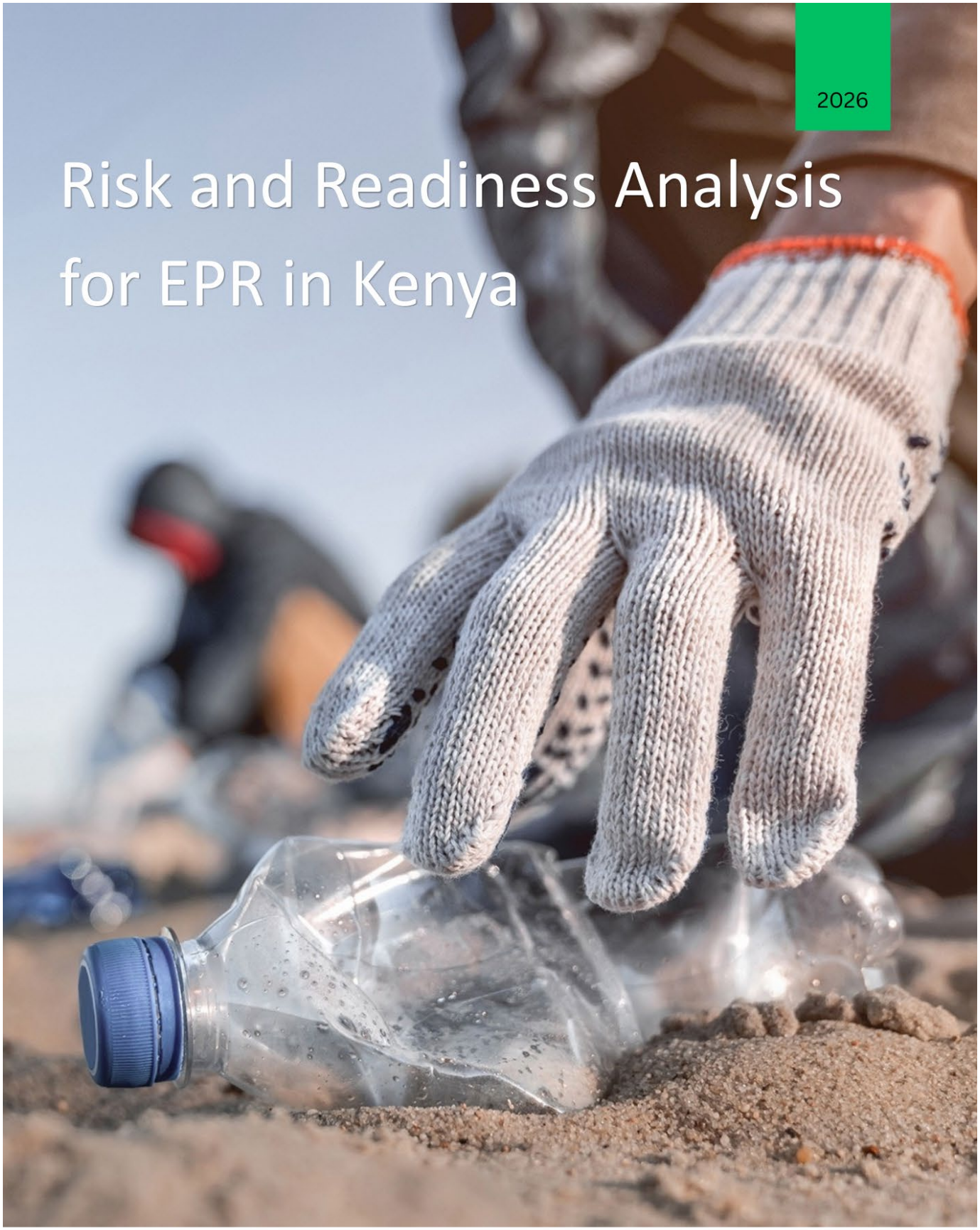
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Risk and Readiness Analysis for EPR in Kenya



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The guidance has been developed to support private sector actors in understanding and implementing Kenya's Extended Producer Responsibility (EPR) framework. It provides an overview of the applicable legal and regulatory framework, institutional landscape, compliance requirements, and practical implementation approaches to assist businesses in meeting their EPR obligations while contributing to the country's transition towards a circular economy.

AHK Services Eastern Africa Ltd. extends its sincere appreciation to GreenForest Solutions GmbH for its technical support in the development of this publication. Their expertise and collaboration have been instrumental in strengthening the quality and practical relevance of this guidance.

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Finally, we acknowledge all individuals and organisations whose support and engagement made the development of this publication possible. It is our hope that this guidance will serve as a practical resource for companies seeking to achieve compliance, strengthen environmental stewardship, and contribute to sustainable resource management in Kenya.

