



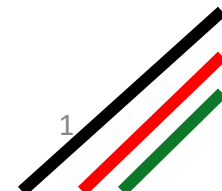
THE NATIONAL TREASURY AND PLANNING with THE UNITED NATIONS, KENYA OFFICE

Investment Opportunities in Kenya

**Presented at the Sustainable Development
Goals (SDG) Fair held 13th -14th April 2021**



SDG PARTNERSHIP PLATFORM
KENYA





Background Information

- Kenya is a presidential representative democratic republic, with a multi-party system. The Constitution of 2010 entrenched a decentralized system of governance, which aimed at devolving power and responsibilities from the centralized system to 47 County governments. According to the Census 2019, Kenya has an area of 580,367 square kilometres with a population of about 47.6 million people, men being 23.5 million and women being 24.1 million.
- The Government is implementing the Third Medium Term Plan (MTP 2018-2022) Kenya Vision 2030 whose theme is *Transforming Lives: Advancing socio-economic development through the “Big Four”*. as well as legal and institutional reforms to be implemented during the period. The plan outlines several programmes and projects to be implemented both at the national and county , all aimed at achieving the Africa Agenda 2063 and the Sustainable Development Goals (SDGs).



Background Information



- The Government of Kenya and the UN Kenya co-created an innovative multistakeholder SDG Partnership Platform, Kenya launched at the UN General Assembly in 2017. It brings together Government, development partners, private sector (including blended financing networks), philanthropy, civil society, and academia, through SDG accelerator windows to catalyze SDG partnerships, investments, and financing to support Kenya's Big-4 Agenda.
- Key government policies to support investment and trade include;
 - Kenya Investment Policy that addresses private investments at the national and county levels.
 - National Export Development and Promotion Strategy that supports export development in Kenya
 - Trade and Investment Plans by County Governments
 - Public Private Partnerships (PPP) Bill 2021 which is set to enhance participation of the private sector in national development and also strengthen & revitalize the Public Private Partnerships (PPP) Programme



Packaging of the Investment Opportunities

The investment opportunities in Kenya are packaged and presented as follows:

1. **Highlights of Investment Opportunities-** These are a sample of 5 projects that shall be presented during this presentation session. High-level information shall be provided on these projects. The projects are in Energy, Health and Agriculture sectors. Two of the 5 projects (those in Health and Agriculture) are directly supported by the ecosystem of the SDG Partnership Platform, Kenya.
2. **A booklet on Key Investment Opportunities in Kenya-** This package containing viable investment opportunities in Kenya's key sectors of the economy i.e. development of infrastructure; generation of power; development of oil, gas and mineral resources; agro-processing; tourism and financial services among others.
3. **The Public Private Partnerships (PPP) Pipeline -** Consists of a list of approved PPP projects, including the stages they have reached in the PPP Project Cycle.

Project packages number No. 2 and 3 shall be posted in the website of the Global Investors for Sustainable Development (GISD). Further Kenya shall be convening investor forums from time to time to apprise them on progress of the projects.



