

SUMMARY OF VISION 2030 INVESTMENT PROJECTS

1. PREAMBLE

In the last few years Kenya has seen several multinationals establish their African Headquarters' in Nairobi, cementing the Country's role as a gateway to the continent. Kenya's exemplary athletic tradition is well celebrated worldwide; less known is the gains it has made in providing physical and institutional infrastructure for stable investments. It is against this backdrop that the Government has laid out an elaborate programme to take advantage of our presence at the London 2012 Olympics including organizing an Investment Summit to be held on the 31st July, 2012 Mansion House London. The Conference in Partnership with the Lord Mayor of the City of London and the Director General of the Commonwealth Business Council will be showcasing selected high potential and bankable investment projects.

Projects to be presented during the Investment Summit on the 31st July, 2012- Mansion House.

2. ENERGY SECTOR:

The Energy sector has a total of 9 projects of which 5 are ready projects for uptake by Investors and 4 are coming soon.

Investor Ready Projects

	Projects	Promoter
1	2 x 70MW Olkaria V	Kenya Electricity Generating Company (KenGen)
2	Liquefied Natural Gas (LNG) storage and Regasification facility with associated power generation	Ministry of Energy
3	50 MW Turkana Wind	KenGen
4	Transformer Manufacturing	Ministry of Energy
5	Solar PV Panels manufacturing	Ministry of Energy

Coming Soon Projects

	Project	Promoter
1	2 x 140MW Olkaria VI & VIII	KenGen
2	2x 100MW Menengai Phase I-I	Geothermal Development Corporation (GDC)
3	100 MW Wind Energy – Isiolo	KenGen
4	Mombasa Petroleum Trading Hub – Single Buoy Mooring (SBM)	National Oil Corporation of Kenya (NOCK)

1.1. Olkaria V Geothermal Power Generation Plant (2X70 MW)

Promoter:	Kenya Electricity Generating Company (KenGen)
Estimated Investment:	US \$ 504 Million
Private sector Participation:	Joint Venture
Location:	Naivasha

KenGen is seeking a joint venture partner to build a geothermal power plant in Naivasha. Drilling is currently taking place, 86 MW of steam is already available and the rest of the wells will be ready by 2014.

1.2. Isiolo 50MW Wind Power by 2016

Promoter:	Kenya Electricity Generating Company (KenGen)
Estimated Investment:	US \$150 Million
Private sector Participation:	Joint Venture
Location:	Isiolo

The short-term development comprises of 25 wind turbines, V80/2.0 resulting in an installed capacity of 50MW. The financing of the project can be anchored in a long- term power purchase agreement with the Kenya Power and Lighting Company.

1.3. Liquefied Natural Gas (LNG) storage and Regasification facility with associated power generation

Promoter:	Ministry of Energy
Estimated Investment:	US\$ 380 Million (Import handling, storage, regasification and compression facility) US\$ 450 Million (450MW Power plant for a combined cycle 2 x 150 MW gas turbines and 150MW steam turbine)
Private sector Participation:	30 year concession for the LNG facility and a 20 year Power purchase agreement for a Build Own Operate plant with additional time for decommissioning and land restoration
Location:	Dongo Kundu, Mombasa

The project has two components. One component involves the establishment of a jetty, storage and the re-gasification facilities. The other component will be the development of power generation plant through a partnership between KenGen and the private sector.

1.4. Transformer Manufacturing by 2014

Promoter:	Ministry of Energy
Estimated Investment:	US \$ 60 Million
Private sector Participation:	Joint Venture with KPLC / Build own operate
Location:	Investor Determined

This is an import substitution and capacity building project with the potential for export. The project aims to put up a Transformer Manufacturing Factory, which will enable short delivery time and reduced cost of inspection and acceptance testing and technology transfer, among other benefits. A total of 20,000 distribution transformers will be required annually and this number is expected to grow further given that power connectivity in Kenya stands at only 20%. There is a significant potential for export market in the East and Central African region.

1.5. Solar PV Panels Manufacturing by 2014

Promoter:	Ministry of Energy
Estimated Investment:	US \$ 40 Million (US\$30 for CAPEX and US\$10 for materials)
Private sector Participation:	Build Own Operate
Location:	Investor Determined

This project seeks the establishment of a Solar PV Panel manufacturing plant in Kenya. This is supported by a vibrant solar energy market that has developed in Kenya over the years for providing electricity to homes and institutions remote from the national grid. Initial market demand is about 2 MW Peak and this presents a great opportunity to investors in PV panel manufacture in Kenya. This proposed investment would have a competitive edge, as it would benefit from the 19% preferential bias applicable in public procurements.

1.6. Mombasa Petroleum Trading Hub- Single Buoy Mooring (SBM)- Coming soon

Promoter:	National Oil Corporation (NOCK)
Estimated Investment:	US \$400m Million
Private sector Participation:	Joint Venture
Location:	Mombasa

The Trading hub will be a modern petroleum terminal comprising of two offshore petroleum jetties with one dedicated to loading/offloading of crude oil and black fuels. 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 300,000 MT. The project aims at improving supply security and reducing the cost of supply.

3. TRANSPORT SECTOR:

The Transport sector has a total of 4 that are ready projects for uptake by Investors.