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Abbreviations

AHK	Delegation of German Industry and Commerce / AHK Services Eastern Africa Ltd.
BMUKN	German Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety
CBK	Central Bank of Kenya
CBO	Community-Based Organization
EEE	Electrical and Electronic Equipment
EMCA	Environmental Management and Co-ordination Act
EPR	Extended Producer Responsibility
EPROK	Electronic-Waste Producer Responsibility Organization of Kenya
EXI	Export Initiative for Environmental Protection
GFS	GreenForest Solutions GmbH
HAPROK	Hazardous Producer Responsibility Organization of Kenya
HDI	Human Development Index
ICT	Information and Communication Technology
ITU	International Telecommunication Union
KEPRO	Kenya Extended Producer Responsibility Organization
KNBS	Kenya National Bureau of Statistics
MW	Megawatt
NEMA	National Environment Management Authority
OECD	Organisation for Economic Co-operation and Development
PAKPRO	Packaging Producer Responsibility Organization
PESTEL	Political, Economic, Social, Technological, Environmental and Legal Analysis
PRO	Producer Responsibility Organization
WEEE	Waste Electrical and Electronic Equipment
WGI	Worldwide Governance Indicators

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1. Introduction

1.1. Purpose of the Study

This study assesses Kenya's readiness to operationalise Extended Producer Responsibility (EPR) across four waste streams - packaging, electrical and electronic equipment (WEEE), batteries, and textiles - and identifies the principal risks that producers and system operators are likely to encounter during implementation. The findings aim to provide a structured diagnostic of existing system strengths and gaps and support German exporters to translate into practical intelligence on the compliance environment and operational risks.

The assessment is structured in two parallel tracks. The readiness track evaluates the degree to which the conditions necessary for effective EPR implementation are currently in place - across the regulatory framework, waste management system, financial conditions, and other broader enabling environment. The risk track identifies and evaluates the threats that could undermine system performance or producer compliance, drawing on both the readiness findings and primary stakeholder input.

1.2. Background – EPR landscape in Kenya

Kenya's EPR system is established under the Sustainable Waste Management Act, 2022 and operationalised through the Sustainable Waste Management (Extended Producer Responsibility) Regulations, 2024 (Legal Notice No. 176 of 2024). The framework requires producers, importers, brand owners, converters, and repackagers to take financial and organisational responsibility for the post-consumer waste generated by the products they place on the Kenyan market[1], operationalising the polluter-pays principle set out in the Act.[2]

The Regulations apply across five product categories set out in their First Schedule: non-hazardous packaging, hazardous product packaging, electrical and electronic equipment together with batteries, end-of-life vehicles, and a residual non-packaging category covering textiles, diapers, and similar products[3]. Producers may meet their obligations individually or collectively through a registered Producer Responsibility Organisation (PRO)[3], with collective compliance the more common route to date. An EPR-specific import fee of KES 150 per item applies at the point of entry[3], in addition to the membership and compliance fees producers pay through their chosen compliance scheme.

The National Environment Management Authority (NEMA) is the lead regulator and implementing authority for EPR, responsible for producer and PRO registration, EPR plan approval, monitoring and enforcement, and maintenance of national EPR registers. Four PROs are currently licensed and active: KEPRO and PAKPRO for packaging, EPROK for electrical and electronic equipment, and HAPROK for

[1] Sustainable Waste Management (Extended Producer Responsibility) Regulations, 2024 (Legal Notice No. 176 of 2024, Kenya). Kenya Gazette Vol. CXXVI—No. 213, 6 December 2024. National Council for Law Reporting (Kenya Law). Retrieved July 8, 2026, from https://new.kenyalaw.org/akn/ke/act/ln/2024/176/eng@2024-12-06

[2] Sustainable Waste Management Act, No. 31 of 2022 (Kenya). Kenya Gazette Vol. CXXIV—No. 158, 12 August 2022. National Council for Law Reporting (Kenya Law). Retrieved June 30, 2026, from https://new.kenyalaw.org/akn/ke/act/2022/31/eng@2022-12-31

[3] Sustainable Waste Management (Extended Producer Responsibility) Regulations, 2024 (Legal Notice No. 176 of 2024, Kenya). Kenya Gazette Vol. CXXVI—No. 213, 6 December 2024. National Council for Law Reporting (Kenya Law). Retrieved July 8, 2026, from https://new.kenyalaw.org/akn/ke/act/ln/2024/176/eng@2024-12-06

hazardous product categories. Downstream implementation depends on a chain of formal and informal actors, waste pickers and community-based organisations, aggregators, licensed recyclers, and transporters, with the informal sector continuing to play a significant role in material recovery, a factor with direct implications for the readiness and risk findings that follow in Chapters 4 and 5.

2. Methodology

The assessment combines secondary data analysis, primary interview-based research, and structured expert scoring. Secondary sources include the principal Kenyan legal texts governing EPR, sector-specific legislation, enforcement records, waste generation and collection statistics, and published assessments of Kenya's waste management infrastructure. Primary data was collected through structured interviews with regulatory authorities, PROs, formal waste operators, and representative producers. Interview findings feed into both the readiness scoring and the risk assessment.

PESTLE Analysis

The assessment starts with a macro-level enabling environment through a PESTEL analysis using six composite indicators below.

Figure 1: Six macro-analysis dimensions



One internationally published index was selected per dimension - the World Bank's Worldwide Governance Indicators for political governance, the World Bank Gini Index for economic structure, the UNDP Human Development Index for social development, the ITU ICT Development Index for technological infrastructure, the Yale Environmental Performance Index for environmental performance, and the World Bank Ease of Doing Business Index for the legal and regulatory environment.

Readiness assessment

The readiness assessment is organised around four analytical dimensions. Each covers a distinct set of conditions that shall be in place for a functional EPR system.

Dimension 1: Regulatory framework examines the maturity, completeness, and coherence of the legal and regulatory architecture. This dimension carries the highest analytical weight: the regulatory framework is structurally prior to the others, creating the obligations, targets, and governance structures that all system actors must operate within. Four factors are assessed - EPR regulation enforcement maturity; the completeness of definitions, obligations, target structures, and penalty provisions; alignment between national and county-level frameworks; and the development status of producer and waste operator registries.

