competition Policy and the 1st meeting of the committee of the Heads of National and Regional Competition Authorities in Africa, Cape Town, South Africa. The objective was to consider the draft regulations and apprise the Heads of Competition Authorities on the progress in implementing the Competition Protocol
Korea Fair Trade Commission	The Authority attended the Capacity Building for Improvement and Specialization of Consumer Protection – Multi-Country Program 2025 by Korea International Cooperation Agency (KOICA), Seoul, South Korea
Office of Competition and Consumer Protection, Poland	The Authority’s staff participated in a Consumer Protection capacity building session in collaboration with Polish Aid, Warsaw, Poland
European Union, Directorate-General for Competition	The Authority participated in the Africa-EU Competition Week, Bruges, Belgium, focusing on major developments and challenges in competition policy in Africa and the EU
US-Fair Trade Commission and Department of Justice	The Authority presented its position on the implementation of Kenya’s competition regime at the International Bar Association (IBA), Washington, United States of America

STRATEGIC GOAL THREE: VISIBILITY AND ORGANIZATIONAL SUSTAINABILITY

i. Information and Communication Technology

The Authority continued to leverage ICT to not only ensure seamless operations and support service delivery to its stakeholders but also to align with the government's vision of enhancing government service delivery through digitization and automation of the Authority's critical processes.

In the year under review, the Enterprise Resource Planning (ERP) system from Dynamics NAV 2016 was upgraded to Microsoft BCERP. It offers automatic updates, stronger cybersecurity features, and better scalability, allowing the Authority to adapt to changing operational demands without major system overhauls. Its advanced analytics, AI-driven insights, and automation capabilities also improve decision-making, reduce manual processes, and ensure greater financial transparency, critical for public accountability and sustainable governance. Its integration with user portals reduces the Authority's financial spending on licenses, thus ensuring organizational sustainability.

In line with the Strategic Plan to expand its enforcement capabilities, the Authority has established a forensic laboratory equipped with advanced forensic tools. This initiative aims to strengthen the Authority's investigative effectiveness and maintain its competitive edge in addressing complex competition and consumer protection issues.

Through advanced forensic tools and expertise, the Authority can extract, preserve and examine data from electronic devices, analyze digital, financial, and documentary evidence in complex investigations like cartels, price-fixing, bid-rigging, and abuse of dominance. This will ensure that the Authority has robust, credible evidence that will support its enforcement actions and legal proceedings.

Moreover, the Authority redesigned its website architecture. The upgrade incorporated the use of the latest web design frameworks and content management systems, thus producing a website with a stronger security architecture, better performance optimization, and enhanced accessibility features, critical for ensuring inclusivity and compliance with modern web standards. This upgrade eliminates the risks associated with outdated systems, such as security vulnerabilities and limited technical support. It also introduces a more streamlined content authoring experience, improved integration with third-party services, and future-ready capabilities that support multilingual content, mobile responsiveness, and user personalization.



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ii. Affirmative action on the procurement of goods, works, and services

The Authority maintained Access to Government Procurement Opportunities (AGPO) above the minimum 30% threshold, and the promotion of local content as prescribed by the Public Procurement and Asset Disposal Act (PPDA), 2022 and Public Procurement and Asset Disposal Regulations, 2020. The Authority awarded 39% and 73.2% of its total procurement spending on tenders to special interest groups (Youth, Women & PWDs) and local content (LC), respectively, as per the tables below.

Table 10: Contracts Awarded to AGPO

S/N	Total contracts per quarter (KES)	Contracts awarded to AGPO (KES)	% of contracts awarded to AGPO group
Q1	12,472,789.00	5,862,230.00	47
Q2	26,926,704.18	11,582,541.30	43
Q3	13,480,983.00	6,884,734.00	51
Q4	52,876,530.58	16,848,194.80	32
Totals	105,757,006.76	41,177,700.10	39

Table 11: Contracts Awarded to Local Content

S/N	Total contracts per quarter (KES)	Contracts awarded to Local Content LC (KES)	% of contracts awarded to LC
Q1	12,472,789.00	12,203,639.00	98
Q2	26,926,704.18	18,748,907.00	70
Q3	13,480,983.00	8,554,409.00	63.4
Q4	52,876,530.58	37,884,533.66	72
Totals	105,757,006.76	77,391,488.66	73.2

In adherence to the good governance tenets of transparency and accountability, tenders and contracts were published in the Public Procurement Information Portal (PIIP). Further, contracts awarded under Local Content (Buy Kenya Build Kenya) and AGPO were submitted to the State Department for Industry in the Ministry of Investment, Trade and Industry, and the National Treasury, respectively, in compliance with PPDA, 2022 and Public Procurement & Asset Regulations, 2020.

iii. Human Capital

The human capital of the Authority serves as the cornerstone for attaining performance excellence, characterized by the availability of essential resources, expertise, and robust systems necessary to fulfil its mandate. In pursuit of excellence, the Authority promotes innovation,



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prioritizes investment in human capital, integrates advanced technological solutions, and ensures alignment with its strategic objectives. This comprehensive and integrated approach enhances institutional capability, thereby yielding superior performance outcomes that set new benchmarks of excellence. To strengthen its institutional capacity, the Authority places significant emphasis on the recruitment, development, and retention of highly skilled and motivated personnel through structured training, mentorship, and professional development programmes.

As of the end of the period, the Authority's total staff complement stood at seventy-one (71), comprising fifty-six (56) on permanent and pensionable terms, and fifteen (15) on contract terms, with a female-to-male ratio of 37:63. During the year under review, five (5) key positions were successfully filled through a competitive recruitment process while four (4) staff members exited the Authority's service.

Figure 8: Gender Representation

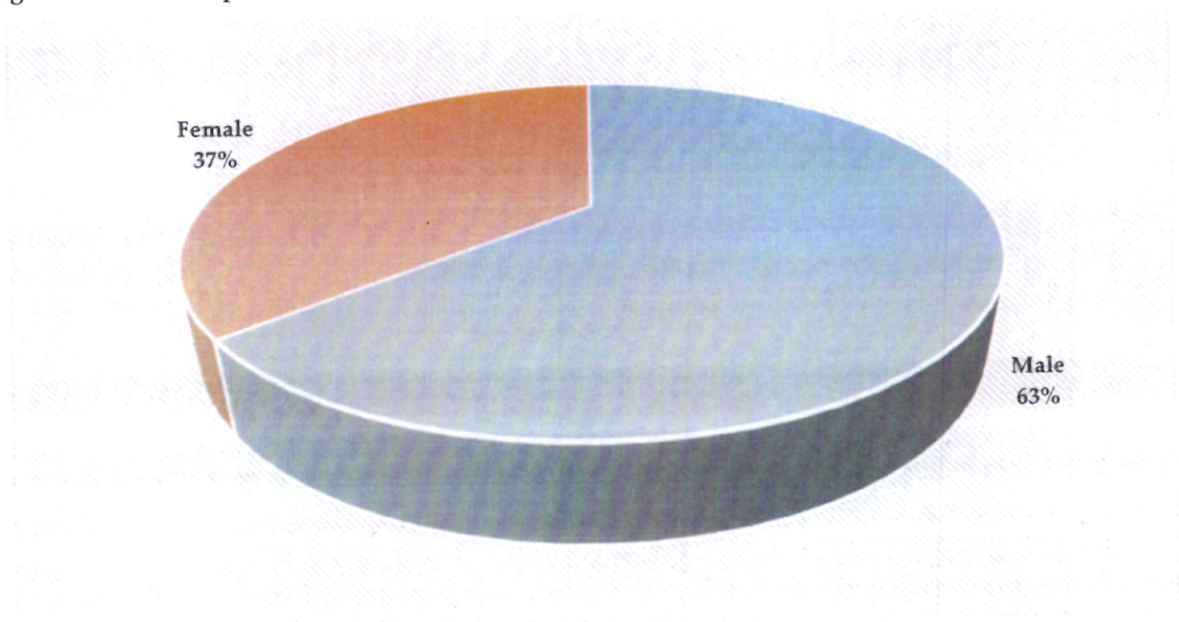
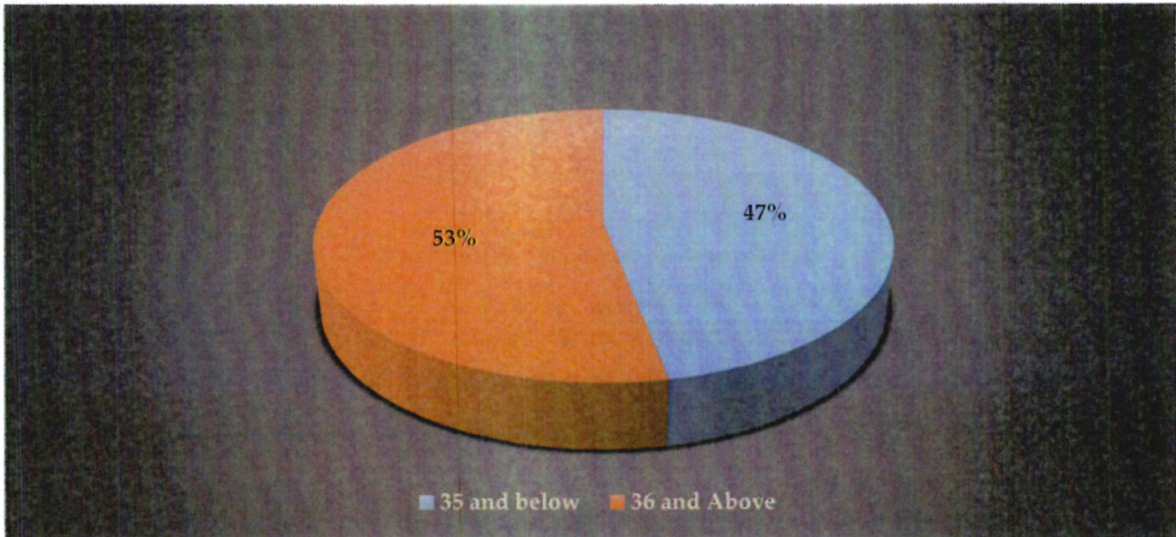


