

AUTOMOTIVE PARTS MANUFACTURERS ASSOCIATION OF KENYA

CREATING JOBS FOR KENYANS

NEWSLETTER

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APMA



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Message from the Chairman



Dear Members,

As we begin 2026, I am pleased to reflect on the important milestones achieved over the past year for Kenya's automotive sector. Among the most notable were the progression of the Automotive Bill to the public participation stage, the advancement of the KS 1515 - Road Vehicle Inspection and Testing Standards to their final stages, the gazettelement of amendments to the Motorcycle Regulations (LN 112), and the gazettelement of the EAC Assembly Regulations. In addition, the Government of Kenya's signing of a Samurai Bond with the Government of Japan marks a significant step toward supporting the growth and development of the automotive industry.

Building on this momentum, APMA's priorities for 2026 will focus on supporting the implementation of the EAC Assembly Regulations, facilitating access to long-term and affordable financing for component manufacturers through the Samurai Bond Facility, and strengthening industry capabilities through targeted training programs in areas such as Quality Management Systems (QMS), Environmental, Social and Governance (ESG) practices, and OEM readiness. These initiatives are aimed at enhancing the competitiveness of local manufacturers and positioning Kenya as a regional hub for automotive component production.

I thank our members and partners for their continued commitment and collaboration as we work together to advance the growth and resilience of Kenya's automotive manufacturing ecosystem.

Ashit Shah
Chairman

Key Priority Areas for 2026

Implementation of EAC Assembly Regulations

In 2026, APMA will work closely with government and industry stakeholders to support the effective implementation of the EAC Assembly Regulations. These regulations are a critical step toward harmonizing automotive assembly standards within the East African region and creating a more structured market for locally assembled vehicles. Their implementation is expected to strengthen the regional value chain and create greater opportunities for Kenyan component manufacturers to integrate into OEM supply networks.

Samurai Bond

The Government of Kenya's Samurai Bond agreement with the Government of Japan presents a unique opportunity to unlock long-term, affordable financing for the automotive sector. APMA will actively engage relevant stakeholders to ensure that local component manufacturers can access these financial resources to invest in technology upgrades, expand production capacity, and improve competitiveness within both the regional and global automotive value chains.

Training Opportunities

Capacity building will remain a key focus area for APMA in 2026. The Association will facilitate targeted training programs aimed at strengthening the capabilities of local manufacturers in areas such as Quality Management Systems (QMS), Environmental, Social and Governance (ESG) compliance, Trading in the African Continental Free Trade Area (AfCFTA), specifically Automotive Rules of Origin (RoO) and OEM readiness. These initiatives are designed to help member companies meet international standards, improve operational efficiency, and position themselves as reliable suppliers within the automotive industry.

AUTOEXPO 2026 Participation

APMA will also participate in the 27th edition of AUTOEXPO Kenya 2026, scheduled to take place from 3-5 June 2026 at the Kenyatta International Convention Centre (KICC). The exhibition will provide a valuable platform for showcasing the capabilities of Kenya's automotive component manufacturers, fostering business partnerships, and engaging with regional and international stakeholders in the automotive value chain. APMA will work to ensure strong member representation and visibility during the event to promote locally manufactured automotive parts and components.

APMA Members Profiles

1. Pinnacle Systems Limited

Pinnacle Systems Limited is a Kenyan-owned company established in 2005. The company initially focused on the supply and installation of speed limiters for vehicles operating on Kenyan roads, contributing to efforts aimed at improving road safety and regulatory compliance within the transport sector.

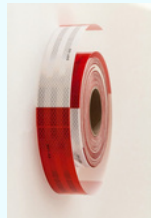
Road Safety Equipment



Over the past two decades, Pinnacle Systems Limited has expanded its operations and capabilities, establishing a strong presence across Eastern Africa in the transport safety and security industry. Today, the company offers a broad portfolio of solutions supported by a team of more than 250 employees and serves a growing network of over 16,000 customers across the region.

Retro Reflective Material

The National Transport and Safety Authority requires all motorists to make themselves and commercial vehicles highly visible through the use of reflective safety markings on the rear and sides of heavy goods vehicles such as trucks, trailers, school buses and other large vehicles.



Fleet Management - Digital Speed Limiters

Digital Speed limiters are a mandatory requirement for all Commercial Vehicles (with tare weight exceeding 3 tons) and Passenger Service Vehicles (PSVs) in Kenya. According to NTSA Regulations, all vehicles must have a digital speed limiter.

