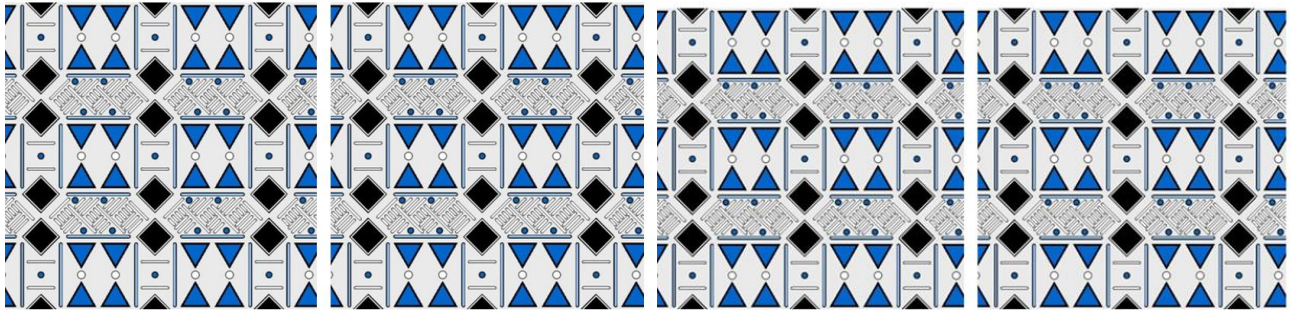


MINISTRY OF INVESTMENTS, TRADE AND INDUSTRY



REGULATORY IMPACT ASSESSMENT

FOR THE STANDARDS (PRODUCT CERTIFICATION)

REGULATIONS, 2026

MAY 2026

This Regulatory Impact Assessment (RIA) has been prepared by the Cabinet Secretary - Ministry of Investments, Trade & Industry in line with Section 6 and 7 of the Statutory Instruments Act (No.23 of 2013)



Table of Contents

CHAPTER 1: INTRODUCTION	4
1.1: Regulatory-Making Authority and the Legal Mandate.....	4
1.2: Requirements of the Statutory Instruments Act	5
1.3: What is a Regulatory Impact Assessment (RIA)?	6
CHAPTER 2: PURPOSE AND OBJECTS OF PROPOSED STANDARDS (PRODUCT CERTIFICATION) REGULATIONS, 2026.....	7
2.1: An Overview of the Proposed Regulations: Salient Features	7
2.2: Objective.....	8
2.3: Specific objectives	8
CHAPTER 4: EVALUATION OF THE PROBLEM	9
4.1 Product Certification Framework	9
4.2 Challenges in the current Product Certification Framework.....	9
CHAPTER 5: PUBLIC CONSULTATIONS.....	11
CHAPTER 6: COST-BENEFIT ANALYSIS	12
6.1 Introduction.....	12
6.2 Expected Costs.....	12
6.2.1 Fees Schedule for Standardization Mark.....	12
6.2.2 Fees Schedule for Diamond Mark	13
6.2.3 Impact of costs on Micro and Small Enterprises.....	13
6.2.4 Impact of costs on Public Sector	13
6.2 Expected Benefits	14
6.3 Benefits and Costs arising from Proposed Standards (Product Certification) Regulations, 2026	15
The current regulation did not recognize the micro and small enterprises in charging of permit fees	16
6.4 Assessment of net Benefit.....	17
6.5 Consideration of Alternatives to The Standards (Product Certification) Regulations, 2026	17



CHAPTER 7: COMPLIANCE AND IMPLEMENTATION..... 20

CHAPTER 8: CONCLUSION AND RECOMMENDATION 21

CHAPTER 9: ANNEXURES 22

 1. The Standards (Product Certification) Regulations, 2026 22



CHAPTER 1: INTRODUCTION

1.1 : Regulatory-Making Authority and the Legal Mandate

Kenya Bureau of Standards (KEBS) is the National Standards Body in Kenya established under the Standards Act, Chapter 496 of the Laws of Kenya. KEBS operates an integrated quality infrastructure that encompasses Standards, Metrology, and Conformity Assessment (SMCA). The SMCA services are provided through; the development of standards for use by the industry, provision of testing and calibration facilities, product, process and system certification, undertaking educational work in standardization and practical application of standards, and maintenance and dissemination of the International System of Units (SI) of measurements.