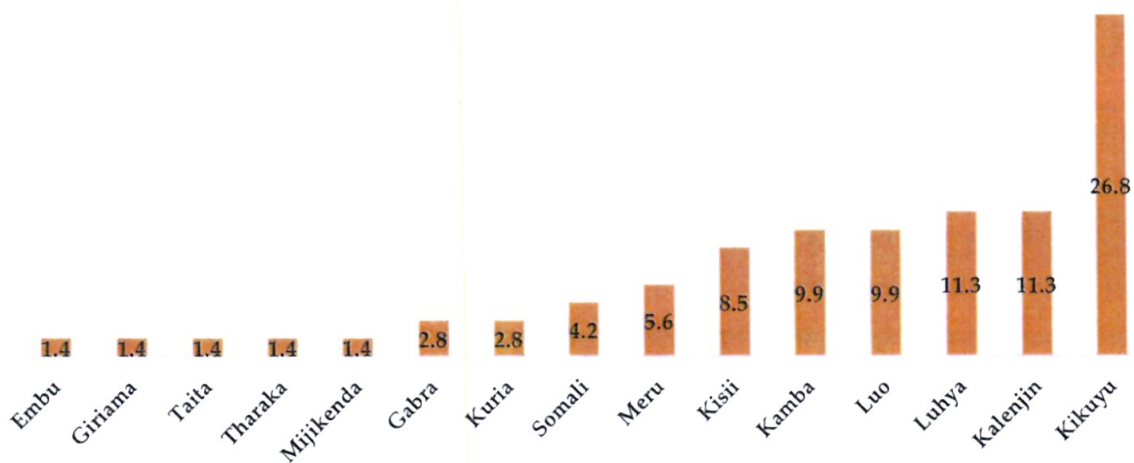
Figure 9: Staff category by Age



The staff establishment comprised of youth and other age bands as outlined above. The youth, ages 35 and below, made up 47% of the total Authority's staff.

Moreover, the staff composition complied with the Constitutional (Article 10) requirement on regional diversity as per Figure 10 below;

Figure 10: Ethnic Representation (Percentage)



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Organizational Learning

To enhance staff skills, knowledge, and abilities in the areas of Competition Law and Policy, Consumer Protection, Management, and Leadership, amongst other technical areas, the Authority organized training and development programs to enhance staff competency, improve service delivery, facilitate effective management, support career progression, and promote professional development.

The trainings were categorized into five broad areas: Management skills development, Regulatory and Technical capacity building, Organizational development and effectiveness, Career/professional development, and Performance Contracting obligations programmes, and were implemented through continuous professional development initiatives, in-house training and plenary sessions, external workshops, and participation in industry-specific conferences. These efforts aimed to promote a high-performance culture and strengthen the Authority's ability to respond to emerging challenges in a dynamic regulatory environment.

Table 12: Learning and Development

Training Programme	Courses Undertaken
Management Skills Development	<ul style="list-style-type: none"> • Senior Management Course • Strategic Leadership Development Programme
Regulatory & Technical Capacity Building	<ul style="list-style-type: none"> • Competition Case Handling • 19th Cresse Summer School on Competition and Regulation • The ICN Annual Conference • Heads of National and Regional Competition Authorities in Africa • Knowledge exchange programme with Uganda • Improvement and Specialization of Consumer Protection (South Korea and Poland) • The Africa-EU Competition Week • International Bar Association (IBA) • Forensic Skills Training
Organizational Development and Effectiveness	<ul style="list-style-type: none"> • Enterprise Resource Planning • ISO 31000:2018 Training • Defensive Driving • Research Design, Data Management and Statistical Analysis • Course Records Retention and Disposal Schedule • Retirement Readiness Training • Procurement training • Asset management training
Career / Professional Development	<ul style="list-style-type: none"> • Continuous Professional Development (CPD) Programmes • Post Graduate & Diplomas • Master's Degree • Certification Programs

Training Programme	Courses Undertaken
Performance Contracting (Cross-cutting issues)	<ul style="list-style-type: none"> • Data Protection • HIV & Aids Awareness • Drugs and Substance Abuse Prevention • Disability Mainstreaming • Gender Mainstreaming • Road Safety • Environmental Sustainability • Health, Safety, and Environment (HSE) and Fire Prevention • Integrity, Ethics, and Corruption Prevention • National Cohesion and Values • Public Service Values and Compliance • Productivity Mainstreaming • Science, Technology, and Innovation

Apprenticeship & Internship Programs

The Authority provided apprenticeship and internship opportunities to fifteen (15) candidates, comprising seven (7) males and eight (8) females who were recent graduates of master's and degree programs, respectively. This is aimed at bridging the gap between theory and practice, equipping the youth with essential skills and insights while enhancing their career prospects and overall readiness for the professional world in support of the government's agenda to equip the youth with requisite skills.

Staff Retention

To enhance staff retention, the Authority implemented several strategic initiatives, including staff capacity-building programs, career progression through internal promotions, mortgage and car loan benefits, recognition programs to reward exceptional performance and a comprehensive medical scheme to support the psychosocial well-being of employees and their families.

Work Environment

The work environment is instrumental in shaping employees' experiences, with a direct impact on their performance, job satisfaction, and overall well-being. While ensuring statutory compliance and promoting a conducive and supportive workplace, the Authority implemented workplace policies through the active participation of designated standing committees. Table 13 outlines the objectives and activities undertaken by the various committees.

Table 13: Committees and Activities Undertaken

S/No.	Committee	Objectives	Activities Implemented
1.	HIV & AIDS	To mainstream HIV & AIDS prevention by creating awareness among staff members and stakeholders	<ul style="list-style-type: none"> Public sensitization during the World Consumer Rights Day Participated in World Aids Day.
2.	Environmental Sustainability	To enhance environmental conservation and sustainability	<ul style="list-style-type: none"> Planted 2,700 trees Championed the use of segregated bins for waste disposal
3.	National Cohesion Values and Principles of Governance	To promote National Cohesion, values, and principles of Governance in the Authority and to the general public	<ul style="list-style-type: none"> Staff sensitization on NCV Training of the Authority's national values champions Prepared the Annual President's Report
4.	Disability Mainstreaming	Mainstream disability in the workplace and ensure accessibility and inclusivity.	<ul style="list-style-type: none"> Capacity building for new staff and stakeholders Provided assistive devices to staff (PWDs) – wheelchair Awarded 3.39% of the amount reserved under Access to Government Procurement Opportunities (AGPO) to PWDs The Authority's website was upgraded to be accessible to persons with visual impairment Continued to offer opportunities for PWDs under recruitment in collaboration with NCPWD under FUZU

S/No.	Committee	Objectives	Activities Implemented
5.	Gender Mainstreaming	To promote gender equality and freedom from all forms of discrimination in the workplace through ensuring compliance with laws, policies, and practices	<ul style="list-style-type: none"> Capacity building for new staff and stakeholders Developed a diversity and inclusion policy that encompasses gender mainstreaming, gender-based violence, and disability mainstreaming Ensured that the 1/3 Gender Rule representation has been maintained with the female-to-male ratio of 37:63
6.	Productivity Mainstreaming	To mainstream productivity within the organization	<ul style="list-style-type: none"> Capacity building of the champions and the management Drafting the Productivity report Collection of data on productivity
7.	Road Safety Mainstreaming	To create awareness among staff on road safety	<ul style="list-style-type: none"> Sensitized staff on road safety
8.	Drugs and Substance Abuse Prevention	To create awareness among staff on drugs and substance abuse	<ul style="list-style-type: none"> Employee assistance programmes were availed to staff in partnership with various medical facilities that offer psychological, counselling, and rehabilitative services Staff were provided with educational materials to enhance their parental skills about identification and coping with alcohol and drug abuse within the family unit Staff were sensitized on improving mental health and its relation to substance abuse, as well as creating a work-life balance