Dimension 2: Operational and infrastructure readiness assesses the physical system's capacity to collect, sort, recycle, and recover regulated waste. Three factors are covered - waste collection infrastructure; recycling infrastructure; and the presence and capacity of recovery facilities. This dimension draws more heavily on expert estimation, as comprehensive operational data for Kenya's waste sector is incomplete, particularly outside Nairobi.

Dimension 3: Market and financial readiness examine the producer-side conditions that shape how EPR obligations will be absorbed. Two factors are assessed - producer market structure and access to capital for waste sector operators.

Dimension 4: Other aspects cover enabling factors that fall outside the three primary dimensions but materially affect performance, including PRO activity; stakeholder awareness and engagement; and the availability and currency of data.

Of the maximal attainable score, a percentage is calculated and interpreted as the readiness level, as shown in the table below.

Table 1: Readiness scores and interpretation

Score	Interpretation
≥ 75% of max possible score	High readiness - strong regulatory and operational foundations in place
50–74% of max possible score	Moderate readiness - significant foundations exist, gaps remain
25–49% of max possible score	Low readiness - foundational elements are largely missing
< 25% of max possible score	Nascent - EPR framework at very early stage; substantial effort required

Risk assessment

Thirteen implementation risks were identified as most material to Kenya's EPR context, spanning threats to compliance, governance, financial sustainability, and operational performance including:

- Free riding
- Incomplete or inaccurate volume reporting
- Sudden regulatory changes
- Regulatory fragmentation
- Weak PRO governance
- Mismatch between targets and capacity (non-achievable targets)
- Informal sector exclusion
- Fraud in downstream reporting
- Incorrect fee setting
- Weak end-market demand for recyclates
- Low producer awareness
- Low consumer awareness
- Industry resistance

Each risk is evaluated on likelihood of occurrence and severity of impact, both scored on a 1-5 scale by interviewed stakeholders. The composite score determines a rating band. Gaps identified in the readiness scoring directly inform the risk evaluation - low enforcement maturity, for instance, increases the likelihood of free-riding; inadequate recycling infrastructure raises the probability of a targets-capacity mismatch.

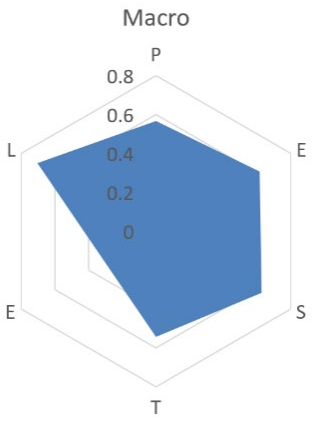
Table 2: Readiness scores and interpretation

Risk Score (= Impact score x Likelihood score)	Rating	Interpretation
15–25	High	Requires immediate attention and mitigation planning - high probability of occurrence with severe consequences for EPR system integrity or viability.
8–14	Moderate	Warrants active monitoring and targeted mitigation measures - moderate likelihood or impact that could materially affect EPR outcomes if unaddressed.
1–7	Low	Manageable under standard oversight - low probability or limited consequences; monitor periodically and reassess as the system matures.

3. Macro-Overview

Kenya's macro-level profile presents a mixed but broadly workable context for EPR implementation. Across the six PESTEL dimensions, the country demonstrates meaningful strengths in governance, economic structure, and legal environment, alongside areas where the enabling conditions are still developing as shown in Figure 2.

Figure 2: PESTEL analysis result



On the governance side, the index reflects a moderately functional institutional architecture - with established regulatory bodies, a codified legal system, and a track record of environmental policy development that includes the Sustainable Waste Management Act, 2022.[4] The business environment has historically been relatively open by the regional standards, which can support the registration and compliance processes that EPR requires from producers and waste sector operators.

The economic dimension reflects moderate inequality. This is relevant to EPR system design: fee structures and target-setting will need to account for the heterogeneity of the producer base and the purchasing power of the consumer market, particularly where cost pass-through to end users could be a concern. The technological dimension points to an active digital and technology infrastructure base. Kenya's mobile money penetration reached 91% of the adult population by mid-2025, with 47.7 million active subscriptions recorded.[5] This scale of digital financial infrastructure can provide a credible platform for digital registry, tracking, and reporting systems that a well-functioning EPR scheme depends on - a genuine comparative advantage relative to many peer markets.

The environmental dimension reflects the gap between policy ambition and measured environmental outcomes that characterises many emerging-economy EPR contexts. Kenya has committed to ambitious environmental targets and has a functioning environmental authority, while waste collection coverage remains at an early stage of development. UNEP estimates that only around 10% of waste generated nationally reaches designated disposal sites, with the remainder going to informal

[4] Sustainable Waste Management Act, 2022 (Cap. 387C). Retrieved June 6, 2026, from https://new.kenyalaw.org/akn/ke/act/ln/2024/176/eng@2024-12-06

[5] FinTech Magazine. (2025). Kenya's mobile money market hits 91% penetration. Retrieved June 6, 2026, from https://fintechmagazine.com/news/kenya-leads-the-world-in-mobile-money-penetration

dumpsites or being burned.[6] This is the structural challenge the present readiness and risk assessment addresses in detail.

The PESTEL profile positions Kenya as a country with credible institutional and legal foundations, meaningful digital infrastructure, and active policy momentum - operating in a context where operational and financial capacity is still scaling to meet the ambition of the regulatory framework.