Section 10 of the Standards Act empowers the Council of the Bureau to establish standardization marks for application on goods to which a mandatory standard or approved specification applies. The standardization marks are marks of quality meant to inform the consumer that the product has been manufactured in line with the requirements of applicable standards or specifications as to guarantee quality and safety. Product certification furthers KEBS mandate in facilitating trade as the certification marks issued by KEBS are subject of regional mutual recognition framework established by the East Africa Community under the East African Standardization, Quality Assurance, Metrology and Testing Act, 2006 (SQMT ACT). The certification marks are also recognized internationally subject to mutual recognition arrangements that Kenya enters with other countries from time to time. The marks are therefore an important tool of trade as they grant access to products made in Kenya outside the country.

KEBS has an established product certification framework to support the industry. Manufacturers apply for a permit to apply a standardization mark on a product; KEBS considers the application and assesses the capacity of such manufacturer to produce in line with requirements of applicable standard or specification. Once satisfied that the manufacturer demonstrates required capacity, such manufacturer is issued with a permit valid for 2 years.

Currently, KEBS certifies products under the Standardization Marks (Permits and Fees) Regulations, 1977. The Regulations provide for the applications for a permit to use standardization mark, criteria for evaluation of the applications, issuance of permit by the Bureau, conditions for permit and monitoring by the Bureau. With the current product certification framework being supported by a 1977 Regulation,



there are notable deficiencies that necessitate making of new regulations.

Section 20 of the Standards Act empowers the Cabinet Secretary, upon consultation with the Council, to make regulations generally for the better carrying out of the provisions and purposes of the Standard Act. The Cabinet Secretary, in consultation with KEBS, has now developed the Standards (Product Certification) Regulations, 2026 (The proposed Regulations) to govern the implementation of Section 10 of the Act.

1.2 : Requirements of the Statutory Instruments Act

The Statutory Instruments Act, No. 23 of 2013 is the legal framework governing the conduct of Regulatory Impact Assessment (RIA) in Kenya. Sections 6 and 7 require that if a proposed statutory instrument is likely to impose significant costs on the community or a part of the community, the regulation-making authority shall, prior to making the statutory instrument, prepare a RIA about the instrument. The Act further sets out certain key elements that must be contained in the RIA namely:

- (a) a statement of the objectives of the proposed legislation and the reasons;
- (b) a statement explaining the effect of the proposed legislation;
- (c) a statement of other practicable means of achieving those objectives, including other regulatory as well as non-regulatory options;
- (d) an assessment of the costs and benefits of the proposed statutory rule and of any other practicable means of achieving the same objectives; and
- (e) the reasons why the other means are not appropriate.

Section 5 of the Act requires a regulation-making authority to conduct public consultations drawing on the knowledge of persons having expertise in fields relevant to the proposed statutory instrument and ensuring that persons likely to be affected by the proposed statutory instrument are given an adequate opportunity to comment on its proposed content. The Cabinet Secretary undertakes public consultations and prepares this Regulatory Impact Assessment (RIA) in partial fulfilment of the requirements of the Statutory Instruments Act



1.3 : What is a Regulatory Impact Assessment (RIA)?

RIA is a systematic policy tool used to examine and measure the likely benefits, costs and effects of new or existing regulation. RIA includes an evaluation of possible alternative regulatory and non-regulatory approaches with the overall aim of ensuring that the selected regulatory approach provides the greatest net public benefit. From a societal viewpoint, RIA should confirm whether or not a proposed regulation is welfare-enhancing, in that, the benefits will surpass costs.



CHAPTER 2: PURPOSE AND OBJECTS OF PROPOSED STANDARDS (PRODUCT CERTIFICATION) REGULATIONS, 2026

2.1 : An Overview of the Proposed Regulations: Salient Features

This overview is intended to assess whether the Proposed Regulations are clear, consistent, comprehensible, and comprehensive enough to address the identified problem. The Regulations should be understood by persons likely to be affected by the Proposed Regulations, and to that end KEBS has taken steps to ensure that the text and structure of Proposed Regulations is as clear as possible.