S/No.	Committee	Objectives	Activities Implemented
9.	Occupational Health & Safety (OSH)	To enable a conducive work environment	<ul style="list-style-type: none"> A Fire, Health and Safety Audit of the Authority's offices confirmed compliance with the Occupational Safety and Health Administration Act 2007 Sensitization for staff on crisis management and emergency preparedness
10.	Science, Technology & Innovation	Mainstream Science, Technology and Innovation	<ul style="list-style-type: none"> Sensitization of Committee Champions

iv. Visibility and Corporate Image

Awareness creation activities are critical in enhancing knowledge about the Authority's mandate among stakeholders in a bid to create a competition culture, enhance consumer welfare in our economy and bolster compliance with the Act. To promote stakeholder engagement, various activities meant to articulate the enforcement and implementation of the Act were undertaken. During the review period, the Authority published all its determinations on the Website and other social media platforms, clearly articulating the reasoning behind each decision. This was aimed at increasing the transparency of our processes and ensuring that the Authority remains accountable to its stakeholders.

Stakeholders were apprised of enforcement interventions through the issuance and publicizing of various statements, orders, press releases, and opinion pieces. These communications were disseminated across media channels such as X, LinkedIn, and YouTube, with the Authority appearing in the press one hundred and forty-five (145) times across both legacy and new media channels, as highlighted in the table below;

Table 14: Publications

Title	Author	Link
Opinion Pieces		
The high cost of animal feed is a hindrance to food security	Ms. Rosebella Oiro & Dr. Arthur Odima, PhD	https://www.businessdailyafrica.com/bd/opinion-analysis/columnists/high-cost-of-animal-feeds-a-hindrance-to-food-security-5092594

Title	Author	Link
Planning to Win: Why strategic planning is crucial for government agencies	Ms. Ninette Mwarania	https://www.standardmedia.co.ke/author/5021/ninette-k-mwarania
Why did the Price of Eggs and Poultry Skyrocket in Kenya?	Dr. Adano W. Roba, PhD & Ms. Carin Smaller	https://foodtank.com/news/2025/04/why-did-the-price-of-eggs-and-poultry-skyrocket-in-kenya/
It is Time for the Kenya Competition Regime to Incorporate ESG	Ms. Ninette Mwarania	https://www.capitalfm.co.ke/business/2024/09/it-is-time-for-the-kenyan-competition-regime-to-incorporate-esg/
Why Kenya needs a national policy on competition, and how to get one	Dr. Priscilla Njako, PhD	https://www.businessdailyafrica.com/bd/opinion-analysis/columnists/why-kenya-needs-a-national-policy-on-competition-4755524
Rooting for financial services that promote global sustainability	Ms. Ninette Mwarania	https://www.businessdailyafrica.com/bd/opinion-analysis/columnists/rooting-for-financial-services-promote-global-sustainability-4960282
Effective policies to strengthen MSMEs	Dr. Priscilla Njako, PhD	https://www.businessdailyafrica.com/bd/opinion-analysis/columnists/effective-policies-to-strengthen-msmes-4839186
Levelling the playing field: Competition policy as a driver of equality, inclusion	Mr. David Kemei	https://www.businessdailyafrica.com/bd/opinion-analysis/columnists/competition-policy-as-a-driver-of-equality-inclusion-4845938

Other Publications

Our Visit to Poland, the Home of Chopin, Copernicus, and Curie	CAK Team	https://www.cak.go.ke/our-visit-poland-home-chopin-copernicus-and-curie
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Podcasts

Inequality and Competition	Dr. Adano Wario	https://mwangocapital.substack.com/p/27-12-2024-cak-inequality-and-competition
Your Money, Your Right	Mr. Boniface Kamiti	https://mwangocapital.substack.com/p/31-05-2025-cak-your-money-your-right
Understand Your Consumer Rights – It's Not a Favour. It's the Law.	Mr. Joel Omari	https://www.citizen.digital/citizen-sounds/873
Launch of Strategic Plan	Mr. David Kemei	https://podcast.cak.go.ke/

FINANCIAL STATEMENTS FOR THE FY 2024/2025



11. REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the year ended 30th June 2025, which show the state of the Competition Authority's affairs.

i) Principal activities

The principal activities of the Authority continued to be regulation of market structure and conduct and consumer protection.

ii) Results

The results of the Authority for the year ended June 30, 2025, are set out on page 102.

iii) Directors

The members of the Board of Directors who served during the year are shown on pages 15 - 19.

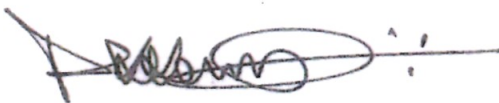
iv) Surplus Remission

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations 2015, the Authority has made a provision for the remission of Kshs 37,036,371 into the Consolidated Fund, being 90% of its surplus funds reported in the audited financial statements for the year ended 30th June, 2025 (FY 2023/24 Ksh. 6,098,153).

v) Auditors

The Auditor General is responsible for the statutory audit of the Authority in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



David Kemei
Secretary to the Board

12. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Section 81 of the Public Finance Management (PFM) Act No.18 of 2012 and section 14 of the State Corporations Act Cap 446, require the Directors to prepare financial statements in respect of the Authority, which give a true and fair view of the state of affairs of the Authority at the end of the financial year and the operating results of the Authority for that year. The Directors are also required to ensure that the Authority keeps proper accounting records which disclose with reasonable accuracy the financial position of the Authority. The Directors are also responsible for safeguarding the assets of the Authority.

The Directors are responsible for the preparation and presentation of the Authority's financial statements, which give a true and fair view of the state of affairs of the Authority for and as at the end of the financial year ended 30th June, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Authority; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Authority; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Authority's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act. The Directors are of the opinion that the Authority's financial statements give a true and fair view of the state of Authority's transactions during the financial year ended 30th June, 2025, and of the Authority's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Authority, which have been relied upon in the preparation of the Authority's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Authority will not remain a going concern for at least the next twelve months from the date of this statement.

The Authority's financial statements were approved by the Board on 25th August, 2025 and signed on its behalf by



Shaka Kariuki
Board Chairman



David Kemei
Director General

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COMPETITION AUTHORITY OF KENYA FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on the Financial Statements should be read together with the Report on Lawfulness and Effectiveness in Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Competition Authority of Kenya set out on pages 102 to 141, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of

Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Competition Authority of Kenya as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Competition Act, 2010 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Competition Authority of Kenya Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. I have determined that there were no key audit matters to communicate in my report.

Other Information

The Directors are responsible for the other information set out on page 7 to 100, which comprises the Corporate Information, Board of Directors, Management Team, Chairman's Statement, Report of the Director General, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Report, Corporate Governance and Statement of Directors' Responsibilities. The other information does not include the financial statements and my auditor's report thereon.

In connection with my audit on Authority's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My Opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion

on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Single Sourcing of Training Services

Review of procurement records indicated that the Authority procured training services from two consultants for a total of Kshs.3,149,430 through direct procurement. The following anomalies were noted;

- i. Management did not provide justification for the use of the direct procurement method, as required under Section 103 of the Public Procurement and Asset Disposal Act, 2015.
- ii. No tender document was issued to guide the tenderer's preparation and subsequent negotiations.
- iii. An ad hoc Evaluation Committee to negotiate with the supplier(s) was not appointed, contrary to Section 46 of the Act.

Management did not provide contracts signed by both parties detailing the scope of work.

In the circumstances, Management was in breach of the law.

2. Non-Compliance with Guidelines on Managing Foreign Training

The statement of financial performance reflects use of goods and services expenses amounting to Kshs.121,301,349 which include payments in respect of training expenses amounting to Kshs.30,134,106 as disclosed in Note 11 to the financial statements. The expenditure includes subsistence allowance on foreign training amounting to Kshs.4,821,608.

However, no evidence was provided to confirm approvals from the Public Service Commission for the trainings as required by the Guidelines on Managing Training in the Public Service dated February, 2017 which require approval to train in foreign based institutions to be granted only in instances where the course applied is not available in any local institution.

In the circumstances, Management was in breach of the Guidelines on Managing Training.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Weaknesses in the Management of Imprest for Daily Subsistence Allowance

Review of supporting schedules and payment vouchers on travelling and accommodation, training and core mandate activities revealed payment of unrealistic daily subsistence allowances to some members of staff. Analysis of the allowances indicated that some of the staff were away from their duty stations for a period of more than three (3) months cumulatively. This situation could be an indication that the current system on processing and approval of daily subsistence allowances is susceptible to abuse given the high cumulative number of days approved to be away from duty station.