Highlights of Investment Opportunities

HEALTH SECTOR



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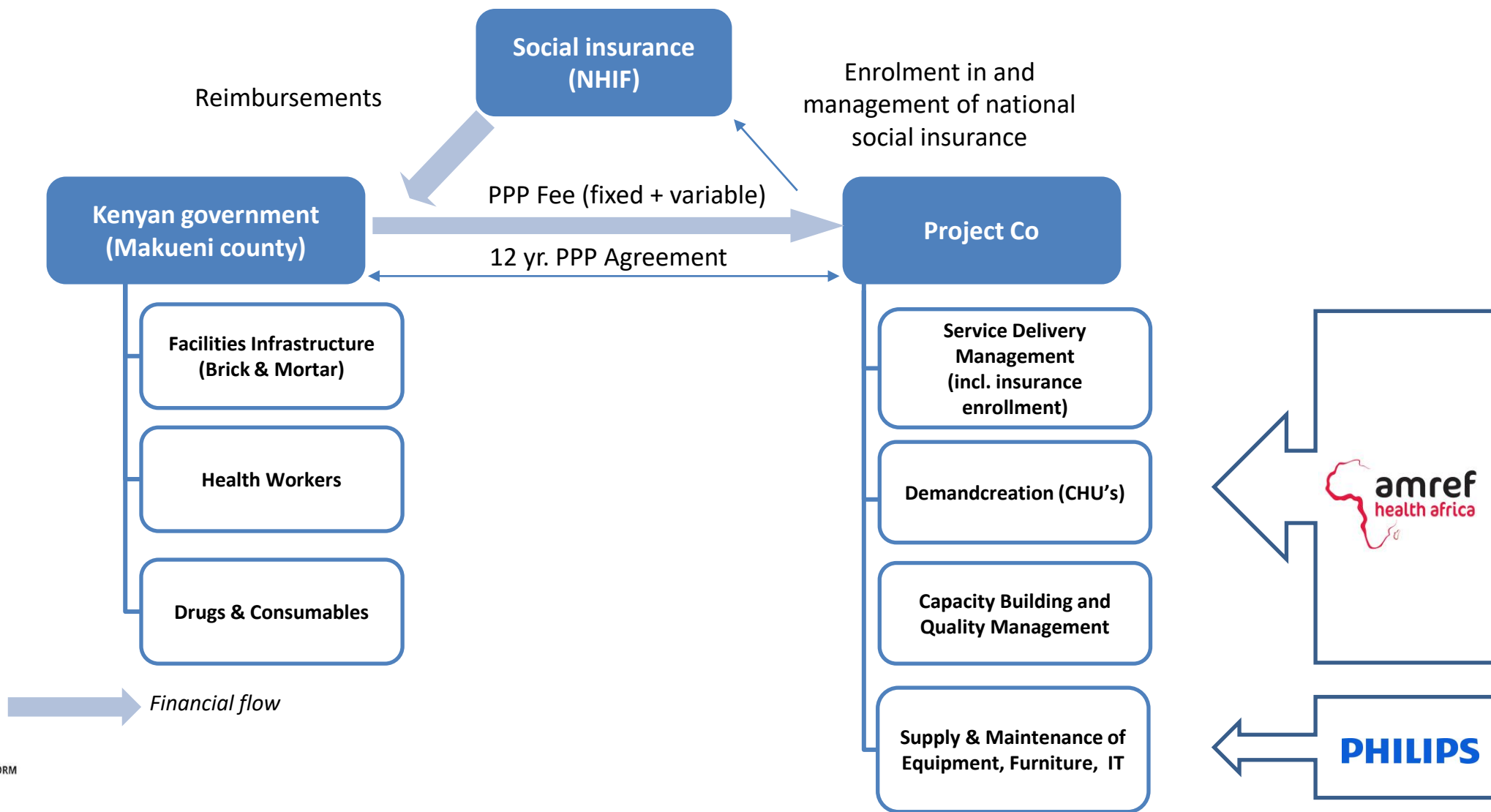


Project No. 1 - Partnership for Primary Healthcare

- Sector: Health
- **Project Aim:** Improve healthcare at the community and primary care level, as well as access to and quality of primary care services in Kenya
- **High Level Project Description:** The Partnership for Primary Care (P4PC) is the first PPP-model for primary care in Africa. The project is set to be submitted for approval as a Privately Initiated Investment Proposal (PIIP) under Kenya's PPP framework.
- **Location:** Makueni County
- **Contracting Agency:** County Government of Makueni
- **Current status of the project :** Feasibility Study has been completed. The Project is set to be submitted shortly for approval Privately Initiated Investment Proposal (PIIP) under the Kenya's PPP framework.
- **Key Partners:** County Government of Makueni, Amref Health Africa, Royal Philips
- **Key SDGs to which the project contributes:** No. 1 (No poverty); No. 3 (Good Health and Well-being); No. 5 (Gender equality); No. 8 (Decent Work and Economic Growth); No. 10 (Reducing inequality); No. 17 (Partnerships for the Goals)