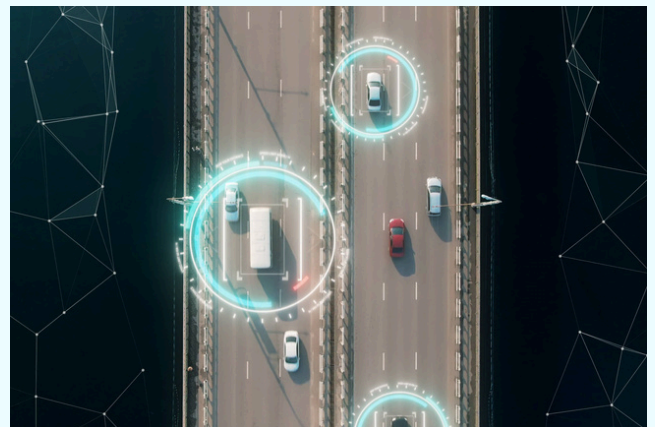
Pinnacles speed limiters are approved under the KS 2295-1:2018 standard



Vehicle Tracking

The company's telematics system provides fleet managers with valuable operational insights, enabling them to make data-driven decisions that optimize fleet performance while ensuring regulatory compliance. By leveraging telematics data, organizations are able to enhance operational efficiency, improve road safety, and reduce operational costs through more effective maintenance planning and fuel management.

Key features of the system include real-time GPS tracking, fuel monitoring, vehicle diagnostics, driver behavior monitoring, geofencing capabilities, as well as real-time reporting and analytics. Together, these tools support better fleet oversight and more informed management of transport operations.



For more products, contact the company via the following;

🌐 www.pinnaclesystemskenya.net/

📘 [pinnaclesystemsLtd](https://www.facebook.com/pinnaclesystemsLtd)

✉️ info@pinnaclesystemskenya.net

2. Tet Otomotif Parts Industries Limited

Tet Otomotif is a Kenyan-based automotive parts company specializing in the supply and distribution of high-quality motorcycle plastic components. Operating from Juja, the company is focused on delivering reliable and affordable solutions tailored to the growing mobility and two-wheeler market in Kenya.

Guided by its mission of “providing a perfect solution to the cycle world,” TET Otomotif has positioned itself as a key player in the motorcycle parts segment—an important pillar in Kenya’s transport and last-mile logistics ecosystem.

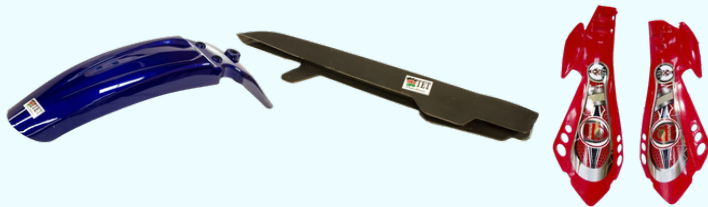
Products

The company offers a wide range of motorcycle spare parts and accessories, including:

Helmets and Visors



Mudguards, chainguards, and handguards



Side covers, ignition covers, and head cases



Throttle components and protective gear



These products are designed to meet quality and safety standards while remaining competitively priced for the local market.

For more products, visit the company website;

www.tet.co.ke

3. Digital Bass Auto Accessories

Digital Bass Auto Accessories Investments Ltd is a Nairobi-based company specializing in automotive and industrial audio solutions. Founded in 2012, the company has established itself as a key player in the regional car audio segment, with a strong focus on innovation, customer-centric solutions, and quality-driven products.

The company serves as the authorised distributor of Nakamichi Corporation audio products in Sub-Saharan Africa, bringing globally recognized Japanese-engineered sound systems into the local automotive market.

Products

Digital Bass Audio offers a wide range of in-car entertainment and sound system solutions, including:

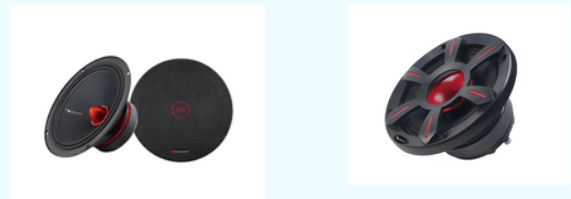
Car stereo receivers (including Android-enabled systems)



Subwoofers



Mid-range and Coaxial Speakers



Power Amplifiers



By combining global audio technology with local market expertise, Digital Bass Audio plays an important role in Kenya’s automotive aftermarket ecosystem. The company supports the growing demand for in-vehicle infotainment and sound solutions, contributing to value addition within the automotive accessories and components space.