In the circumstances, the effectiveness of Management control over processing and approval of subsistence allowances could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

The Board of Directors is responsible for overseeing the Authority's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The ISSAIs requires that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 December, 2025

Report of the Auditor-General on Competition Authority of Kenya for the year ended 30 June, 2025

14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2025

	Notes	2024/2025 Kshs	2023/2024 Kshs
Revenue from Non-Exchange Transactions			
Transfers from other Governments Entities	6	415,515,466	410,409,068
Levies, Fines, and Penalties	7	116,712,777	33,059,327
Total Revenue from Non-Exchange Transactions		532,228,243	443,468,395
Revenue from Exchange Transactions			
Rendering of Services	8	109,859,308	149,729,215
Finance Income	9	8,653,198	17,148,826
Other Income	10	-	1,086,244
Total Revenue from Exchange Transactions		118,512,505	167,964,285
Total Revenue		650,740,748	611,432,680
Expenses			
Use of Goods and Services	11	121,301,349	98,864,741
Employee Costs	12	291,420,023	284,678,764
Board Expenses	13	13,385,871	19,191,881
Depreciation and Amortization Expense	14	57,371,758	27,153,082
Policy, Risk, Competition & Consumer Protection Expenses	15	79,511,715	107,132,695
Repairs and Maintenance	16	20,838,804	26,449,619
Contracted Services	17	17,892,457	14,710,221
Total Expenses		601,721,978	578,181,004
Other Gains (Losses)			
Gain (Loss) on Sale of Assets	18	(327,832)	(13,315,158)
Gain (Loss) on foreign exchange transactions	26	(150,554)	(13,160,793)
Profit (Loss) on Revaluation of Assets	32	(7,388,859)	-
Surplus (Deficit) for the Year		41,151,524	6,775,725
Remission to National Treasury	33	37,036,371	6,098,153
Net Surplus for the Year		4,115,152	677,573

The notes set out on pages 110 to 140 form an integral part of these Financial Statements.

The financial statements set out on pages 103 to 109 were signed on behalf of the Board of Directors on 25th August, 2025 by:



Shaka Kariuki
Board Chairman



CPA Ambrose Ageng'a
Head of Finance
ICPAK No.3461



David Kemei
Director General


15. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2025

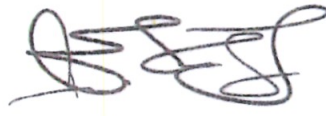
	Notes	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	19	242,568,144	328,993,997
Receivables from Exchange Transactions	20	30,261,183	28,273,906
Inventories	21	4,284,108	1,871,794
Total Current Assets		277,113,435	359,139,698
Non-Current Assets			
Property, Plant and Equipment	22	327,762,834	285,876,330
Intangible Assets	23	57,199,236	26,189,175
Receivables from Exchange Transactions	20	230,848,693	227,182,943
Car and Mortgage Schemes Bank Balance	24	169,641,937	112,837,310
Total Non- Current Assets		785,452,700	652,085,758
Total Assets		1,062,566,136	1,011,225,455
Liabilities			
Current Liabilities			
Trade and other Payables	25	47,636,833	52,508,230
Current Provisions	26	6,275,200	19,156,736
Deferred Income	27	54,310,524	40,816,485
Employee Benefit Obligation	28	-	3,230,820
Surplus Payable to National Treasury	33	37,036,371	6,098,153
Total Current Liabilities		145,258,929	121,810,424
Non-Current Liabilities			
Deferred Income	27	296,022,848	350,902,354
Non-Current Employee Benefit Obligation	28	35,326,077	15,158,567
Total Non- Current Liabilities		331,348,926	366,060,921
Total Liabilities		476,607,855	487,871,345
Net Assets			
Car and Mortgage Schemes	29	416,886,181	416,886,181
Accumulated Surplus	30	57,201,262	53,086,109
Capital Fund	31	53,381,820	53,381,820
Revaluation Reserve	32	58,489,022	-


Competition Authority of Kenya
Annual Report and Financial Statements For the year ended 30th June, 2025

Total Net Assets	585,958,285	523,354,110
Total Net Assets and Liabilities	1,062,566,140	1,011,225,455

The financial statements set out on pages 103 to 109 were signed on behalf of the Board of Directors on 25th August, 2025 by:


.....
Shaka Kariuki
Board Chairman

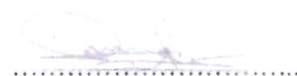

.....
CPA Ambrose Ageng'a
Head of Finance
ICPAK No.3461


.....
David Kemei
Director General

16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH JUNE 2025

	Kshs	Kshs	Kshs	Kshs	Kshs
	Car and Mortgage Scheme	Accumulated Surplus	Capital Fund	Revaluation Reserve	Total Fund
As at July 1, 2023	416,886,182	52,408,536	53,381,820	-	522,676,538
Surplus for the year	-	677,573	-	-	677,573
As at June 30, 2024	416,886,182	53,086,109	53,381,820	-	523,354,111
As at July 1, 2024	416,886,182	53,086,109	53,381,820	-	523,354,111
Surplus for the year	-	4,115,152	-	58,489,022	62,604,175
As at June 30, 2025	416,886,182	57,201,261	53,381,820	58,489,022	585,958,285

The financial statements set out on pages 103 to 109 were signed on behalf of the Board of Directors on 25th August, 2025 by:



Shaka Kariuki
Board Chairman



CPA Ambrose Ageng'a
Head of Finance
ICPAK No.3461



David Kemei
Director General

17. STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30TH JUNE 2025

	Notes	2024/2025	2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other Governments Entities	6	374,130,000	406,533,750
Levies, Fines, and Penalties	7	116,712,777	33,059,327
Rendering of Services	8	109,859,308	149,729,215
Finance Income	9	8,653,198	17,148,826
Other Income	10	-	1,086,244
Total Receipts		609,355,282	607,557,362
Payments			
Use of Goods and Services	11	150,174,314	80,031,597
Employee Costs	12	335,338,623	315,986,307
Board Expenses	13	13,206,371	19,619,480
Policy, Risk, Competition & Consumer Protection Expenses	15	73,086,687	106,952,406
Repairs and Maintenance	16	21,322,002	25,082,891
Contracted Services	17	17,058,988	15,448,508
Total Payments		610,186,986	563,121,188
Net Cash Flows from/ (used in) Operating Activities	34	(831,703)	44,436,175
Cash Flows from Investing Activities			
Purchase of PPE and Intangible assets	22&23	(79,532,352)	(274,490,868)
Insurance Compensation Received		36,354	176,214
Net Cash Flows from/ (used in) Investing Activities		(79,495,998)	(274,314,654)
Cash Flows from Financing Activities			
Surplus Paid to National Treasury	33	(6,098,153)	(13,112,203)
Net Cash Flows from Financing Activities		(6,098,153)	(13,112,203)
Net Increase/(Decrease) in Cash & Cash Equivalents		(86,425,854)	(242,990,683)
Cash and Cash Equivalents at 1 July	19	328,993,997	571,984,680
Cash and Cash Equivalents at 30 June	19	242,568,144	328,993,998

18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE ENDED 30TH JUNE 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Transfers from Other Governments entities	261,644,390	109,485,610	371,130,000	371,130,000	-	100%
Levies, Fines and Penalties	52,860,000	-	52,860,000	116,712,777	63,852,777	221%
Rendering of Services	145,000,000	-	145,000,000	109,859,308	(35,140,692)	76%
Finance Income	10,000,000	-	10,000,000	8,653,198	(1,346,802)	87%
Other Income	3,000,000	-	3,000,000	-	(3,000,000)	0%
Total Income	472,504,390	109,485,610	581,990,000	606,355,282	24,365,282	104%
Expenses						
Use of Goods and Services	128,684,390	11,115,610	139,800,000	121,301,349	18,498,651	87%
Employee costs	303,320,000	3,100,000	306,420,000	291,420,023	14,999,977	95%
Board Expenses	10,000,000	4,944,000	14,944,000	13,385,871	1,558,129	90%
Depreciation & Amortization Expense	-	-	-	57,371,758	(57,371,758)	0%
Policy, Risk, Competition & Consumer Protection Expenses	18,500,000	61,500,000	80,000,000	79,511,715	488,285	99%
Repairs and Maintenance	6,500,000	16,130,000	22,630,000	20,838,804	1,791,196	92%
Contracted Services	5,500,000	12,696,000	18,196,000	17,892,457	303,543	98%
Total Expenditure	472,504,390	109,485,610	581,990,000	601,721,978	(19,731,978)	103%
Surplus for the period	-	-	-	4,633,303		

Notes:

- i. Other than the differed capital income recognized in the statement of financial performance and actual payments for the purchase of assets, there are no reconciling items to warrant a reconciliation between surplus as per the statements of financial performance and comparison of budget and actual amounts.