An overview of the proposed Regulations is as follows:

- (a) **Citation**- This section provides for the reference/name of the Regulations.
- (b) **Interpretation** - This section provides the definition and the meaning of different terms and words used in the Regulations.
- (c) **Objects of the Regulation**-The section lists the objects of the Regulations.
- (d) **Application** - This section provides for the Scope of the Regulations which is obtained from Section 10 of the Standards Act.
- (e) **Standardization mark**-The section establishes the standardization mark
- (f) **The Diamond Mark of Quality**-the section establishes the Diamond Mark of Quality for voluntary application
- (g) **Eligibility for grant of a Standardization Mark permit** -the section sets out the eligibility requirements for grant of a Standardization Mark permit.
- (h) **Eligibility for grant of Diamond Mark of Quality permit** - the section sets out the eligibility requirements for grant of a Diamond Mark permit.
- (i) **Application for a Product Certification Mark** - the section sets out the application process for a permit to use certification marks
- (j) **Evaluation**-the section provides for evaluation of permit applications by KEBS
- (k) **Scheme of supervision and control**-the section provides for issuance of a scheme of supervision and control upon consent by successful permit applicants
- (l) **Grant of permit**-the section provides for grant of permit by the Bureau
- (m) **Validity of permit**-the section defines the validity period of a permit
- (n) **Renewal of permit**-the section sets out requirements for renewal of permit
- (o) **Register of certified products**-the section requires the Bureau to maintain a register of certified



products

- (p) **Obligations of permit holders-** This section outlines the minimum requirements for a permit holder under these Regulations. The provision seeks to ensure that permit holders manufacture products that consistently meet the requirements of applicable standards or specifications.
- (q) **Saving for products manufactured during the validity of a permit –** saves products available in the market manufactured when a permit was still valid
- (r) **Enforcement measures-**the section details the measures that the Bureau can take upon violation of conditions of a permit or obligations of a permit holder.
- (s) **Suspension and cancellation of a permit-** This section details the reasons for suspension and Revocation of a permit.
- (t) **Disputes-**the section provides for resolution of any disputes arising in application, issuance or administration of permits through internal review by KEBS and appeal to standards tribunal.
- (u) **Offences-** Restates the offence under these Regulations as per the provisions of Standards Act section 10(3) and (6) of the Standards Act.
- (v) **Savings and Transition-**provides for revocation of current Regulations.
- (w) **First Schedule-** the certification marks
- (x) **Second Schedule-** application forms for permits to use certification marks
- (y) **Third Schedule-** Fees

2.2 : Objective

The objective of the Regulations is to create an enhanced regulatory framework establishes mandatory and voluntary certification marks, provides for application of permits to use various certification marks, set out obligations of manufacturers and the Bureau’s administration and monitoring role in a manner that suits the complex and fast evolving manufacturing industry.

2.3 : Specific objectives

Specifically, the implementation of the Consolidation Regulations is intended to:

- a) Provide for establishment of product certification marks;
- b) Provide for a process for administration of certification marks;
- c) Enhance the quality of goods, safety and prevention of deceptive practices; and
- d) Facilitate regional and international trade



CHAPTER 4: EVALUATION OF THE PROBLEM

This chapter states the pain points, problems and challenges of KEBS with implementation of Section 10 of the Standards Act.

4.1 Product Certification Framework

KEBS has an established product certification framework to support the industry. Manufacturers apply for a permit to apply a standardization mark on a product; KEBS considers the application and assesses the capacity of such manufacturer to produce in line with requirements of applicable standard or specification. Once satisfied that the manufacturer demonstrates required capacity, such manufacturer is issued with a permit valid for 2 years. In the case of Diamond Mark of Quality, the permit is 4 years.

Currently, KEBS certifies products under the Standardization Marks (Permits and Fees) Regulations, 1977. The Regulations establish a Permit Approval Committee to administer product certification. The Regulations further provide for the mode of application for a permit to use standardization mark, criteria for evaluation of the applications, issuance of permit by the Bureau, conditions attached to the permit and monitoring by the Bureau. With the current product certification framework being supported by a 1977 Regulation, there are notable deficiencies as the industry has since evolved and manufacturing business is carried out in different models including contract manufacturing which is now prevalent. The Bureau has since developed other marks of quality such as the Diamond Mark which needs a supporting administration framework in regulation. The regulations further need to enable the Bureau to administer permits in a flexible and innovative manner to take into account the dynamic manufacturing environment and need for agility in decision making. Tighter controls are further required noting the prevailing malpractices that expose consumers to substandard products. Additionally, the fees currently chargeable is not in tandem with the actual costs incurred by the Bureau in permit evaluation from the point of receipt of applications, inspection, sampling and testing of the product subject of permit application. Further, the Standards Act has been amended over the years with recent amendments in 2024. There is need for new regulations to align with current provisions.