4. EPR Readiness Assessment

The combined readiness score positions Kenya at 58% of the maximum attainable score, placing the country within the moderate readiness band: significant foundations are already in place, and specific areas continue to develop toward full system maturity. This overall figure reflects four dimensions moving at different speeds rather than a uniform level of development.

The regulatory framework, Section 4.1, forms the structural anchor for the other three dimensions and scores at a moderate level of readiness. The framework demonstrates maturity in that core EPR regulations are already established and are being enforced, with enforcement activity still building toward full national reach. Target-setting and traceability framework for collection and treatment activities represent an area for further development.

Other aspects, Section 4.4, scores highest of the four dimensions, carried by strong national trade and production data and active PRO coverage across three of the four regulated streams. Market and financial readiness, Section 4.3, sits at a moderate level, supported by a producer base that is largely formalised and willing to engage. Operational and infrastructure readiness, Section 4.2, reached a low readiness level, reflecting room for improvement in the physical waste management system that will ultimately need to deliver against the framework's targets once these are established.

4.1. Regulatory Readiness

Kenya’s regulatory readiness for EPR implementation is assessed at a moderate readiness. The regulations have been published and are currently under active enforcement, with companies and PROs organising their operations to achieve compliance. Open gaps for improvement remain.

Kenya's EPR framework is established under the Sustainable Waste Management Act, 2022 and operationalized through the Sustainable Waste Management (Extended Producer Responsibility) Regulations, 2024. Together, these instruments provide the legal basis for producer responsibility across the product categories listed in the First Schedule of the Regulations, while establishing the framework for producer registration, the accreditation of PROs and the implementation of EPR obligations. Although the legal framework for EPR is comprehensive, the broader regulatory environment that underpins its implementation remains fragmented.

Key aspects of the EPR value chain, including licensing of waste management infrastructure, regulation of waste operators, transportation, treatment, and other supporting activities, are governed by separate waste management regulations. Although these other regulatory frameworks do not establish producer responsibility obligations directly, they regulate key aspects of waste management

[6] Fie-Consult. (2023). State of solid waste management in Kenya. Retrieved June 6, 2026, from https://fieconsult.com/state-of-solid-waste-management-in-kenya/

that producers, PROs, recyclers, collectors, transporters, and other value chain actors should be familiar with these instruments to ensure effective implementation and regulatory compliance.

A. Environmental Management and Coordination (Management and Control of Plastic Packaging Materials) Regulations, 2024

These Regulations provide the regulatory framework for the manufacture, distribution, and management of plastic packaging materials in Kenya. Of particular relevance to EPR is section 18, which requires plastic packaging to be labelled to indicate its recycled content and mandates manufacturers of plastic packaging materials to incorporate a minimum of 30% recycled material, where recycled content forms part of the product specification. While this provision represents an important policy measure for stimulating demand for recycled plastics and supporting circular economy objectives, its scope remains unclear. Specifically, Section 18(1) explicitly refers to plastic bags, creating uncertainty as to whether the recycled content and labelling requirements extend to other forms of plastic packaging, such as bottles, containers, and rigid packaging.

B. Environmental Management and Coordination (Waste Management) Regulations, 2024

The Environmental Management and Coordination (Waste Management) Regulations, 2024 provide the operational foundation for Kenya's waste management system and are complementary to the EPR Regulations. The Regulations establish comprehensive requirements governing waste segregation at source, collection, transportation, storage, treatment, recovery, recycling, final disposal, and the licensing of waste management facilities and service providers. They also prescribe licensing procedures for waste operators through the Third Schedule (Forms I–VIII), providing regulatory certainty for collectors, transporters, recyclers, material recovery facilities, transfer stations, treatment facilities, and disposal sites that support EPR implementation.

A notable provision is the establishment of a National Waste Information System, which is intended to strengthen waste data management and improve regulatory oversight. The system is expected to maintain information on waste generation, collection, transportation, recycling, recovery, treatment, disposal, licensed facilities, and permits issued under the Regulations. Licensed waste operators are required to submit waste management data to NEMA, thereby supporting evidence-based planning, performance monitoring, and policy development. Once fully operational, the system has the potential to significantly improve waste traceability and provide reliable data for monitoring the performance of EPR schemes.

C. Guidelines for E-Waste Management in Kenya (2010)

Kenya does not currently have dedicated regulations governing the management of waste electrical and electronic equipment (e-waste), despite several attempts to develop such regulations. The most recent draft regulations were not adopted following the public participation process, requiring the regulatory process to be revisited before a new framework can be finalized.

In the absence of dedicated e-waste regulations, the sector is currently governed by the Environmental Management and Coordination (Waste Management) Regulations, 2024, together with the Guidelines for E-Waste Management in Kenya (2010**)**. While the Guidelines provide technical direction on the collection, storage, transportation, treatment, refurbishment, recycling, and disposal

of e-waste, they do not have the force of law and are therefore not legally enforceable. Nevertheless, they continue to serve as important references for government agencies, private sector actors, academic institutions, recyclers, and other stakeholders pending the adoption of a comprehensive e-waste regulatory framework.

The absence of dedicated e-waste regulations represents a notable policy gap, particularly given the rapid growth of the electrical and electronic equipment market and the implementation of Extended Producer Responsibility for Category III products. Developing and operationalizing comprehensive e-waste regulations would strengthen regulatory certainty, establish technical standards for treatment and recycling facilities which would support the implementation of EPR within the electronics sector.