- ii. An explanation of differences between actual and budgeted amounts (10% over/ under) have been provided in detail under note 39 as required by IPSAS 24.14

19. NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Competition Authority of Kenya is established by and derives its authority and accountability from Competition Act No. 12 of 2010. The Entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The Entity's principal activity is to enhance the welfare of the people of Kenya by promoting and protecting effective competition in markets and preventing unfair and misleading market conduct.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Entity. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (include any other applicable legislation), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of new and revised standards

a) New and amended standards and interpretations in issue effective in the year ended 30th June, 2025

The Authority did not early adopt any new or amended standards in the year ended 30th June, 2025.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

While amendments to IPSAS 13, IPSAS 21 and IPSAS 26 and IPSAS 17& 33 removing the transitional provisions have no impact of note to the Authority's financial Statements given the Authority's dealings does not ordinarily result in a significant portion of cash generating assets and the Authority is not a first time IPSAS adopter.

b) **New and amended standards and interpretations in issue but not yet effective in the year ended 30th June, 2025**

IPSAS 41 which became effective as from 1st January 2023 outlines the requirements for recognition and measurements of financial assets, financial liabilities and some contracts to buy or sell non-financial items. Financial instruments are initially recognized when the Authority becomes a party to the contractual provisions of the instruments and are classified into various categories depending on the type of the instrument. The basis of subsequent measurement is either amortized cost or fair value depending on the categorisation of the particular instrument.

However, adoption and application of IPSAS 41 had no significant qualitative and or quantitative impact on the Authority's financial statements for the year ended 30th June, 2025 given the reliance on direct government funding through exchequer to fund its operation. Financial instruments are not projected to form a significant part of the Authorities assets in the foreseeable future.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

c) **Early adoption of standards**

The Authority did not early adopt any new or amended standards in the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. Summary of Significant Accounting Policies

a) Revenue Recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The Entity recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Merger filling fees

This is an amount payable to the Authority by merging parties when filing for a merger in exchange for the Authority considering the application and granting approval with or without conditions as the case may be. The amount payable is graduated from **Ksh.1M-Ksh.4M** for turnover or asset base from **Ksh.1B-Ksh.50B** respectively whichever is higher.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The Authority recognizes revenue from local merger filing fees by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable. The Authority's share of the Merger filing fees from COMESA Competition Commission is recognized when received.

b) Budget information

The Authority is typically subject to budgetary limits in the form of appropriations or budget authorisations, which is given effect through authorising legislation. Public Finance Management Act No.18 of 2012 requires public entities to include in their reports information on whether resources were obtained and used in accordance with the legally adopted budget.

The original budget for FY 2024/25 was approved by the National Treasury on 28th June, 2024 as required under section 11(2) of the state corporations Act Cap 446. Subsequent revisions or additional/reduced appropriations were made to the approved budget in accordance with specific approvals by the National Assembly and the Authority's board.

The Authority's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under note 39 of these financial statements.

c) Property Plant and equipment

The cost of an item of property, plant and equipment is recognized as an asset when;

- It is probable that future economic benefits or service potential associated with the item will flow to the Authority; and
- The cost can be measured reliably.

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Authority recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation Method	Average Useful Life
Furniture and fixtures	Reducing balance	8 Years
Motor Vehicles	Reducing balance	4 Years
Office equipment	Reducing balance	8 Years
IT equipment		
Computer equipment	Reducing balance	3 Years

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The depreciable amount of an asset is allocated on a systematic basis over its useful life. The Authority assesses at each reporting date whether there is any indication that the Authority's expectation about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the Authority revises the expected useful life and/or residual value accordingly.

The change is accounted for as a change in an accounting estimate. The depreciation charge for each period is recognized in surplus or deficit. Items of property, plant and equipment are derecognized when disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

It is the policy of the Authority to charge full depreciation on all its non-current assets including intangible assets in the year of purchase and no depreciation in the year of disposal.

d) Leases

The Authority has a running operating lease agreement with the CBK Pension Towers for the provision of the office block that houses its Headquarters. Obligations arising out of the operating lease are recognised as an expense on a straight line basis over the lease term. The difference between the amounts recognized as an expense in the Statement of Financial Performance and the contractual payments are recognised as an operating lease liability or asset as appropriate.

e) Intangible Assets

An intangible asset is recognized as an asset when;

- It is probable that future economic benefits or service potential associated with the item will flow to the Authority; and
- The cost or fair value can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

The useful life of the intangible assets is assessed as either finite or indefinite. Reassessing the useful life of an intangible asset with finite useful life after it was classified as infinite is an indicator that the asset may have been impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life. Intangible assets are acquired.

Amortisation is provided to write down the intangible assets, on a reducing balance basis, to their residual values as follows:

Item	Depreciation Method	Average Useful Life
Computer software	Reducing balance	4 Years

f) Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their cost are the fair value as at the date of acquisition. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Authority.

g) Provisions

Provisions are recognized when:

- The Authority has a present obligation (legal or constructive) as a result of a past event,
- It is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The amount of the provision is the best estimate of the expenditure expected to be required to settle the obligation at the reporting date. Where the Authority expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate and are reversed if it is no longer probable that an outflow of economic resources embodying economic benefits or service potential will be required, to settle the obligation. The details of the provisions made in preparing these Financial Statements are disclosed in note 26.

h) Contingent liabilities

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

i) Contingent assets

The Authority does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

j) Nature and purpose of reserves

The Authority creates and maintains reserves in terms of specific requirements. As at 30th June, 2025, the Authority had accumulated reserves of Ksh. 57,449,470 consisting of surpluses arising from the excess of income over expenditure in the Statement of Financial performance.

k) Changes in Accounting policies and estimates

The Authority recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

l) Employee Benefits

The Authority operates a retirement benefit scheme for all its permanent and pensionable employees. Further an amount equivalent to 31% of basic salary has been set aside as gratuity for all employees on contract.

The provisions for employee entitlements to salaries and annual leave represent the amount which the Authority has a present obligation to pay as a result of employees' services provided for at the reporting date. The contribution towards employee pension scheme and staff gratuity for employees on contract are recognized in the statement of financial performance in the year in which the employees rendered their services to the Authority.

m) Foreign Currency Transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

n) Financial Assets and Liabilities

The Authority recognizes financial assets or liability in the statement of financial position only when it becomes a party to the contract giving rise to the asset or liability. On initial recognition, the asset or liability is measured using the fair value model. However, where the effect of discounting is immaterial, as is often the case due to the nature of Authority's operations, short term payables and receivables are measured at the original invoice amount. Subsequent recognition is based on the amortized cost model. The Authority derecognizes a financial asset/liability when the Authority's rights/obligations under the contracts creating a financial liability or asset expires or the Authority transfers its rights/obligations to a third party. Any residual right or obligation under such contracts is recognized as a separate asset/liability.

o) Related Parties

The Authority regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Authority, or vice versa.

Members of key management and their close family members are regarded as related parties and comprise the Director General, members of the Authority's board and Managers. Other related parties include; The Competition tribunal and the parent Ministry; The National Treasury. Details of transactions with related parties are as disclosed in note 36.

p) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial. The details of the Authority's cash balances are shown in note 19.

q) Comparative Figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

r) Subsequent Events

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Subsequent events can be classified into two types:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that that arose after the reporting date (non-adjusting events)

The Authority will adjust the amounts recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred. The Authority will disclose the nature of the event and an estimate of its financial effects or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

5. Significant judgements and sources of estimation uncertainty

In preparing annual financial statements in conformity with IPSAS management is required to make judgments, estimates and assumptions that affect the amounts of revenues, expenses, assets and liabilities represented in the annual financial statements and related disclosures at the end of the reporting period.

However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. Significant judgements, estimates and assumptions include;

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The Authority based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Authority. Such changes are reflected in the assumptions when they occur as required by IPSAS 1.140.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts engaged by the Authority
- The nature of the asset, its susceptibility and adaptability to changes in technology
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset
-

Depreciation and amortisation

The Authority's management determines the estimated useful lives and related depreciation charges on the basis of the industry norm and increases the depreciation charge where useful lives are less than previously estimated.

6. a) Transfers from Ministries, Departments and Agencies

	Amount recognized in Statement of financial performance	Amount of deferred under deferred income	Amount recognised in capital fund	Total Transfers 2024/2025		2023/2024
	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.
The National Treasury	371,130,000	-	41,385,466	412,515,466	410,100,000	
Total	371,130,000	-	41,385,466	412,515,466	410,100,000	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

All transfers recorded and recognized in the Statement of Financial performance have been confirmed and reconciled with those recorded by the transferring Ministry-The National Treasury.

b) Transfers from Other Government Entities

Description	2024/2025	2023/2024
	Ksh.	Ksh.
Unconditional grants		
Operational grant	371,130,000	404,100,000
Total Unconditional Grants	371,130,000	404,100,000
Conditional grants		
Regional Integration Implementation Program (RIIP)	3,000,000	6,000,000
Total	374,130,000	410,100,000

The Authority annual budget is supported by amounts collected by way of Appropriation in Aid constituting about 30% of the total revenue receipts. The rest is supported by the central government through exchequer transfers, which constitute about 70% annually.