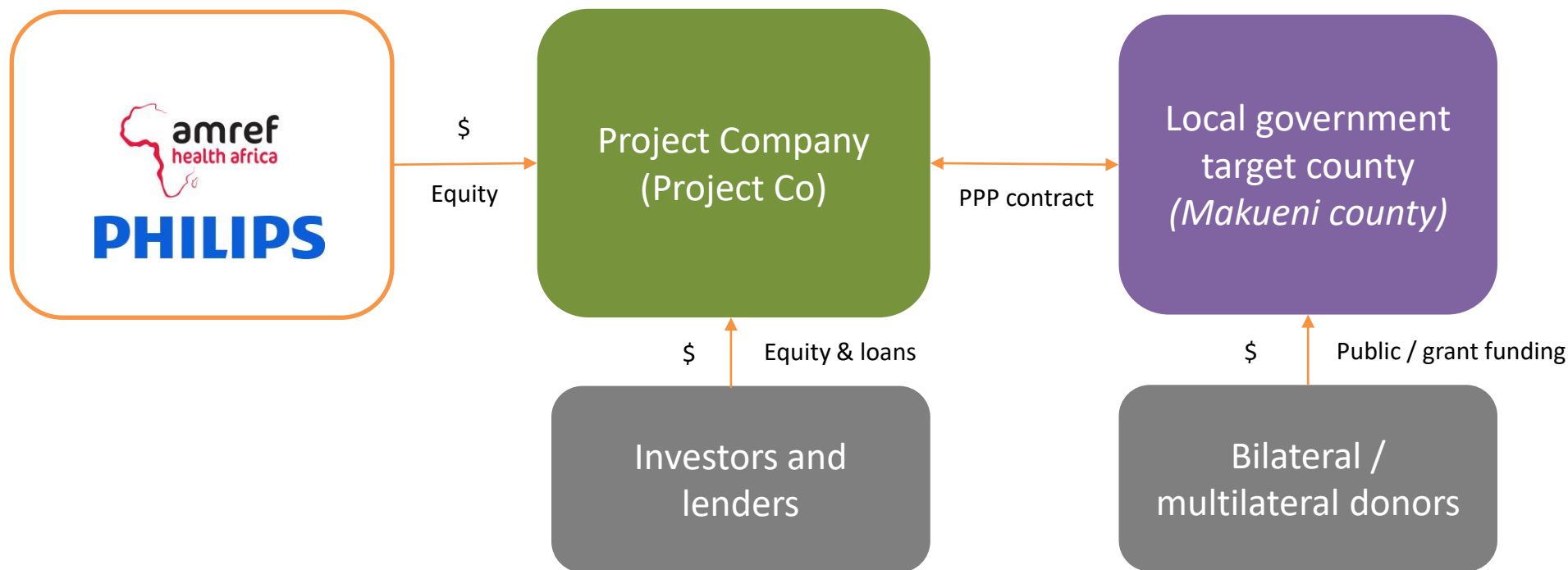


Structure for long-term collaboration, sharing tasks and responsibilities





Project Co as a financial and operational vehicle for implementation



Investment opportunity first phase of scaling (Makueni county)

- Investors: equity funding into Project Co
- Donors: grant funding to (local) government to bridge funding gaps



Project No. 2- Local Manufacture of Vaccines in Kenya

- Sector: Health
- Project Aim: strengthen the country's public health system by contributing to the country's capacity for pandemic preparedness
- High Level Project Description: DAWA Group together with Merck KgaA, proposes to put up the first Human Vaccine production plant in Kenya with a targeted investment of over USD 45 million and projected annual turnover in excess of USD 41million. The project will supply to domestic and export markets, improving vaccine access and creating over 200 quality jobs with 30% being highly skilled
- Project Location: Thika, Kiambu county
- Contracting Agency: Ministry of Health
- Current Status of the Project: Pre-Feasibility Study is ongoing
- Key Partners: Ministry of Health, vaccine manufacturing partners
- Key SDGs to which the project contributes: No. 3 (Good Health and Well-being); No. 8 (Decent Work and Economic Growth); No. 9 (Industry, Innovation, and Infrastructure)

