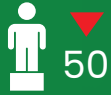


# Positioning MSEs as a bedrock for industrialization

## a) MSEs characterization



Micro and Small Enterprises (MSEs) comprise enterprises employing less than 50 persons.



MSEs account for a large share (**98.0%**) of the **industrial sector enterprises** in Kenya.

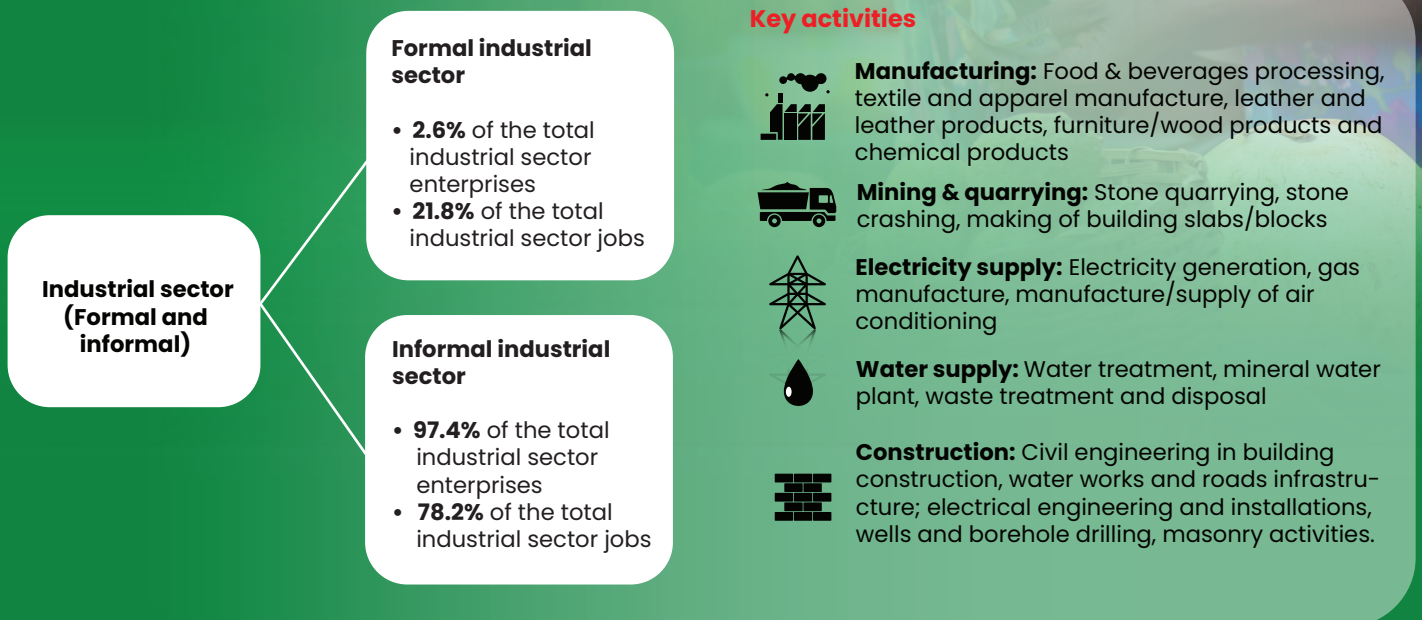


MSEs are usually semi-organized, unregistered and engage in unregulated labour-intensive small-scale activities.



Within the industrial sector, **95.0 per cent of the MSEs operate in the manufacturing sector**. About **2.2 per cent are in mining and quarrying**, **1.4 per cent in the construction industry**, and a further **1.4 per cent in the utilities sectors** (electricity and water supply, and sewerage and waste management).

## b) MSEs Industrial activities and employment distribution in formal and informal sector



## c) Priorities in unlocking the potential of MSEs in the industrial sector:

- Modern and fully equipped worksites and related infrastructure
- Quality formal finance services including savings and credit services
- Reliable supply of raw materials
- Access to domestic and export markets, and business development services.
- Modern production technologies
- Relevant technical skills and other supporting skills
- Formalisation