In addition, the Authority is one of the implementing agencies of the Regional Integration Implementation Program under the COMESA Competition Commission Integration Program. In the FY 2024/2025, the Authority received Ksh. 3M (FY 2023/24 - Kshs.6M) towards this program.

7. Fees, Fines & Penalties

Fees, Fines and penalties are levied against companies found to infringe the Competition law by engaging in unfair trade practices. This includes consummating mergers without approval by the Authority as well as infringements of consumer rights/welfare. Fines and penalties levied during the year were Kshs 116,712,777 (FY 2023/24 - Kshs 33,059,327).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Rendering of services

Rendering of services fees relates to revenue generated from merger cases filed by merging/acquiring Companies both locally and regionally with the COMESA Competition Commission. The Authority's share of the COMESA filing fees is arrived at using a predetermined formula agreed upon by and applicable to all the member Countries and is recognized when received. The total received in respect of each category is as shown below;

Description	2024/2025	2023/2024
	Ksh.	Ksh.
Merger filing fees-Local	43,058,739	39,000,000
Merger filing fees-COMESA	66,800,569	110,729,215
Total	109,859,308	149,729,215

9. Finance Income

Descriptions	2024/2025	2023/2024
	Ksh.	Ksh.
Interest from fixed deposits	8,653,198	17,148,826
Total	8,653,198	17,148,826

This is interest from investments of surplus cash mainly from gratuity, car and mortgage accounts in short-term fixed deposits to generate AIA.

10. Other Income

Description	2024/2025	2023/2024
	Ksh.	Ksh.
Training fees	-	1,086,244
Insurance compensation received	-	-
Total	-	1,086,244

Other income relates to training fees charged on law and economic regulation course which the Authority conducts annually. Participants pay a fee to meet the running costs of the course.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. Use of Goods & Services

	2024/2025	2023/2024
	Ksh.	Ksh.
Insurance of Assets	5,698,434	1,827,729
Staff Welfare	1,407,134	5,322,211
Communication Costs	5,004,231	5,348,496
Domestic Travel Subsistence Costs	13,985,441	4,994,196
Foreign Travel Subsistence Costs	-	-
Printing and Advertising Costs	2,480,516	3,884,335
Rent and Rates	51,991,200	46,229,601
Training Expenses	30,134,106	19,904,034
Official Entertainment and Conference Facilities	6,144,062	4,975,249
General Office Supplies	1,395,530	3,518,346
Motor Vehicle Expenses	1,798,389	1,824,600
Subscription to Professional Bodies	597,053	561,916
Bank Charges	665,253	474,029
Total	121,301,349	98,864,741

12. Employee Costs

	2024/2025	2023/2024
	Ksh.	Ksh.
Salaries and Allowances	216,309,353	216,929,967
Contribution to Pensions	19,904,654	19,532,644
Staff Gratuity	20,167,510	20,016,126
Staff Medical Insurance	31,599,119	25,285,719
Housing Levy	3,158,837	3,325,691
Increase (Decrease) in Provision for Staff Leave	280,550	(411,383)
Total	291,420,023	284,678,764

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. Board Expenses

	2024/2025	2023/2024
	Ksh.	Ksh.
Honoraria	960,000	960,000
Sitting & Lunch Allowances	3,261,346	6,798,633
Board Induction & Travel	6,766,601	6,411,823
Telephone	84,000	84,000
Insurance	213,985	129,667
Local Travel Costs	2,099,939	4,807,759
Conference Facilities	-	-
Total	13,385,871	19,191,881

14. Depreciation and Amortization

	2024/2025	2023/2024
	Ksh.	Ksh.
Property, Plant & Equipment	45,194,644	20,564,990
Intangible Assets	12,177,114	6,588,092
Total	57,371,758	27,153,082

15. Policy, Risk, Competition & Consumer Protection Expenses

	2024/2025	2023/2024
	Ksh.	Ksh.
Awareness & Publicity Campaigns	4,313,422	7,628,880
Policy, Research & Market Enquiries	41,480,368	58,777,280
Regulation of Mergers & Acquisitions	5,465,615	7,400,162
CPD Investigations and Enforcement	4,914,333	9,975,617
Enforcement of Restrictive Trade Practices	11,361,565	10,059,703
COMESA-RIIP	2,988,245	6,061,454
Risk and Quality Assurance	4,595,498	3,915,263
Buyer Power	4,392,670	3,314,337
Total	79,511,715	107,132,695

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. Repairs and Maintenance

	2024/2025	2023/2024
	Ksh.	Ksh.
Motor Vehicles	889,353	960,546
Property, Plant & Equipment	19,949,451	25,489,073
Total	20,838,804	26,449,619

17. Contracted Services

	2024/2025	2023/2024
	Ksh.	Ksh.
Consultancy	5,294,480	1,707,245
Hire of Security	1,545,120	1,260,920
Cleaning Expenses	3,422,520	2,844,720
Legal Services	6,934,337	8,201,336
Audit Fees	696,000	696,000
Total	17,892,457	14,710,221

18. Gain (Loss) on Disposal of Assets

The Authority disposed assets with a cost of Kshs 3,264,924 and accumulated depreciation of Kshs 2,900,738 translating to a book value of Kshs 364,186. Cash received from insurance as compensation for one laptop lost amounted to Ksh 36,354. This translated to a loss on disposal of assets of Ksh 327,832 (FY 2023/24 - Loss of Ksh 13,315,158).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. Cash and Cash Equivalents

	2024/2025	2023/2024
	Ksh.	Ksh.
Current Account	230,704,290	178,444,589
Staff Gratuity Account	11,319,280	29,033,755
NBK-Dollar Account	544,574	121,515,653
Total	242,568,144	328,993,997

Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account Number	2024/2025	2023/2024
		Ksh.	Ksh.
a) Current Account			
Kenya Commercial Bank	1136286179	23,518,294	164,329,742
Family Bank	068000026095	7,185,996	14,114,848
Family Bank - Fixed Deposit		200,000,000	-
Sub- Total		230,704,290	178,444,589
b) Gratuity			
Kenya Commercial Bank	1143496191	11,319,280	29,033,755
Sub- Total		11,319,280	29,033,755
c) Dollar Account			
National Bank of Kenya	02060204765100	544,574	121,515,653
Sub- Total		544,574	121,515,653
Grand Total		242,568,144	328,993,997

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. Receivables from Exchange Transactions

(a) Receivables from Exchange Transactions (Current)

	2024/2025	2023/2024
	Ksh.	Ksh.
Staff Travel Imprest	1,239,593	265,200
Staff Debtors	127,852	72,189
Trade Debtors	-	-
Staff Car Loan Scheme Debtors	2,904,040	2,530,361
Staff Mortgage Loan Scheme Debtors	17,966,906	17,567,171
Prepaid Parking Charges	116,000	116,000
Prepaid Insurance	7,906,792	7,421,734
Prepaid Training Fees	-	301,252
Total	30,261,183	28,273,906

(b) Receivables from Exchange Transactions (Non-Current)

	2024/2025	2023/2024
	Ksh.	Ksh.
Staff Car Loan Scheme Debtors	6,793,291	5,754,734
Staff Mortgage Loan Scheme Debtors	224,055,402	221,428,208
Total	230,848,693	227,182,943

21. Inventories

	2024/2025	2023/2024
	Ksh.	Ksh.
Consumable stores	4,284,108	1,871,794

The Authority amortized inventories worth Kshs.1,012,410 in the statement of financial performance during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. Property, Plant and Equipment