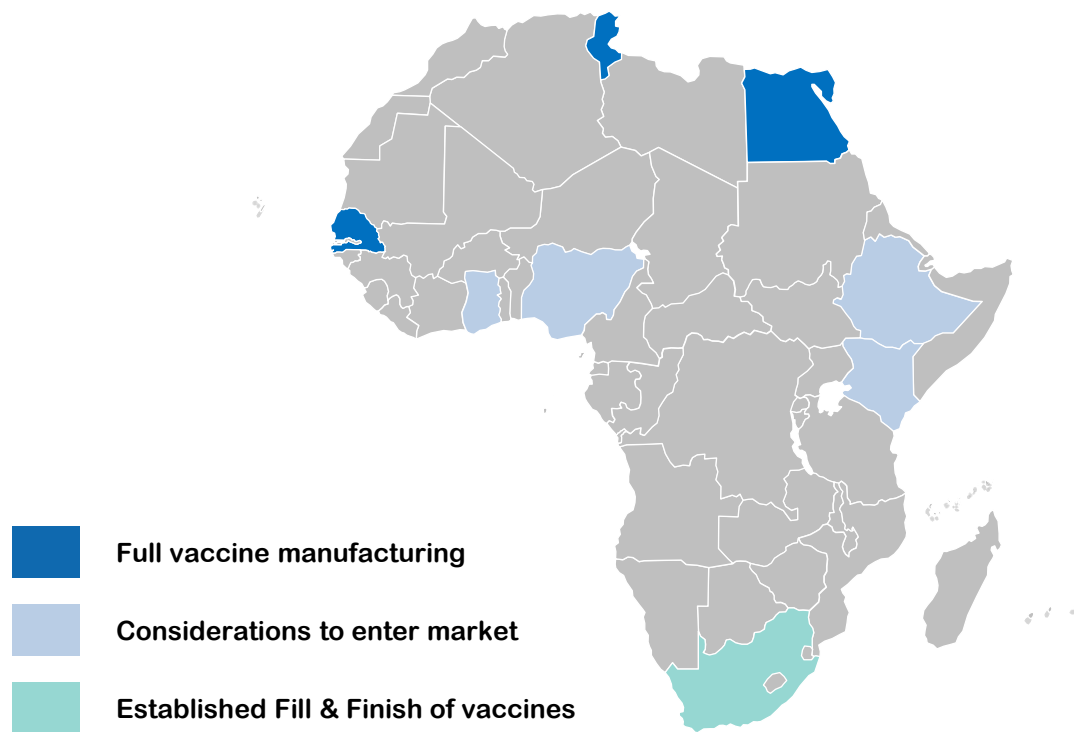


Vaccine landscape

Only 1%¹ of the African vaccine demand is manufactured locally leading to significant capital outflow

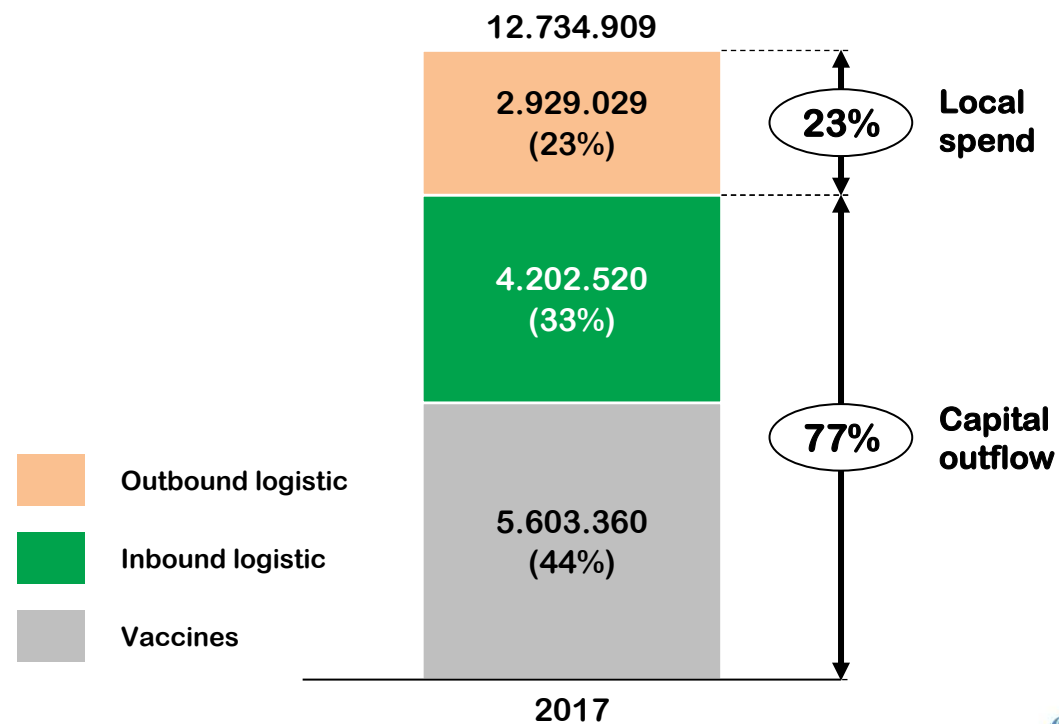
Vaccine manufacturers in Africa

Including go-to-market considerations



Vaccine expenditures split for Kenya²

Expenditures focus on pediatric vaccines excl. HPV incl. TT



1) Source: Africa Vaccine Manufacturing Initiative (AVMI);

