



# **Investment opportunities in Kenya**

**Dennis Awori**

***Past Vice Chairman – Kenya Private Sector Alliance  
(KEPSA)***

- **Kenya at a glance**
- **Why invest in Kenya**
- **Bankable investment opportunities under the Kenya Vision 2030**



# Kenya at a glance

- The East Africa's biggest economy with a population of 41.3 million (2013 estimates)
- 2013: Gross Domestic product (GDP) growth at 5.1%
- Agriculture sector is the main contributor to GDP (24%) and employment followed by manufacturing accounting for 13% of the GDP and tourism accounts for 12% of the GDP.
- A market based/liberalized economy which is fully integrated in the Global market through multilateral, bilateral trade agreements and its participation in the World Trade Organization (WTO)



## Kenya at a glance...Cont'

- Has a vibrant, active and dynamic private sector contributing over 80% of the GDP.
- The Kenya's private sector is categorized into two parts: a formal, large business and a massive, informal small business sector
- KEPSA is the national apex body of the private sector in Kenya providing a unified voice for the private sector to engage and influence policy formulation and implementation through the public-private partnership model



# Why invest in Kenya....Cont'

## •Regulatory Reforms:

- ✓ Efforts to lower the cost of doing business

## •Access to Large pool of Highly Educated and Skilled Work Force:

- ✓ Large pool of highly educated, skilled and sought after work force in Africa, trained from within the country and in institutions in around the world.

## •Strategic Location:

- ✓ Kenya is strategically placed and has well-developed business infrastructure making it a natural choice for investors hence, a regional hub.
- ✓ Access to the larger East African Community, regional markets and global markets.



# Why invest in Kenya....Cont'

- **Highly Developed Social and Physical Infrastructure:**

- ✓ High quality social amenities such as restaurants, hospitals and Entertainment spots, wildlife and natural resources.

- **Fully Liberalized Economy:**

- ✓ Absence of obstacles hampering the free flow of trade and private investment i.e./e.g. exchange controls and restrictions on remittances of profits and dividends.

- **Dynamic and Vibrant Private Sector:**

- ✓ Kenya has a substantial private sector, including a significant number of foreign investors.

- ✓ The government frequently conducts regular policy dialogue with private sector players through various forums.



# Why invest in Kenya....Cont'

- **Natural resources discovery:**

- ✓ Discovery of oil, natural gas and other mineral resources present potential for exploration and exploitation of mineral resources.

# Bankable Investment opportunities under Kenya Vision 2030



**SECTOR: TRANSPORT AND INFRASTRUCTURE**

**PROJECT: Nairobi Commuter Rail (Nairobi)**

**INVESTMENT PLAN/COST:**

**Private Equity – US \$ 68 Million**

**Private Debt – US \$ 70 Million**

**PROJECT INFO/STATUS:**

- The government has already invested in the rehabilitation of the rails.
- The project will provide for expanded, safe, affordable and efficient rail commuter services in Nairobi with the additional benefit of decongesting the capital city's roads.
- The project has been done in sections with the completion of Syokimau, Imara Daima and Makadara.
- **The Embakasi line is yet to be done.**



# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



**SECTOR: TRANSPORT AND INFRASTRUCTURE**

**PROJECT: Railway cities (Nairobi, Kisumu & Mombasa)**

**INVESTMENT PLAN/COST:- Joint Venture (US\$ 2150 Mln)**

**85% - Private**

**15% - Kenya Railways Corporation**

## **PROJECT INFO/STATUS:**

- This initiative will include the redevelopment of existing rail stations into mini cities which include business parks for light manufacturing, hotels, shopping arcades, restaurants and parking garages.
- Apart from the Kisumu Railway city, the others have feasibility studies and land is readily available for investor uptake

# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



## SECTOR: TRANSPORT AND INFRASTRUCTURE

### PROJECT: Dry Port at Voi

### INVESTMENT PLAN/COST:- (US\$ 8 Mln)

Private Equity

Private Debt

### PROJECT INFO/STATUS:

- An inland intermodal terminal directly connected by rail to the sea port and will operate as a centre for transshipment of sea cargo to inland destinations. In addition this port.
- The feasibility study is complete and the project is ready for uptake.

# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



## **SECTOR: TRANSPORT AND INFRASTRUCTURE**

**PROJECT: Special Economic Zones (SEZs), Airport City, Specialized Cargo terminal, Airport hotel, Terminal building area, Duplicate greenfield<sup>8</sup> Second Catering, hangars, Embakasi housing. (JKIA)**

**INVESTMENT PLAN/COST: - PPP scheme or Private equity or private debt**

## **PROJECT INFO/STATUS:**

- The project envisages to have various projects available for investors. Based on the Master plan developed the Institution
- **The Authority is soon organizing a forum aimed at introducing investors to the opportunities in the JKIA Investment Zones**

# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



**SECTOR: ENERGY**

**PROJECT: 2 \* 70MW Olkaria V (Naivasha) - KENGEN**

**INVESTMENT PLAN/COST: - Joint Venture (US \$ 504 Million )**

**PROJECT INFO/STATUS:**

- **EOI is expected to be advertised in April 2014**

# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



**SECTOR: ENERGY**

**PROJECT: Isiolo 50MW Wind Power by 2016 (Isiolo) - KENGEN**

**INVESTMENT PLAN/COST: - Joint Venture (US \$ 400 Million )**

**PROJECT INFO/STATUS:**

- This is the first phase to be followed by 100MW installation.
- EOI Is expected to be advertised in April 2014

# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



**SECTOR: ENERGY**

**PROJECT: 2 \* 140MW Olkaria VI & VIII (KenGen)**

**INVESTMENT PLAN/COST: - Joint Venture**

**PROJECT INFO/STATUS:**

- EOI Is expected to be advertised this year date will communicated

# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



## SECTOR: ENERGY

**PROJECT: Mombasa Petroleum Trading Hub-Single Buoy Mooring (SBM) (National Oil) - Mombasa**

**INVESTMENT PLAN/COST: - Joint Venture (US\$ - 514Mln)**

## PROJECT INFO/STATUS:

- The trading hub will be a modern petroleum terminal comprising two offshore petroleum jetties with one dedicated to loading/offloading of crude oil and black fuels, and the other dedicated to refined products.
- A modern Greenfield Petroleum tank farm with a design capacity of 800,000MT is to be developed in phases from an initial minimum capacity of 300,000MT.
- **EOI Is expected to be advertised this year date will communicated**

# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



## SECTOR: ENERGY

**PROJECT: Magwagwa multipurpose dam development project (Lake Basin Development Authority {LBDA}) – Nyanza**

**INVESTMENT PLAN/COST: - A build-Operate-Transfer model under a PPP agreement where the private partner finances, constructs maintains and transfers the facility to LBDA at the end of an agreed period of time (US\$ - 978Mln)**

## PROJECT INFO/STATUS:

- Comprises the construction of a 95m high and 450m long concrete faced rock fill dam with a design total plant output of 120 MW and an annual energy production of 510 GWh/y.
- It also comprises a reservoir with a maximum capacity of 106 m<sup>3</sup>. The reservoir is expected to supply water to 19 service centers starting with Magwagwa town and also provide water for irrigation and fisheries.
- **Pres-feasibility study is complete**



# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



## SECTOR: ENERGY

**PROJECT: Nandi Multipurpose Dam Project (Lake Basin Development Authority {LBDA}) – Kisumu**

**INVESTMENT PLAN/COST: - A build-Operate-Transfer model under a PPP agreement where the private partner finances, constructs maintains and transfers the facility to LBDA at the end of an agreed period of time (US\$ - 4Mln)**

## PROJECT INFO/STATUS:

- Involves establishment of a large-Scale Multipurpose Water Réservoir catering for Public / Industrial Water Supply, Irrigation, River Régulations, Flood Control and Power Production (20MW). Promotion and development of Tourism, Inter - Basin Water Transfers, Fisheries, flood control and Downstream Ecosystem Conservation are also components of the Project.
- The project comprises of a 58m high earth/rock embankment dam located in the Nandi Forest. It would impound water with a live storage capacity of 275 Million m<sup>3</sup> and surface area extending to some 12.5 square kilometers. The project will see the irrigation of 16,000 – 17,000 hectares of land in Miwani and Chemelil areas of Kisumu County.
- **Pres-feasibility study is complete**

# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



## SECTOR: ENERGY

**PROJECT:** Webuye multipurpose dam development project (Lake Basin Development Authority {LBDA}) – Bungoma

**INVESTMENT PLAN/COST:** - A build-Operate-Transfer model under a PPP agreement where the private partner finances, constructs maintains and transfers the facility to LBDA at the end of an agreed period of time (US\$ - 60Mln)

## PROJECT INFO/STATUS:

- Comprises the construction of a 54m-earth embankment dam located at 2.5 km upstream of Webuye falls. It also comprises a reservoir with a full supply level with a live Storage of 200x106 cubic meters.
- The dam is expected to supply a single 30MW power station that will ensure rural electrification and value addition of products. Water Supply, Rehabilitation and Stocking of dams for Improvement of Inland Fish are also components of the Project farming, and environmental conservation;
- **Pres-feasibility study is complete**

# Bankable Investment opportunities under the Kenya Vision 2030 ...CONT'



## SECTOR: AGRICULTURE

**PROJECT: Modern & State of the Art Abattoir (Mandera County Government) – Mandera Town**

**INVESTMENT PLAN/COST: - PPP Model (US\$ 1.8Mln)**

## PROJECT INFO/STATUS:

- The project comprises the development of a modern state of the art abattoir with capacity to slaughter over 200 heads of livestock, under Islamic tradition.
- The abattoir will be equipped for product processing/utilization, meat preservation, processing, butchering and development of meat market. Other components include production of biogas from animal waste and solar energy. The project requires 5-10 acres of land.
- **Pres-feasibility study is complete**



# Thank you

**Kenya Private Sector Alliance (KEPSA)  
5<sup>th</sup> Floor, Shelter Afrique Building, Mamlaka Rd  
Nairobi, Kenya.**

**[info@kepsa.or.ke](mailto:info@kepsa.or.ke) / [www.kepsa.or.ke](http://www.kepsa.or.ke)**

**Tel: +254 20 2730374**