Most key term definitions are available within these regulations, particularly regarding the definition, obligations and roles of obliged producers. The analysis further identified gaps that may constrain the effectiveness of Kenya's EPR system. Most notably, the absence of clearly defined (specific, measurable, achievable, relevant and time-bound) collection, recovery, recycling, and recycled content targets limit the ability of producers and PROs to effectively plan investments, design collection systems, monitor performance, and demonstrate compliance. The establishment of such targets would provide greater regulatory certain, strengthen accountability and improve performance monitoring.

4.2. Operational and Infrastructure Readiness

Operational and infrastructure readiness scores at low-level, reflecting a physical waste management system that is still developing relative to the regulatory framework covered in Section 4.1. Kenya's legal architecture for EPR has advanced quickly, and the operational system is in an earlier stage of building the capacity to match it.

Waste collection is a devolved constitutional function, assigned to county governments rather than coordinated nationally (Constitution of Kenya, 2010), which produces meaningful variation in collection performance across counties rather than a single national baseline. County-level collection rates published in the 2025 KNBS Economic Survey indicates that Mombasa collected 62.1% of the waste it generated in 2024, Nakuru reached 59.3%, and other counties recorded lower rates over the same period[7]. National estimates suggest that only about 40% of the population in many parts of major cities receive waste management services; in many cities, low income and informal settlements do not have waste collection systems at all.[8] Household collection operates on a fee-for-service model - registered private companies contract directly with households and are paid by them for collection. This model performs well in higher-income areas, where household ability and willingness to pay sustain a viable private operator base. But it produces collection lag in rural areas and lower-income neighbourhoods due to a lack of funding. For an EPR system with nationally set targets, this level of variation means some areas are positioned to meet collection targets ahead of others, which is a relevant factor for phased implementation planning and funding allocation.

[7] Ndung'u, J. (2025). NEMA Issues 21-Day Countrywide Ultimatum on Handling of Waste.

[8] Republic of Kenya. (2021). *Sustainable Waste Management Policy*. Retrieved 17.07.2026, from https://nema.go.ke/wp-content/uploads/2025/10/Waste-Management-Policy-2021.pdf

The formal sector already handles the majority of household collection in urban areas, and the informal sector remains an active and integrated part of the system through associations and community-based organisations. Given that informal actors handle a meaningful share of collection in areas with lower formal coverage, EPR-funded collection expansion is well positioned to build on this existing workforce as it extends geographic reach.

Sorting and transfer infrastructure varies by stream. WEEE and battery collection benefit from a small number of established operators with adequate transfer and sorting capacity, reflecting the material value that already supports private investment in these streams. Packaging sorting infrastructure is developing further, with interviewed operators identifying access to financing as the main lever for expansion.

Recycling capacity follows a comparable pattern by stream. Packaging recycling infrastructure is the most developed of the four, with an estimated recycling rate of 15%. The likely driver is the existence of marketable secondary outputs domestically, which gives packaging recyclers a viable local buyer base. Meanwhile, WEEE and battery recycling in Kenya is currently centred on dismantling and pre-processing, with downstream recovery steps carried out through export markets - a common configuration at this stage of sector development, and one that leaves room for domestic value capture to grow over time. Textile processing currently centres on downcycling and repurposing initiatives such as Africa Collect Textiles.

Dedicated drop-off and take-back points exist but remain fragmented and small-scale. Examples include battery take-back arrangements at retail points of sale, WEEE collection linked to major electronic equipment retailers, and textile take-back schemes operating in malls.

Energy recovery and co-processing capacity in Kenya is at an early but active stage of development. Co-processing is the more established with plants like Bamburi Cement's processing waste tyres and used oil at its Mombasa kiln[9]. Waste-to-energy remains in the pipeline rather than in operation. Plants such as the 45 MW facility at the Dandora dumpsite in Nairobi[10] and the 10 MW facility in Kakamega County[11] are in the contracting and construction phase. Current waste-to-energy and co-processing volumes are estimated to be low relative to Kenya's total waste stream. Capacity is expected to increase once the projects in the pipeline enter commercial operation.

Overall, the operational picture shows capacity that is well established in some streams and locations - particularly WEEE and battery pre-processing, and packaging recycling - and still developing in others, notably recovery infrastructure and rural collection coverage.

4.3. Market and Financial Readiness

Market and financial readiness scores at a moderate readiness level, reflecting a producer base that is largely formalised and engaged, within a financing environment that has room to develop instruments specific to the waste sector.

[9] Bamburi Group. (2026). *Circular Economy*. Retrieved 17.07.2026, from https://bamburigroup.com/geo-cycle/

[10] Marita, B. (2025). *Nairobi to turn Dandora waste into 45MW of Power*. Retrieved 17.07.2026, from https://www.the-star.co.ke/counties/nairobi/2025-09-20-nairobi-to-turn-dandora-waste-into-45mw-of-power-sakaja

[11] Ochanda, J. (2022). *Kakamega to construct Sh6 billion waste-to-energy plant*. Retrieved 17.07.2026, from https://www.kenyanews.go.ke/kakamega-to-establish-sh6-billion-waste-to-energy-plant/

The producer market is formalised by design. Market placement in Kenya requires a business licence, which brings an estimated majority of producers and importers into the formal, traceable segment of the market. Market composition varies by stream. Packaged goods reflect a mix of domestic manufacturers and multinational brand owners, while the WEEE and battery markets are supplied largely by international producers, with limited domestic manufacturing recorded in either stream.