2) Cost share provided by MOH; Logistic cost account on average for \$ 0,36 per dose

Roadmap details to start production by 2023

Factory Design and Construction

Designers and contractors start building the factory

Factory Complete

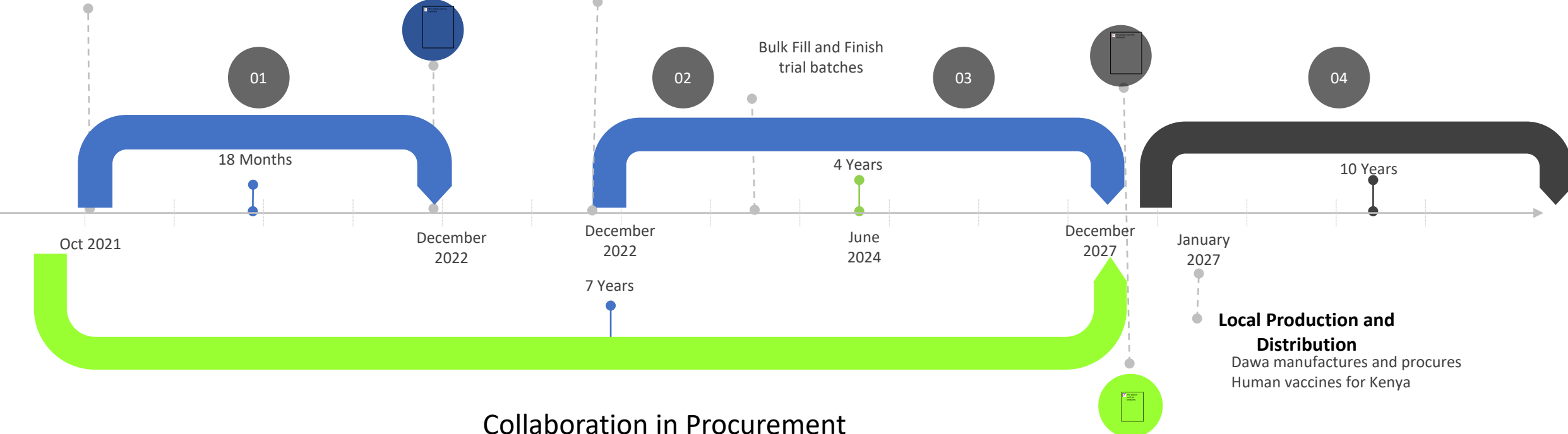
Complete factory build and Equipment Validation

Technology Transfer

Labelling and packaging, QC testing

Commercial Batches

Commercial production of Fill and Finish Batches



Collaboration in Procurement and Distribution

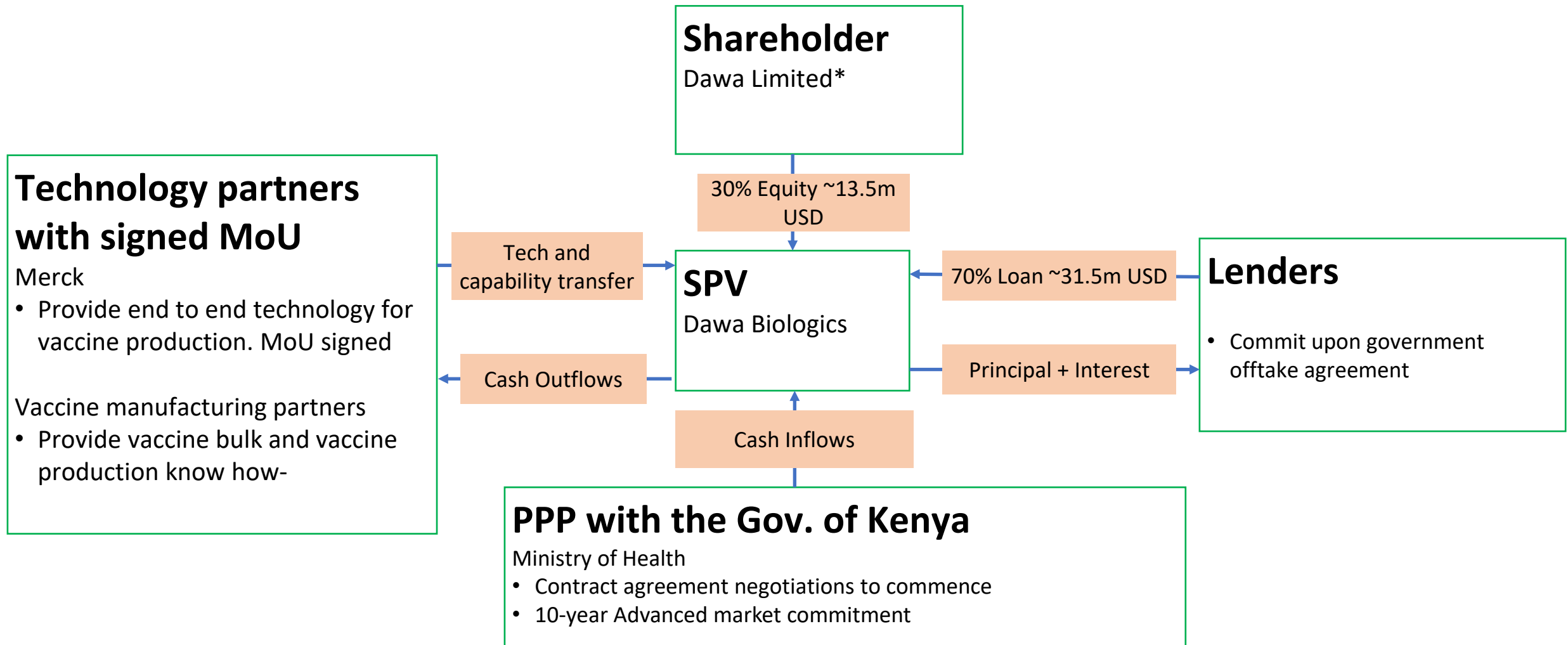
Help streamline and distribution of all Non routine vaccines and Routine vaccines that government fully pay and procure through UNICEF (Non- GAVI Vaccines)