4.2 Challenges in the current Product Certification Framework

The following challenges have been identified:



- a) Outdated regulatory provisions for instance the permit approval committee which is a committee of the Council. This poses a challenge as the Committee does not have flexible procedures to accommodate frequent meetings to evaluate applications for permits and resolve emerging issues in administration of permits.
- b) The current regulations do not provide for the Diamond Mark which is an internationally recognized mark of quality. There is need to establish a regulatory framework to support the administration of the diamond mark for clarity and certainty in the administration framework
- c) Permit fees payable was insufficient in view of the actual inspection and monitoring costs incurred by the Bureau. The Bureau is not adequately supported in conducting inspection, sampling, testing for purposes of evaluating capacity of applicants for permits and monitoring of permit holders.
- d) Weak enforcement framework- The enforcement actions that the Bureau can take under the current Regulations are not adequate to ensure that permit holders consistently produce products that comply with requirements of applicable standards or approved specifications. This undermines consumer protection.
- e) The current regulation do not recognize the micro and small enterprises in charging of permit fees . This fails to lack of accommodation for their special economic conditions and inadequate support for their growth.

The challenges above necessitate comprehensive regulatory reforms to ensure an efficient product certification framework that guarantees consumer protection.



CHAPTER 5: PUBLIC CONSULTATIONS

The Constitution of Kenya 2010 has embedded Public Participation in its tenets under Articles:1,10,27,33,35,201 and 232. The Statutory Instruments Act requires that the regulation making authority shall make consultations before enacting the Regulations in question in particular where there is likely to have a direct, or a substantial indirect effect on business or restrict competition.

Public Notice and awareness

The Proposed Regulations will be circulated on **MyGov** publication and further posted in the KEBS website through a public notice inviting views and comments from members of public.

Public participation fora

The Proposed Regulations will be subjected to stakeholders' engagement through physical meetings held in Nairobi, Eldoret, Kisumu, Nakuru, Mombasa, Garissa, Kakamega, Nyeri and Embu. The public participation fora will be open to all members of the public. Sector specific engagements will also be conducted on identified categories of stakeholders directly affected by the Regulations.

Additionally, stakeholders and all members of the public are encouraged to submit written memoranda through a prescribed email address as per the public invitation notice.

Conclusion of the Public Participation Process

KEBS will consider all stakeholder comments and make necessary amendments to the regulations prior to submission to the Cabinet Secretary. A virtual validation forum will thereafter be conducted to inform the public of how their feedback was treated as to inform any changes to the Proposed Regulations.



CHAPTER 6: COST-BENEFIT ANALYSIS

6.1 Introduction

The analysis of the expected costs and benefits of the proposed regulations in this part seeks to answer the question whether the benefits justify the projected costs. This would enable KEBS to estimate the total expected cost and benefit of every aspect of the regulations. This will inform the government on whether the proposed Regulations are justified by its benefits. The task of comparing the benefits and costs associated with the proposed Regulations and determining whether, and to what extent, there would be a net benefit associated with its adoption is a difficult one.

The approach taken in this section is to draw together the discussion of benefits and costs, indicate the relative magnitude of these where possible and draw conclusions as to the likely overall impact of the draft consolidation regulations where possible.

6.2 Expected Costs

This section provides a detailed cost analysis of the Standards (Product Certification) Regulations, 2026, covering permit fees, compliance costs, MSME impact, public sector costs, and recommendations for cost mitigation.

6.2.1 Fees Schedule for Standardization Mark

Standardization Mark (S-Mark) – Validity for 2 years

Firm Category	Validity	Proposed Fees (Exclusive of taxes)	Current Fees (Exclusive of taxes)
Up to 500,000	2 years	KSh 5,000	KSh 20,000 for three product/brands equivalent to KSh 6,666 per product/brand
500,001 to 5,000,000	2 years	KSh 15,000	KSh 15,000
More than 5,000,000	2 years	KSh 20,000	KSh 15,000



6.2.2 Fees Schedule for Diamond Mark

Production Site	Validity	Proposed Fees(Exclusive of taxes)	Current Fees(Exclusive of taxes)
Within Kenya	4 years	KSh 240,000	KSh 220,000
Outside Kenya	4 years	USD 23,200	USD 16,000

Inspection Fees

The inspection fees will now be recovered at cost and will include:

- (a) Sampling & Testing
- (b) Inspection and Logistics

6.2.3 Impact of costs on Micro and Small Enterprises

The permit fees payable is expected to impact Micro and Small Enterprises as follows:

- (a) Micro firms: The fees for firms having an annual turnover of less than KSh 500,000 are relatively low equivalent to 2,500/year (excluding inspection fees).
- (b) Small firms: The fees for firms having an annual turnover of between KSh 500,001 and KSh 5,000,000 have been maintained at 7,500/year (excluding inspection fees).
- (c) The costs are significantly subsidized for the micro firms and while the costs applicable to small firms have been maintained.