Textiles show the highest import dependence of the four streams: Kenya imports an estimated KES 129 billion in textiles annually, and while the country has strong raw cotton availability, domestic fibre and yarn processing capacity is still scaling up to meet it.[12] Across streams, this places a significant share of EPR-relevant compliance activity at the point of import, consistent with the customs- and port-level observations from producer and importer interviews.

Producer willingness to engage with EPR is reported positively: producers indicate readiness to participate in waste management activities, alongside interest in seeing continued clarity on fee structures and enforcement consistency as the system matures. This is consistent with the risks (low producer awareness) discussed in Chapter 5. Although producers are willing to participate and already are members of active PROs, they seek for clarity on obligations and explicitly, transparency on EPR fees allocation.

Access to capital for waste-sector operators shows a mixed but workable picture. Commercial lending is available at an average rate of approximately 15%[13], in line with regional norms. Import duties on equipment average around 25%[14], with targeted exemptions currently in place for sectors such as solar[15]. Extending comparable treatment to waste-sector equipment represents a potential lever for supporting the infrastructure development described in Section 4.2. Dedicated subsidies or tax exemptions for collectors and waste operators were not identified at this stage, indicating an area where targeted fiscal instruments could complement the sector's growth alongside the commercial financing that is already accessible.

4.4. Other aspects

The other aspects dimension scores at high readiness level, highest in four assessed dimensions. This is supported by strong national trade and production statistics alongside active PRO coverage across most streams.

PRO coverage is active and licensed for three of the four studied streams - packaging, WEEE, and batteries - consistent with the licensing milestone recorded in Section 4.1. Textiles do not yet have an active PRO, consistent with the earlier stage of textile-specific regulation noted elsewhere in this assessment and represents a natural next step as the PRO landscape continues to develop.

[12] Kenya Investment Authority. (2025). *Investment Opportunities in Kenya's Textile & Apparel Sector*. Retrieved 17.07.2026, from https://www.investkenya.go.ke/invest-kenya-textiles-and-apparel-sector-pack/

[13] Central Bank of Kenya. (2026). Commercial banks weighted average interest rates. Retrieved 05.07.2026, from https://www.centralbank.go.ke/commercial-banks-weighted-average-rates/

[14] Kenya Revenue Authority. (2026). Everything about customs. Retrieved 05.07.2026, from https://www.kra.go.ke/helping-tax-payers/faqs/customs-and-border-control

[15] Kenya Revenue Authority. (n.d.). Exemptions on importation. Retrieved 05.07.2026, from https://www.kra.go.ke/individual/importing/95-exemptions-on-importation

Several EPR workshops and national-level awareness activity have been delivered by local and international organisations to inform all stakeholder groups on their obligations, rights and support the design and implementation of EPR in Kenya.

Data availability is a clear strength at the national level: statistics on production, imports, and trade for packaged goods, EEE, batteries, and textiles are complete and current, drawing on consistent reporting from the national statistics office. This data provides strong visibility into what enters the Kenyan market. Data on waste generation volumes and composition, and on collection and recovery rates by stream, is available in partial form and continues to develop. As this waste-specific data infrastructure matures, it stands to complement the strong production and trade data already in place, giving the system full visibility across the product lifecycle. No centralised national company registry covering all businesses has currently been identified. However, a digital registry exists for producers obliged under EPR, which can strengthen EPR monitoring through the data it provides.

5. EPR Risk Assessment

5.1. List of rated risks

The risk evaluation draws on structured scoring collected across four stakeholder groups engaged in Kenya's EPR system. Fourteen respondents rated each of the thirteen identified risks on a five-point likelihood and impact scale: four PROs, four formal waste operators and waste operators, the regulatory authority, and five German producer respondents exporting packaging, WEEE, batteries, or textiles to Kenya. Thirteen risks were pre-defined by the consultant team as risks commonly observed in EPR schemes, considered material to the readiness of the scheme's implementation.