Local Production and Distribution

Dawa manufactures and procures Human vaccines for Kenya

Streamlined Vaccine Supply Chain

TRANSACTION STRUCTURE AND KEY PARTNERS





Highlights of Investment Opportunities

ENERGY SECTOR



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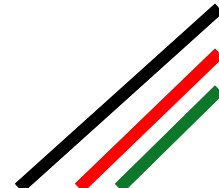
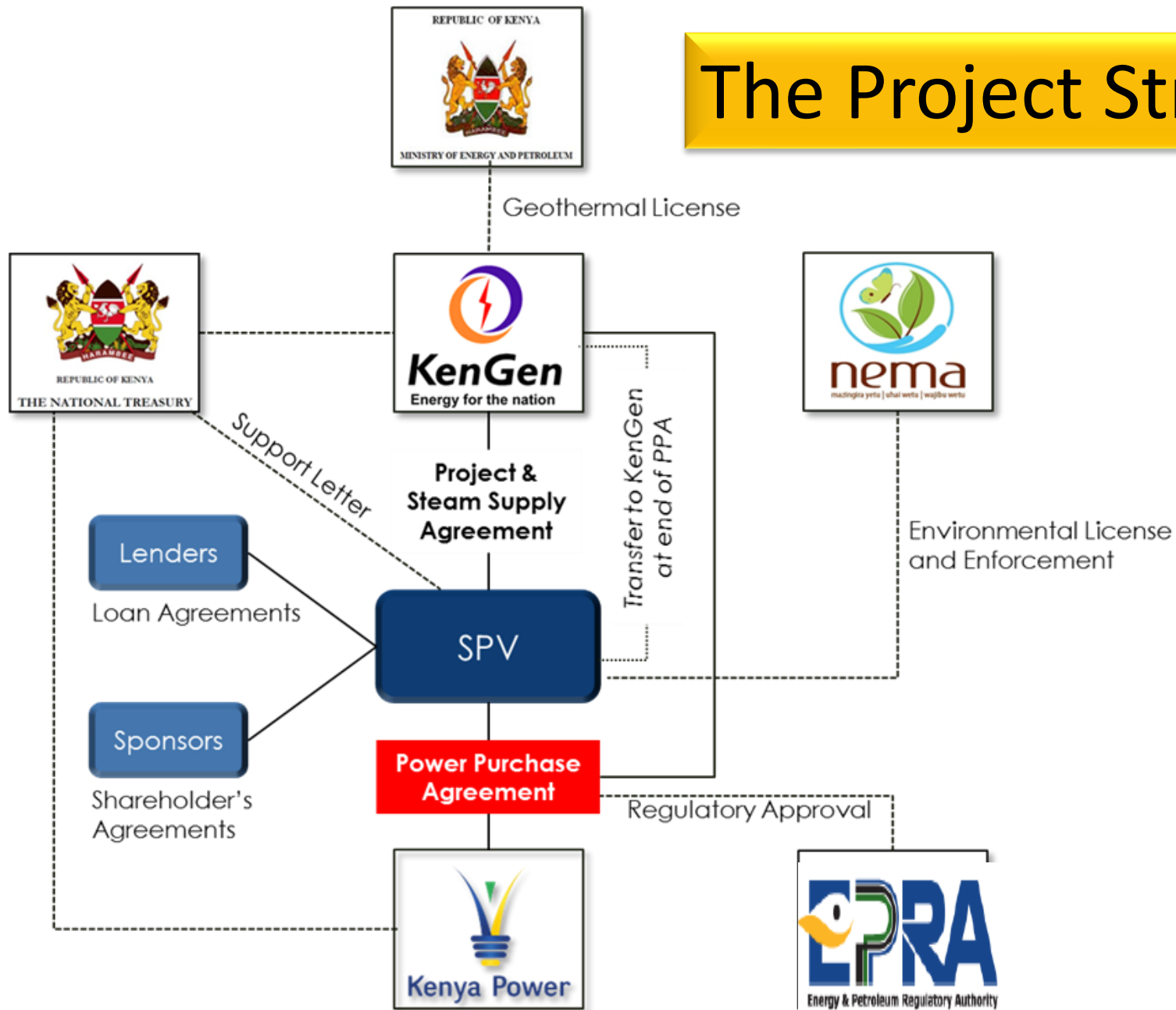