6.2.4 Impact of costs on Public Sector

The public sector, through the Bureau is expected to incur costs as follows:

- (a) KEBS will continue to significantly subsidize the inspection costs for the micro and small enterprises in support of the Bottom Up Transformation Agenda (BETA).
- (b) KEBS will incur increased operational costs due to the reduction of fees to the micro and small enterprises.



6.2 Expected Benefits

This section provides a detailed analysis of the benefits expected to accrue from the adoption of the Proposed Standards (Product Certification) Regulations, 2026 as follows:

1. Enhanced Consumer Protection

The Proposed Regulations embody objectives centered on consumer protection, health, and safety.

To achieve this, the Regulation establish a criteria for evaluation of applications of permits, scheme of supervision and control, conditions attached to issued permits, monitoring of permit holders and clear enforcement measures where violations occur.

2. Regulatory Clarity

The Proposed Regulation provides clear predictable regulatory environment for businesses, clear rules for application, renewal, suspension, and cancellation of permits.

3. Enhanced Trade Facilitation

The Proposed Regulation enhances the framework to support both local and international trade by aligning to BETA agenda through subsidization of permit fees for micro and small enterprises. The permits issuable are a tool for trade facilitation enabling market access for goods produced in Kenya in the East African Community subject to the EAC SQMT Act of 2006. The marks issued are further recognizable outside East Africa subject to mutual recognition agreements.

4. Enhanced consumer confidence

The Proposed Regulation enhances confidence in the quality of manufactured products. The Standardization Mark is only allowed to be applied on products which have met the requirements of applicable standards or approved specifications. The permit to apply the Diamond Mark of Quality is issued upon demonstration that the manufacturer has produced products that consistently comply with requirements of relevant standards or approved specifications. The confidence assured in the marks promotes business.

5. Ease of doing business

The clearly defined permit validity periods and obligations for both the manufacturer and the Bureau will



ensure clarity and minimal interruptions during the life of the permit. Further, the Proposed regulations ensure reduced regulatory burden on micro and small enterprises by charging subsidized permit fees. This differentiation in fees payable aligns with the Micro and Small Enterprises Act, Cap 499C.

6. Transparency and Accountability

The Proposed Regulations align with the principles of transparency and accountability which are national values and principles of governance under Article 10 of the Constitution. This has been achieved through ensuring availability of updated publicly available database of certified products, manufacturers and permit validity periods.

7. Due Process and Fair Administrative Action

The Proposed Regulations introduce procedural safeguards demonstrated through; Requirement of mandatory notice before adverse decisions, written decisions with reasons, opportunity to be heard and appeal through the Standards Tribunal. This enhances accountability and reduces arbitrary administrative action.

8. Protection of products produced during the validity of a permit

The Regulations are clear that products produced during the validity of a permit will not be considered to be substandard upon expiry of the permit. This serves to provide clarity in enforcement of goods with an expired permit in the market.

6.3 Benefits and Costs arising from Proposed Standards (Product Certification) Regulations, 2026

PROBLEM	PROPOSED REFORM	BENEFITS	COST
Outdated regulatory provisions eg permit approval committee which was a section of the Council.	The Proposed Regulation provides for product certification administered by the Bureau.	This will ensure flexibility on the part of the Bureau in determining suitable administration framework. This will enhance efficiency in permit evaluations and approvals leading to reduced turn- around times.	No cost



PROBLEM	PROPOSED REFORM	BENEFITS	COST
Absence of regulatory framework in respect of diamond mark of quality.	The Proposed Regulations establish a regulatory framework in respect of diamond mark of quality	-Support the administration of diamond mark -clarity and certainty in administration framework	No cost
Permit fees payable was insufficient in view of inspection and monitoring costs incurred by the Bureau	The Proposed Regulations increase the permit fees payable by large manufacturers and further allow the Bureau to recover inspection fees at cost.	The Bureau will be adequately supported in conducting inspection, sampling, testing for purposes of evaluating capacity of applicants for permits and monitoring of permit holders.	Large manufacturers who have been paying KES.15,000 will now pay KES.20,000 in permit fees. Inspection fees (sampling, testing, inspection logistics) will be recovered at cost for all categories of applicants.
Weak enforcement framework	The Proposed Regulations provide for powers of the Bureau to halt distribution, order product recalls and issue public notices where a permit holder violates permit conditions.	Enhanced consumer protection as permit holders are bound to consistently produce products that comply with requirements of applicable standards or approved specifications.	No cost
The current regulation did not recognize the micro and small enterprises in charging of permit fees	The Proposed Regulations identifies distinct categories of manufacturers liable to pay differentiated permit fees based on their annual turn-over.	To accommodate the special economic conditions of micro and small enterprises in line with BETA and MSE Act.	Manufacturers whose annual turn-over does not exceed KES.500,000 liable to pay KES.5,000 in permit fees. Manufacturers whose annual turn-over does not exceed KES.5000,000 liable