	Motor Vehicles	Office Equipment	Computer Equipment	Furniture & fittings	Work in Progress	Total
Depreciation rate	25.00%	12.50%	33.33%	12.50%	0%	
Cost						
As at 1 st July 2023	40,123,707	31,923,949	51,714,840	34,310,360	-	158,072,856
Assets reclassified	-	6,649,102	(412,940)	-	-	6,236,163
Additions	-	63,241,009	8,500,000	18,701,320	177,746,219	268,065,968
Disposals	-	(4,490,547)	(7,161,798)	(23,988,355)	-	(35,640,700)
As at 30th June 2024	40,123,707	97,323,513	52,640,103	29,023,325	177,746,219	396,856,867
As at 1 st July 2024	40,123,707	97,323,513	52,640,103	29,023,325	177,746,219	396,856,867
Additions	-	38,582,450	42,915,951	256,650	(38,394,700)	43,360,351
Revaluation	16,956,464	11,519,562	9,312,905	6,296,058	-	44,084,989
Disposals	-	(159,600)	(3,105,324)	-	-	(3,264,924)
As at 30th June 2025	57,080,171	147,265,925	101,763,635	35,576,033	139,351,519	481,037,283
Accumulated Depreciation						
As 1 st at July 2023	32,865,660	12,711,817	43,334,973	19,567,133	-	108,479,582
Assets reclassified	-	5,116,946	(853,944)	-	-	4,263,002
Charge for the year	1,814,512	10,226,584	5,708,494	2,815,401	-	20,564,990
Disposals	-	(2,316,285)	(6,943,739)	(13,067,013)	-	(22,327,037)
As at 30th June 2024	34,680,171	25,739,061	41,245,783	9,315,521	-	110,980,537
As 1 st at July 2024	34,680,171	25,739,061	41,245,783	9,315,521	-	110,980,537
Charge for the year	5,600,000	15,200,575	21,111,505	3,282,564	-	45,194,644
Disposals	-	(77,740)	(2,822,998)	-	-	(2,900,738)
As at 30th June 2025	40,280,171	40,861,902	59,534,291	12,598,085	-	153,274,448
Net Book Value						
As at 30th June 2024	5,443,536	71,584,452	11,394,319	19,707,804	177,746,219	285,876,330
As at 30th June 2025	16,800,000	106,404,024	42,229,344	22,977,948	139,351,519	327,762,834

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Work in progress relates to ongoing office partition works at CBK Pension Towers following relocation of offices from Kenya Railways.

23. Intangible Assets

	2024/2025	2023/2024
	Ksh.	Ksh.
Depreciation Rate	25%	25%
Cost		
At the beginning of the year	97,322,774	108,057,937
Assets reclassified	-	(6,236,163)
Additions	21,929,006	-
Revaluation	7,015,174	-
Disposals	(3,853,103)	(4,499,000)
At end of the year	122,413,851	97,322,774
Accumulated Amortization		
At the beginning of the year	77,558,499	79,432,122
Assets reclassified	-	(4,263,002)
Charge for the year	12,177,114	6,588,092
Disposals	(3,853,103)	(4,198,713)
At end of the year	85,882,510	77,558,499
Net Book Value	36,531,341	19,764,275
Work in Progress	20,667,895	6,424,900
Total	57,199,236	26,189,175

Work in progress relates to ongoing upgrade of the ERP system and automation of Authority's assets.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24. Car and Mortgage Schemes Bank Balances

	2024/2025	2023/2024
	Ksh.	Ksh.
NBK-Staff Car Loan Scheme Account	95,655,463	39,902,880
ABSA-Staff Mortgage Scheme Account	42,459,762	41,154,004
KCB-Staff Mortgage	328,811	232,942
KCB-Staff Mortgage Call Account	31,197,902	31,547,483
Total	169,641,937	112,837,310

These are funds available as at 30th June, 2025 in National Bank of Kenya for staff car loan scheme and Kenya Commercial Bank and Absa Bank for staff for mortgage scheme. As at 30th June, 2025, the outstanding car loan and staff mortgage amounted to Kshs 9,697,331 and Kshs 242,022,308 respectively.

25. Trade and other Payables

	2024/2025	2023/2024
	Ksh.	Ksh.
Trade Payables	38,537,563	45,833,328
Staff Claims	2,211,170	647,500
Withholding Taxes	321,186	41,556
Withholding VAT	276,307	45,906
Unremitted Payroll Deductions	6,285,456	5,939,940
PPRA Capacity Building Levy	5,152	-
Total	47,636,833	52,508,230

26. Current Provisions

	Staff Leave	Audit Fees	Forex Loss	Total
	Ksh.	Ksh.	Ksh.	Ksh.
Provisions as at 1st July, 2024	5,298,650	696,000	13,162,086	19,156,736
Additional provisions	280,550	696,000	-	976,550
Provisions utilized during the year	-	(696,000)	(13,162,086)	(13,858,086)
Provisions as at 30th June, 2025	5,579,200	696,000	-	6,275,200

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

During the year, USD 1,364,000 was converted to Kshs. The dollars were received at an exchange rate of 138.76 Ksh/USD and sold at 129.00 Ksh/USD, resulting in an exchange loss of KSh. 13,312,640.00 against a provision of KSh. 13,162,085.54. This translated to a realised loss of KSh 150,554.46.

27. Deferred Capital Income

	2024/2025	2023/2024
	Ksh.	Ksh.
As at 1 st July	391,718,839	395,594,156
Additions during the year	-	27,000,000
Amortized during the year	(41,385,466)	(30,875,318)
As at 30 th June	350,333,373	391,718,839
Current Portion	54,310,524	40,816,485
Non-Current Portion	296,022,848	350,902,354

Development/capital income, Ksh. 41,385,466 was recognized in the statement of financial position and amortised in the statement of financial performance over the useful life of the related asset. Current deferred capital income, Ksh. 54,310,524 relating to long-term capital assets acquired will be realized in the statement of financial performance within the next one year while non-current deferred capital grant, Ksh. 296,022,848 will be realized in the subsequent years.

28. Employee Benefit Obligation

The Authority contributes to the statutory National Social Security Fund (NSSF) which is a defined contribution scheme registered under the National Social Security Act. The Authority's obligation under the scheme is limited to specific contributions legislated from time to time. Other than NSSF, the Authority also has a registered defined contribution scheme for all its employees on permanent and pensionable employment. The Scheme is administered by a Board of Trustees which is a mix of sponsor appointed and member elected trustees. Employees contribute 10% while the Authority contributes 20% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In addition, the statutory NSSF and the defined contribution scheme, the Authority also sets aside as gratuity for all employees on contract gratuity pay at the rate of 31% of basic pay per employee per month payable to the employees upon expiry of the contract and or during separation. The amount contributed is final obligation and is recognized in the statement of financial performance in the year contributed.

Staff Gratuity

	2024/2025	2023/2024
	Ksh.	Ksh.
As at 1 st July	18,389,387	43,670,614
Contributions during the year	20,167,510	20,321,593
Payments during the year	(3,230,820)	(45,602,820)
As at 30 th June	35,326,077	18,389,387
Current Portion	-	3,230,820
Non-Current Portion	35,326,077	15,158,567

29. Car and Mortgage Scheme

The car and mortgage scheme reserve of Ksh. 416,886,181 (FY 2023/24-Kshs. 416,886,181) represents an amount placed with Absa, KCB and National banks of Kenya to secure staff housing mortgage and car loans at concessionary rates. The amount includes Kshs. 100,000,000 for setting up the car loan scheme, Kshs. 300,000,000 for setting up staff housing mortgage scheme and Kshs. 16,886,881 being interest on the accounts running balances.

30. Accumulated Surplus

Accumulated surpluses, Ksh. 57,201,262 (FY 2023/24-Kshs. 53,086,109) arose from 10% annual surplus retained by the Authority after remitting 90% to consolidated fund as required under regulation 219 of the Public Finance Management Act (national government) regulation 2015.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31. Capital Fund

The Authority inherited a number of assets comprising mainly of furniture, computers, cash balances and payments due to suppliers with a net assets value of Ksh. 52,932,150 from the then Department of Monopolies and Pricing at the National Treasury.

In addition, in the financial year 2014/2015, the National Treasury contributed three computers with an invoice value of Ksh.449,670 for use by the Authority in the Regional Integration Implementation Programme. The Authority was not expected to pay for these assets.

32. Revaluation Reserve

During the year the Authority undertook valuation of all its assets. Some assets were revalued downwards resulting to revaluation loss of Kshs. 7,388,859 which was recorded as loss in the Statement of Financial Performance. Others assets were revalued upwards resulting to revaluation gain of Kshs. 59,066,522 which was recorded under revaluation reserve under equity in the Statement of Financial Position.

33. Surplus Remission

The Authority, being a regulatory agency is required to submit 90% of reported surplus to the consolidated fund as per the provisions of Section 219 (2) of the Public Financial Management Act (National Government) regulations 2015. In the year under review, the Authority will remit Kshs. 37,036,371 to the Exchequer (FY 2023/24 – Kshs. 6,098,153).