Project No.3 -Olkaria Geothermal PPP Project

- Sector: Energy
- Project Aim: meet Kenya's base load energy needs utilizing Kenya's substantial endowment of geothermal resources
- High Level Project Description: The project encompasses the development of a geothermal power generation project including all support facilities on a Build, Own, Operate, Transfer (BOOT) basis. The project will be developed under a PPP arrangement whereby a Special Purpose Vehicle (SPV) will finance, construct, own and operate the power plant and associated facilities under a 25-year Project Agreement
- Project Location: Naivasha, in Nakuru County
- Contracting Agency: Kenya Electricity Generating Company (KenGen)
- Current Status of the Project : The project is in tender stage of the PPP process
- Key Partners: KenGen. Private sector partners shall be brought on board through a PPP procurement process
- Key SDGs to which the project contributes: No. 7 (Affordable and Clean Energy)



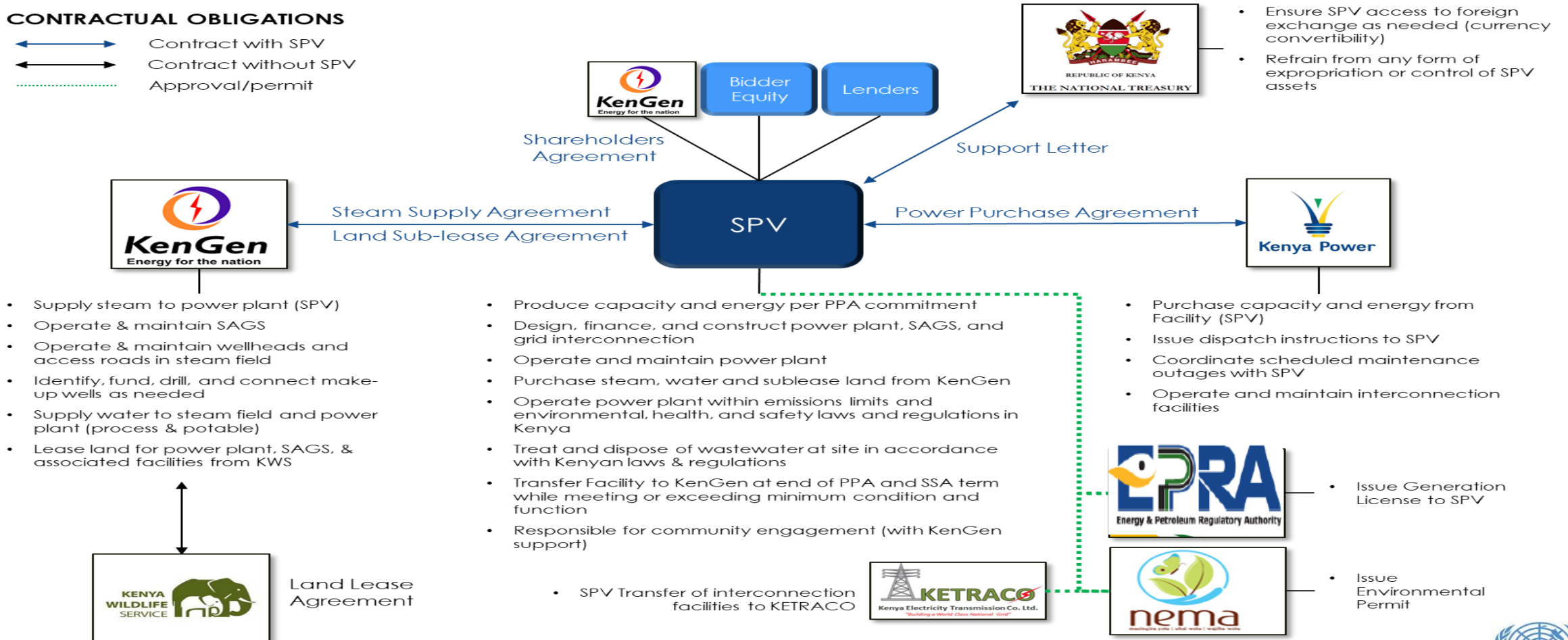
The Project Structure



Olkaria PPP Contractual Structure-Contractual Responsibilities

CONTRACTUAL OBLIGATIONS

-  Contract with SPV
-  Contract without SPV
-  Approval/permit



Note: Lenders Direct Agreement included in RFP; not shown in diagram



Project No. 4- Transmission Grid Expansion Programme

- Sector: Energy
- Project Aim: to contribute substantially to the expansion of the network, strengthening of the grid and evacuation of renewable energy in Kenya
- High Level Project Description: The project comprises of two transmission lines that will be implemented in a Public Private Partnerships (PPP) arrangement. The lines are Rongai – 43KM 220KV Keringet – Chemosit Transmission Line and 53KM 220 KV Kwale- Shimoni Transmission Line
- Project Location: Kwale and Kericho
- Contracting Agency: Kenya Electricity Transmission Company (KETRACO)
- Current Status of the Project : Project proposals finalized. Procurement underway for Transaction Advisor to undertake Feasibility and provide support through to Financial Close
- Key Partners: KETRACO. Private sector partners shall be brought on board through a PPP procurement process
- Key SDGs to which the project contributes : No. 7 (Affordable and Clean Energy)





Highlights of Investment Opportunities