PROBLEM	PROPOSED REFORM	BENEFITS	COST
			to pay KES.15,000 in permit fees. Manufacturers whose annual turn-over exceeds KES.5000,000 liable to pay KES.20,000 in permit fees.
Failure to align with current provisions of the Standards Act which has been subjected to various amendments since 1977.	The Proposed Regulations require permit holders to pay standards levy. They also provide for powers of the Bureau to halt distribution, order product recalls and issue public notices where a permit holder violates permit conditions. These provisions are absent in the current regulations.	Enhanced consumer protection as permit holders are bound to consistently produce products that comply with requirements of applicable standards or approved specifications.	

6.4 Assessment of net Benefit

Developing the new Product Certification Regulation delivers substantial benefits to consumers, regulators, and industry stakeholders. It modernizes a 48-year-old framework, introduces transparency and due process, strengthens compliance, and aligns Kenya's product certification with international standards and constitutional requirements. Overall, it enhances public safety, facilitates trade, and improves regulatory efficiency.

6.5 Consideration of Alternatives to The Standards (Product Certification) Regulations, 2026

This Part considers the question whether the Proposed Regulations is the best form of government action. The options considered under this part are the following:



6.5.1 Consideration of Alternatives to The Regulation

Option 1: Maintain the Status Quo – Effects of not having regulations

Section 10 of the Act provides for standardization marks applicable on products subject of mandatory standards and products subject of approved specifications. The Regulations enable implementation of Section 10 of the Act by addressing the following aspects:

1. Establishing the marks
2. Defining the application process for respective permits to use the marks
3. Providing for evaluation criteria
4. Stipulating permit conditions
5. Detailing obligations of permit holders
6. Issuance of permits
7. Permit validity period
8. Monitoring by the Bureau
9. Suspension, revocation of permits and other enforcement actions

The Proposed Regulations will ensure certainty in administration of the product certification framework thereby creating ease in administration.

Option 2: Non- regulatory Measure- Use of policies and procedures.

Currently, KEBS certifies products under the Standardization Marks (Permits and Fees) Regulations, 1977. There is no option of using non-regulatory measures to administer the product certification framework.

Option 3: Self-Regulation

This option is impossible as the Standardization Marks (Permits and Fees) Regulations, 1977 are currently in force.

Option 4: Developing the Standards (Product Certification) Regulations, 2026.

It is anticipated that once the intended Regulations are formally adopted, the following benefits will accrue:

1. Enhanced regulatory clarity



2. Promotion of consumer protection
3. Easing of regulatory burden on micro and small enterprises
4. Increased consumer confidence on products to which standardization and diamond marks are applied
5. Boost in trade facilitation through the use of the standardization mark and diamond marks

Based on the foregoing, Option 4 presents more benefit than the associated cost.



CHAPTER 7: COMPLIANCE AND IMPLEMENTATION

As different aspects of the Proposed Regulations are evaluated and analyzed, it is important to determine how compliance and implementation of the actual provisions will be achieved. It is the duty of the regulator to assess the adequacy of the institutional framework and other incentives through which the regulation will take effect, and design responsive implementation strategies that make the best use of them.

Section 20 of the Act enables formulation of regulation for the better carrying out of the provisions and purposes of the Act. These Regulations are intended to enable the implementation of Section 10 of the Act. KEBS has an established product certification framework governed by the Standardization Marks (Permits and Fees) Regulations, 1977. The implementation and enforcement of the Proposed Regulations will be undertaken through the existing legal and institutional framework.



CHAPTER 8: CONCLUSION AND RECOMMENDATION

In view of the above, the Regulatory Impact Assessment concludes that the Proposed Regulations are necessary for the proper implementation of Section 10 of the Act. It is therefore recommended that the Proposed **Standards (Product certification) Regulations, 2026** be adopted.



CHAPTER 9: ANNEXURES

1. The Standards (Product Certification) Regulations, 2026