Table 3: Rated risks' descriptions

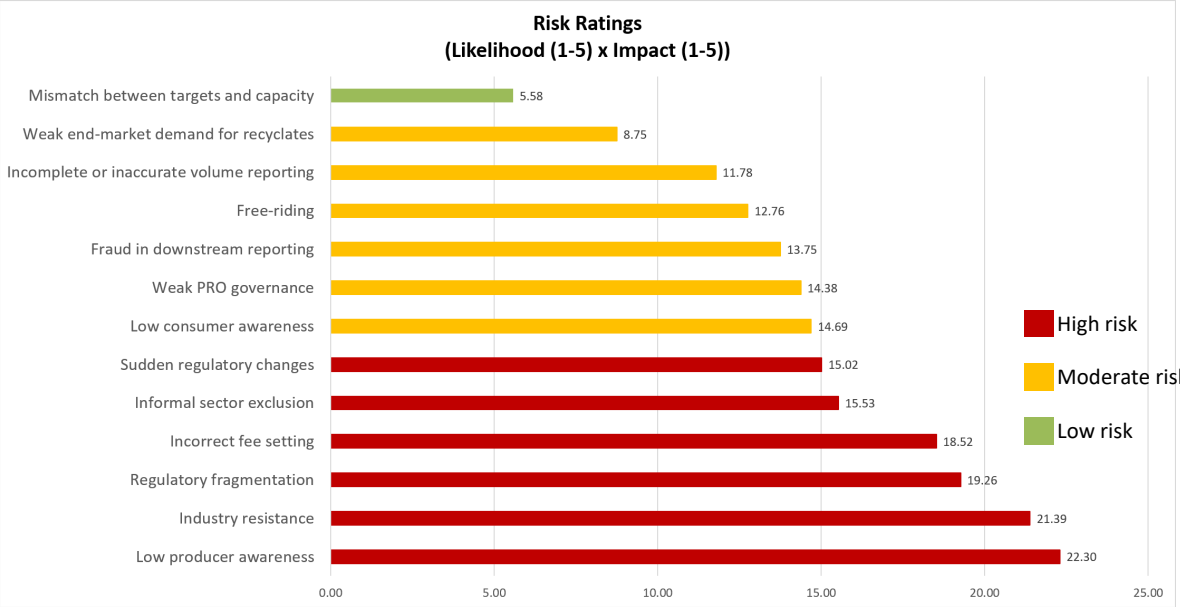
Risk	Description
Free riding	Some obligated producers may not register or contribute to the EPR system, leading to an uneven distribution of costs and reduced system effectiveness.
Incomplete or inaccurate volume reporting	Reported volumes of products placed on the market may not fully reflect actual quantities, due to data gaps, estimation challenges, or inconsistent reporting practices.
Sudden regulatory changes	Unexpected shifts in policies or regulations may disrupt planning, investments, and operational stability for stakeholders.
Regulatory fragmentation	Overlapping or unclear mandates across national and local authorities can create inefficiencies and confusion in EPR implementation.
Weak PRO governance	Insufficient transparency, accountability, or capacity within PRO may undermine trust and performance.
Mismatch between targets and capacity (non-achievable targets)	Collection and recycling targets may exceed existing infrastructure and operational capacity, making compliance difficult.
Informal sector exclusion	Failure to integrate informal waste workers may reduce collection efficiency and create social and economic tensions.
Fraud in downstream reporting	Misreporting of recycling or treatment outcomes can occur within the value chain, affecting data reliability and system credibility.
Incorrect fee setting	EPR fees may be set too high or too low, leading to financial imbalances, reduced compliance, or insufficient funding for operations.
Weak end-market demand for recyclates	Limited demand for recycled materials can hinder the financial viability of recycling activities.

Low producer awareness	Producers may lack understanding of their obligations, roles, or benefits within the EPR system.
Low consumer awareness	Consumers may not be sufficiently informed or motivated to participate in proper waste segregation and return systems.
Industry resistance	Some stakeholders may resist EPR implementation due to perceived costs, administrative burden, or uncertainty.

It is noted that the ratings are subject to self-rating bias: respondents assessing risks tied to their own institutional performance, PROs rating PRO governance, the regulatory authority rating enforcement-related risks, may systematically under- or over-state likelihood and impact relative to how other actors in the system experience the same risk. Where this pattern is material, it is flagged explicitly in the risk-by-risk analysis below.

5.2. Risk Evaluation

Figure 3: Risk ratings



The combined results place six of the thirteen risks in the high (composite score 15-25), six in the moderate (8-14), and one in the lower risk band (1-7). Low producer awareness returns the highest composite score of the assessment, followed closely by industry resistance, regulatory fragmentation, incorrect fee setting, informal sector exclusion, and sudden regulatory changes. This indicates that the current EPR system in Kenya has several pressure points - regulatory clarity, fee transparency, and producer engagement - rather than concentrated in a single area.

High risk areas

The highest-scoring finding of the assessment is that producers do not yet have a sufficiently clear picture of their obligations. Producer respondents self-rated both likelihood and impact at the maximum across all five companies interviewed, and waste operators rated the risk similarly high. One PRO linked this directly to broader regulatory uncertainty, observing that unclear interpretation of requirements discourages sustained producer engagement over time.

The interview evidence suggests that this gap centres on the need for transparency and clarity in obligations, rather than on a lack of willingness to comply. Respondents who demonstrated a clear understanding that compliance is required nonetheless raised concerns about unclear fee structures and reporting requirements, as well as about implementation readiness and the enforcement infrastructure supporting the system.

This uncertainty feeds into the second-highest risk in the assessment: industry resistance. The regulatory authority reports this not as a risk that may materialise but as a condition already present in the system, tying its high impact rating explicitly to resistance around fee payment obligations. The connection to the awareness gap above is made explicit in the interview - unclear obligations lead to resistance, and resistance grows where producers do not yet understand what they are paying for. Interviewed producers corroborated this, citing membership fees, registration costs, the per-unit environmental levy, and reporting requirements as costs that feel disproportionately heavy relative to the current maturity of the underlying waste system.

Regulatory fragmentation and sudden regulator changes are both a high risk. PROs called for stronger harmonisation across these levels and for a uniformed compliance reporting format. Recyclers reinforced the concern from an operational vantage point, with one respondent describing the allocation of separate EPR-related charges - import duty, PRO membership fee, and environmental levy - as a persistent source of confusion along the value chain. Despite the regulations themselves not changing frequently, inconsistent interpretation - driven by this fragmentation and a lack of clarity - can shift in practice, creating uncertainty. The regulatory authority has already taken concrete steps in this direction, convening quarterly harmonisation sessions to align roles across the four licensed PROs. The risk score indicates that the effects of this coordination have not yet reached actors across the value chain, pointing to continued and more visible communication as an important improvement.