AGRICULTURE SECTOR





Project No. 5- Nyamira Integrated Agro-Industrial Park

- **Sector:** Agro-Industry
- **Project Aim:** Support economic development in Nyamira and surrounding counties through promotion of investment in agro-industries
- **High Level Project Description:** The IAIP will support agro-processing as one of the key sectors that can contribute to industrialization and drive Kenya's economic growth. The agro-park will create a market for agricultural raw materials, allow for integration of small holder farmers, create jobs and overall provide requisite infrastructure for agro- industry development.
- **Project Location:** Nyamira County situated in the Western Highlands of Kenya
- **Contracting Agency:** Nyamira County
- **Current status of the project :** Project Pre-Feasibility is underway
- **Key Partners:** National Government of Kenya, County Government of Nyamira, International and National Financial Institutions; Government of China and other Bi-lateral development partners
- **Key SDGs to which the project contributes:** No. 1(No Poverty); SDG No. 2 (Food security & Nutrition) No. 8 (Decent work and Economic Development); 9 (Industry, Innovation and Infrastructure); No. 17 (Partnerships for the Goals)



Conclusion



- Kenya has a range of investment opportunities development of infrastructure; generation of power; development of oil, gas and mineral resources; agro-processing; tourism and financial services among others.
- The projects are various stages of project development. The Government shall be providing updates to prospective investors periodically as the projects progress.
- Enquiries on the projects can be submitted as follows:
 - (a) Projects directly supported by the SDG Partnership Platform, Kenya- Enquiries can be sent to arif.neky@one.un.org
 - (b) Booklet on Key Investment Opportunities in Kenya- Enquires can be sent to kenyainvestmentopportunities@gmail.com
 - (c) The Public Private Partnerships (PPP) Pipeline - Consists of a list of approved PPP projects, including the stages they have reached in the PPP Project Cycle. Enquiries can be sent to info@pppunit.go.ke



Highlights of Investment Opportunities

THANK YOU



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