	2024/2025	2023/2024
	Ksh.	Ksh.
Surplus for the period	41,151,524	6,775,725
Less: Allowable deductions by NT	4,115,152	677,573
90% Payable to NT	37,036,371	6,098,153

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

34. Cash Generated from Operations

	2024/2025	2023/2024
	Ksh.	Ksh.
Surplus for the Year	41,151,524	6,775,725
Adjusted for:		
Depreciation & Amortisation	57,371,758	27,153,082
Loss (Profit) on Disposal of Non-Current Assets	327,832	13,315,158
Revaluation Loss	7,388,859	-
Working Capital Adjustments		
(Increase)/Decrease in Receivables from Exchange Transactions	(5,653,027)	(47,419,608)
(Increase)/Decrease in Inventories	(2,412,314)	(608,685)
(Increase)/Decrease in Securities & Deposits	(56,804,627)	40,205,018
Increase/(Decrease) in Trade and Other Payables	(4,871,397)	22,117,327
Increase/(Decrease) in Current Provisions	(12,881,536)	12,054,702
Increase/(Decrease) Deferred Capital Grant	(41,385,466)	(25,281,227)
Increase/(Decrease) Employee Benefit Obligation	16,936,690	(3,875,318)
Net cash flow from operating activities	(831,703)	44,436,175

35. Financial Risk Management

The Authority has a policy and framework on risk management. The Strategic risk register is reviewed quarterly by management. The Authority's activities expose it to interest, credit and liquidity risks.

Credit risks

Credit Risk refers to the risk that a counterparty to a financial instrument will default on its contractual obligation resulting in financial loss to the Authority. Credit Risk arises from bank balances, receivables and amounts due from related parties. Although this risk is unlikely to occur in the short term, it is mitigated as follows:

- a) Cash and short-term deposits are placed with well-established financial institutions of high quality and credit standing and also approved by the National Treasury;
- b) Funds are invested in short-term facilities; and
- c) The Authority does not raise receivables in its ordinary course of business.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Credit risk with respect to accounts receivable is limited due to the nature of the Authority's business and its reliance on government grant as the main source of funding. The Authority's exposure to credit risk at the end of the financial year is best represented by;

	2024/2025	2023/2024
	Ksh.	Ksh.
Cash at Bank	242,568,144	328,993,997
Security and Deposits	169,641,937	112,837,310
Staff Travel Imprest	1,239,593	265,200
Staff Car Loan Debtors	9,697,331	8,285,095
Staff Mortgage Loan Debtors	242,022,308	238,995,379
Prepaid Parking	116,000	116,000
Prepaid Insurance	7,906,792	7,421,734
Prepaid Training	-	301,252
Total	673,192,105	697,215,967

All the Authority's receivables are performing and are expected to be repaid.

Liquidity

The Authority's liquidity risk is as a result of funds availability to cover future commitments. The Authority manages liquidity risk by monitoring forecasted cash flows and ensuring that the necessary funds are available to meet any commitments which may arise.

The amounts that best describes the Authority's exposure to liquidity risk at the end of the financial year is as follows;

At 30th June, 2025	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Ksh.	Ksh.	Ksh.	Ksh.
Trade and other Payables	38,537,563	-	-	38,537,563
Taxes	597,493	-	-	597,493
Payroll Deductions	6,285,456	-	-	6,285,456
Staff Leave Provisions	6,275,200	-	-	6,275,200
Total	51,695,711	-	-	51,695,711

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

At 30th June, 2024	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Ksh.	Ksh.	Ksh.	Ksh.
Trade and other Payables	45,833,328	-	-	45,833,328
Taxes	87,462	-	-	87,462
Payroll Deductions	5,939,940	-	-	5,939,940
Staff Leave Provisions	5,994,650	-	-	5,994,650
Total	57,855,380	-	-	57,855,380

Market risks

Market risk is the risk that the value of an investment will decrease due to changes in market factors. The above stated mitigating factors apply to market risk as well. The Authority has transactional currency exposures. Such exposure arises through purchases of services especially fees for international conferences that are done in currencies other than the local currency and receivables arising mainly from the Authority's share of merger filing fees from COMESA Competition Commission. Invoices denominated in foreign currencies are paid within 7 days from the date of receipt of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The carrying amount of the Authority's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	US \$ dollar	Ksh.
Cash at bank- National Bank of Kenya	5,158.40	544,574

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

36. Related Party Transactions

	2024/2025	2023/2024
	Ksh.	Ksh.
a) Grants from National Government		
i. Exchequer budgetary support	371,130,000	404,100,000
ii. COMESA-RIIP	3,000,000	6,000,000
Total	374,130,000	410,100,000
b) Gifts/donations declared by employees		
c) Key management compensation		
(i) Directors' emoluments	13,385,871	19,191,881
(ii) Compensation to the Director General	6,466,774	17,820,435
(iii) Compensation to key management	80,425,415	104,932,673
Total	100,278,060	141,944,989

37. Contingent Assets and Contingent Liabilities

Court cases

No.	Title	Case Summary	Contingent/Liability
1.	CMC Milimani No. E 8140 Gulf African Bank vs Simspur Ltd & Others	This is an appeal from the decision of the Magistrates Court where Gulf African Bank Limited has instituted a suit against Simspur Limited, Gideon Simiyu Wafula, George Omwakwe Omuyaku and Competition Authority of Kenya. The defendants including CAK was ordered to pay Ksh.2,468,337.98. including interest. The Authority has appealed the matter in the High Court	The Authority is likely to incur legal liability in the sum of Kshs 2,626,337.98

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

38. Commitments

	2024/2025	2023/2024
	Ksh.	Ksh.
Authorized, contracted and ongoing	30,000,000	51,415,972
Authorized but not yet contracted	-	-
Total	30,000,000	51,415,972

This relates to the ongoing office partitioning works at our new offices at CBK Pension towers, ERP upgrade and automation of Authority's assets

39. Explanation of budget variances higher/lower than 10%

a) Fines & penalties

The Authority received more funds than budgeted from fines & penalties as most parties who had filed cases at the Competition Tribunal were ruled in our favour and others opted for out of court settlement.

b) Rendering of Services

This refers merger filing fees charged to parties filing mergers with the Authority and COMESA Competition Commission. This year few mergers were filed at COMESA Competition Commission hence decline in the fees.

c) Finance Income

This consists interest income from unutilised funds mainly from gratuity, car loan and staff mortgage. Since most of the staff have taken the facilities less funds were available during the year for investing in fixed deposits.

d) Use of goods and services

The Authority received additional allocation to facilitate implementation of its programs in the final quarter of the FY. Following approval of the supplementary II estimates. Due to limited time remaining to the end of the FY, the Authority prioritised core mandate and PC activities hence the low absorption in the non-core mandate activities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

e) Depreciation & Amortisation Expense

The Authority during relocation to from Kenya Railways to CBK Pension Towers acquired new assets resulting to higher depreciation the initially budgeted.

40. Pending Bills

As at the close of the financial year, the Authority did not have any bill which have not been adequately covered by its cash reserves. All the Authority's recorded liabilities as at the end of the year are current and are adequately covered.

41. Events after the reporting date

There have been no material adjusting and non- adjusting events subsequent to the reporting date with a significant impact on the financial statements for the year ended 30th June, 2024.


42. Ultimate and holding entity

The Authority is a State Corporation under the Ministry of the National Treasury and Planning. Its ultimate parent is the Government of Kenya.

20. APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATION

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

No.	Issue / Observations from Auditor	Management comments	Focal Person to resolve the issue	Status	Time Frame
1.	<p>Irregular Number of Board meetings The statement of financial performance as at 30 June, 2024 reported board expense balance of Kshs. 19,191,881. Included in the balance is Kshs.6,798,633 reported as sitting and lunch allowances as disclosed in note 13 of the financial statements</p> <p>During the audit of Board expenses, it was noted that the number of meetings held during the year exceeded the maximum number of meetings as provided in the SCAC circular. The entity did not request for an approval from the Cabinet Secretary to hold the extra meetings.</p>	<p>The increase in the number of meetings held during the FY 2023/2024 was attributable to the process of recruitment of the Director General which in itself, was the subject of the Cabinet Secretary approval. The nature of this process required the Board to meet at certain phases of the process to conclude the recruitment process. A workplan to actualize the same was thus considered and approved by the Board and submitted to the Cabinet Secretary National Treasury and the State Corporations Advisory Committee (SCAC) at the start of the Financial Year.</p>	Legal Manager	Resolved	

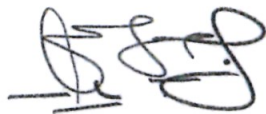


Director General

APPENDIX II: INTER-ENTITY TRANSFERS

ENTITY NAME: COMPETITION AUTHORITY OF KENYA			
Break down of Transfers from the ministry of the National Treasury			
FY 2024/25			
a.	Recurrent Grants		
	Bank Statement Date	Amount (Ksh.)	FY to which the amounts relate
	09-09-24	65,411,097.50	2024/2025
	17-12-24	65,411,098.00	2024/2025
	25-03-25	65,411,097.00	2024/2025
	29-04-25	109,485,610.00	2024/2025
	30-04-25	65,411,097.50	2024/2025
	Total	371,130,000.00	
b.	Development Grants		
	Bank Statement Date	Amount (Ksh.)	FY to which the amounts relate
	Total		
	Grand Total		

The above amounts have been communicated to and reconciled with the Parent Ministry.



Manager, Finance
 Competition Authority of Kenya