Fee-setting risk reflects a gap between confidence in the fee's technical basis and calls from the value chain for more differentiated pricing. Waste operator respondents want fees calibrated to actual collection costs and to the real market value of different materials, proposing higher fees for hard-to-recycle items such as laminates that currently carry limited recovery value, and noted that gaps in producer reporting complicate fair fee-setting. The regulatory authority holds that the current fee structure reflects a defined technical modelling process and is not under near-term revision.

Informal sector exclusion ranked as a high risk. All stakeholder groups describe that the informal sector is a crucial part to the waste management in Kenya system and cannot be excluded under EPR. Informal actors are directly exposed to material value and access to further processing capacity. Meanwhile, formalising remains costly e.g. licensing fees and environmental impact assessment costs stand as a barrier to informal actors growing into the formal system. This points to potential improvement areas to mitigate this risk.

Moderate-risk areas

Weak PRO governance is rated at a moderate level overall, though the rating varies noticeably depending on a respondent's position in the system. This is subject to self-rating bias, as PROs themselves tend to rate governance lower risk than respondents positioned elsewhere in the value chain. A distinct governance gap emerged around EPR fee allocation, specifically the mechanisms for distributing fees to cover the costs of waste management activities. Respondents noted that the allocation logic is not yet clearly defined, leaving some uncertainty as to how compensation is

calculated and disbursed, particularly on a regular basis rather than a campaign basis. This matters most for waste pickers, who occupy the most vulnerable position in the value chain and rely on this allocation reaching them reliably.

Low consumer awareness reflects that consumers frequently lack information on the value of recyclable materials and on the location of collection points. Interviews noted that expanding awareness campaigns to additional sub counties could be beneficial.

Fraud in downstream reporting and incomplete or inaccurate volume reporting are both rated at a moderate risk band. They trace to a similar underlying gap: the absence of independent verification of reported waste volumes and uniformed reporting templates. A digital tracking system with unified data requirements across reporting parties could help close this gap.

Free-riding is read differently depending on stakeholder vantage point, with the regulatory authority citing improved enforcement against small domestic producers while German companies point to the absence of category differentiation and port-of-entry verification as the more consequential gap from their side.

Weak end-market demand for recyclates is rated low-moderate. This reflects the financial precarity recycling operations face where recovered material value cannot be relied upon, consistent with the developing state of packaging and WEEE recycling markets described in Section 4.2.

Low-risk areas

Mismatch between targets and capacity is the sole risk in the low-risk band. The score reflects a notable spread in perspective: some respondents rate this risk relatively high, while others rate it very low, pointing to differing degrees of confidence in current capacity to meet collection and treatment expectations. It is also worth noting that the assessment does not include a rating for this risk from the regulatory body, which limits how confidently this score can be read.

The operational and infrastructure readiness assessment in Section 4.2 suggests a more cautious reading of this risk score. Current waste management capacity still has room for improvement, particularly in rural areas, where collection and treatment infrastructure lags behind urban coverage. This makes it critical that collection and treatment targets be set at achievable levels for peri-urban and rural areas, paired with fee allocation that adequately supports waste operators.

6. Conclusions and Recommendations

Kenya's EPR system reaches a moderate level of readiness overall. This places the country in a position where core structural foundations are in place such as an existing legal framework and licensed, active PROs, while several supporting elements, particularly on the operational and infrastructure side, continue to develop toward full system maturity.

The risk assessment in Chapter 5 reflects the same underlying picture from a different angle, which suggests that Kenya's EPR framework has advanced quickly on paper relative to the operational and communication infrastructure needed to support it in practice. The recommendations below are accordingly oriented toward closing that gap through clarity, coordination, and phased support, in line with the direction the regulatory authority and PROs have already begun to take through existing harmonisation efforts.

Table 4: Gaps and recommendations

Gap identified	Recommended improvement
Limited clarity on obligations and different fee types	• Provide consistent guidance, worked fee examples, and sector-specific onboarding • Implement a central EPR information hub consolidating information into one place
Industry questions the cost-to-impact ratio at this early stage of implementation	• Showcase early compliance successes • Continuous industry and value chain actors' engagement on resolving shared implementation challenges collaboratively, that will shape the EPR implementation during this early implementation stage
Regulatory fragmentation	• Enforce compliance reporting formats for all PROs and waste operators such as types of evidence required for waste management activities • Have all waste management related regulatory frameworks affecting EPR under the EPR & Circular Economy folder in the NEMA website.
Reported volumes are not yet independently verified. Reporting is experienced by some actors as added administrative work	• Implement a shared, simplified reporting template (digital and paper), aligned with the national tracking platform • Encourage continued digital innovation in reporting tools
Awareness campaigns concentrated in a subset of counties	• Extend campaigns to additional counties, sharing measurable results from existing ones

Formalisation costs remain a barrier to informal sector participation	• Simplified, lower-cost formalisation pathways, developed in direct dialogue with informal-sector representatives
Domestic recycling capacity remains limited: WEEE and battery recycling focuses on dismantling, and textile recycling centres on downcycling, with further value capture currently occurring outside Kenya	• Demonstrate clear fee allocation for waste operators to support investment in local processing capacity • Better capital access to waste operators such as tax reduction, dedicated grant and loans • Improve the availability of feedstock such as by reviewing the current legal framework to permit the controlled importation of waste electrical and electronic equipment and end-of-life batteries for repurposing and recycling, in accordance with the provisions of the Basel Convention.