For more products, visit the company website;





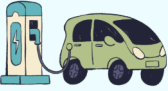
www.dbassaudio.com

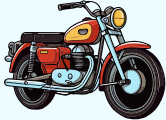

Summary of the EAC Assembly Regulations

The East African Community (EAC) has gazetted the EAC Assembling and Manufacturing of Products Regulations, 2025. These Regulations set out the modalities governing the assembly and manufacture of products, including the definition and composition of Completely Knocked Down (CKD) kits at various levels.

The Regulations will come into effect on 1st July 2026 and will supersede all existing national regulations relating to the manufacture and assembly of motor vehicles, motorcycles, and related components. Notwithstanding this, national authorities will guide the implementation of, and transition to, the EAC Regulations.

Set out below is a summary of the key areas addressed in the Regulations.

Vehicle Type	Applicable Assembly Level (L1 - L4)	Key Technical Requirements / Conditions	Transition/Time Limits
Passenger Vehicles (saloons, sedans, station wagons, double cabin pick-ups and SUVs) 	starts Level 1 → Level 4	Can begin at Level 1 (SKD) or Level 2 (CKD). - Level 3 requires local welding, paint shop & assembly line operations. - Level 4 requires local manufacture of key body components.	<ul style="list-style-type: none"> Level 1 → Level 2: Max 36 months Level 2 → Level 3: Max 60 months
Commercial Vehicles (Buses & Trucks) 	Starts at level 3 → Level 4	- Local painting and finishing required.- Welding of body frames at Level 3.- Level 4: Chassis + body manufacturing with higher local content.	- Mandatory transition from Level 2 → Level 3 within 2 years.- Transition required to maintain assembly licensing.
Pick-Up Vehicles 	Level 1 → Level 3 (then Level 4 optional)	- Local painting is mandatory (CKDs may only come with primer/anti-rust).- Local assembly of cabin/body required at Level 3.	- Mandatory transition from Level 2 → Level 3 within 2 years.
Three-Wheelers 	Level 1 → Level 3	- Newly recognized category under the regulations.- Licensing follows the same classification and approval process as vehicles.	- No fixed timeline, but encouraged to progress to higher localization levels over time.
Electric Vehicles (All classes) 	Level determined by assembly process (L1-L4)	- Battery, power electronics & drive unit may be imported as OEM modules.- Local assembly at Level 3 encouraged for EV integration & body manufacturing.	- Same transition rules apply depending on alignment to vehicle class (Passenger / Commercial / Motorcycle).

Vehicle Type	Applicable Assembly Level (L1 - L4)	Key Technical Requirements / Conditions	Transition/Time Limits
Motorcycles 	CKD only → Progressive Localization	- Must transition away from fully built CKD kits.- Gradual local sourcing of specific components required.	- After 12 months: Must source stands, footrests, carriers, guards, battery fluid locally.- After 24 months: Must source air cleaner, wiring harness, brake stopper, battery, seat, tyres, etc., locally.
Trailers & Semi-Trailers 	starts Level 3 → Level 4	- Level 3 allows importation of running gear sets & mechanical assemblies.- Level 4 requires local chassis fabrication and body construction.	- Level 3 allowed up to 36 months, after which progression toward Level 4 is expected.

Key Economic Indicators

➤ The Kenyan Shilling remained stable, exchanging at an average of 129 against the US Dollar

➤ Kenya overall inflation eased marginally to 4.3% in February from 4.4% in January 2026 mainly driven by the increase in food and transport prices which rose by 7.3% and 4.0% respectively.

➤ While inflation is expected to stay within the 4–5% band in the medium term. Rising geopolitical tensions could trigger oil-related inflation risks.

2026 Outlook

In 2026, we expect to achieve the following;

- ✓ Grow membership by 5
- ✓ Roll out training programs for members.
- ✓ Support and lobby for the finalization of the automotive bill
- ✓ Support and lobby for the finalization of the KS 1515 standards.
- ✓ Support the implementation of EAC Assembly regulations for motor vehicles

Motor Vehicle Registration Data (Jan - Aug 2025) Source: NTSA

Body Type	Saloons	ST Wagons	Vans	Pick Ups	Mini Buses	Buses	Lorries	Trailers	Motor Cycles	Three Wheelers	Wheeled Tractors	Others	Totals
Total	3,370	50,390	2,055	2,545	1,341	1,149	4,315	2,738	97,299	4,763	600	6,556	177,121

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