	Investor Ready Projects	Promoter
1	Nairobi Commuter Rail	Kenya Railways
2	Railway cities	Kenya Railways
3	Lamu Port (LAPSSET)	KPA
4	Thika Toll Road	KenHA

3.1. Nairobi Commuter Rail

Promoter: Kenya Railways Corporation
Estimated Investment: US\$ 68Million (Private Equity) and US\$ 70Million (Private Debt)
Private sector Participation: Concession
Location: Nairobi

This project seeks a partner to run the commuter service of the Nairobi Commuter Rail and this will include provision of rolling stock. 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.

3.2. Railway Cities

Promoter: Kenya Railways Corporation
Estimated Investment: US\$ 2,150 Million
Private sector Participation: Joint Venture
Location: Nairobi, Mombasa, and Kisumu

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.

3.3. Lamu Port (LAPSSET- Lamu Port Southern Sudan Ethiopia Transport Corridor Project)

Promoter: Kenya Ports Authority (KPA)
Estimated Investment: US\$ 664 Million
Private sector Participation: BOT
Location: Lamu

The Project aims to achieve the construction of 3 additional berths and a draft of 18 meters to accommodate bigger ships of 100,000 tons and more. The first 3 berths are under construction through the funding by Government. The port will be linked by Ethiopia and South Sudan through a road network and a standard gauge railway line via Garissa, Isiolo, Maralal, Lodwar and Lokichogio.

3.4. Thika Toll Road

Promoter: Kenya National Highways Authority (KenNHA)
Estimated Investment: US\$ 56 Million
Private sector Participation: Concession
Location: Nairobi - Thika Highway

The highway serves numerous large Commercial and Industrial enterprises and rapidly growing real estate zone. The 52 km long high capacity expressway is part of the International Trunk Road linking Kenya to Southern Africa through Tanzania and Northern Africa through Ethiopia. It connects high potential industrial and commercial centres in Central parts of Kenya to the regional highway backbone (Northern Corridor), Kenya’s International Airport, and three (3) major city arterial roads. The highway will enable smooth dispersal of traffic within the greater Nairobi metropolitan area.

4. ICT SECTOR

4.1. Konza Technology City

Promoter: The Kenya ICT Board
Estimated Investment: US\$ 2.3B
Private sector Participation: Concession
Location: Machakos

Konza Technology City will be developed on a Greenfield site 60kms from Nairobi, easily accessible via the major Mombasa-Nairobi highway. Kenya’s vision for the project, centrally positioned within a regional population hub of 110 million, is to create 200,000 in business processing outsourcing services and related sectors over 20 years.

5. TOURISM SECTOR

Investor Ready Projects

	Projects	Promoter
1	Eco Lodges and Tourism Adventure Facilities	KWS
2	Revolving Restaurant	KICC

5.1. Eco Lodges and Tourism Adventure Facilities

- Promoter:** Kenya Wildlife Service
- Estimated Investment:** US\$ 2 Million (Eco Lodge)
US\$ 15 Million (Adventure Facilities)
- Private Sector Participation:** Build Operate Transfer
- Location:** Eco Lodges: Sibiloi, Ndere Island, Hells Gate, Tsavo West, Chyullu Hills, Marsabit, Mount Elgon, Malindi
Cable cars: Mt.Kenya and Aberdare National Parks.

KWS will license private investors to establish small eco tourism accommodation facilities within the parks and reserves. Each property will consist of units with a minimum of 10 beds and a maximum of 40 beds. The facilities will fall under different categories from simple thatched cottages, tented camps to tree top eco lodges. Facilities will be constructed in an area of 5 – 20 acres depending on the number of beds. In addition various activities to increase the spectrum of the tourism product portfolio in adventure tourism. These projects will ensure increase in bed capacity to match international arrivals, improve the tourism product alongside opening less visited parks within the country.

5.2. Revolving Restaurant

- Promoter:** Kenyatta International Convention Centre (KICC)
- Estimated Investment:** US\$ 3M
- Private sector Participation:** Build Operate Transfer with leasing option
- Location:** Nairobi

The KICC hosts over 400,000 local and international delegates per year. Kenya’s premier conference centre seeks to refurbish its revolving restaurant. The proposed financing arrangement is Build Operate Transfer with leasing options.

Coming Soon Projects

	Coming Soon	Promoter
1	Isiolo Resort City	Ministry of Tourism
2	Marina Development	KTDC
3	Masinga Eco Tourism Project	TARDA
4	Mombasa International Convention Centre	KTDC
5	Kilifi Resort City	Ministry of Tourism
6	Diani Resort City	Ministry of Tourism

7	Amusement Park and 5 star hotel	Bomas of Kenya
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6. REAL ESTATE- RECREATION, SPORTS, TOURISM AND HERITAGE SOCIAL INFRASTRUCTURE

	Ready Projects	Promoter
1	Nairobi Galleries	National Museums of Kenya
2	International Sports Academy	Sports Stadia Management

	Coming Soon	Promoter
1	Eden; Cradle of Mankind	National Museums of Kenya

6.1. Nairobi Galleries -

Promoter:	National Museums of Kenya
Estimated Investment:	US\$ 2.4 Million
Private sector Participation:	Financing of the Galleries
Location:	Nairobi

The museum will have an additional of 7 galleries which will greatly contribute to improvement of domestic and international tourism as more local and foreign nationals come to museums to study, appreciate and enjoy history, culture and nature presented in the state of art and innovative displays. With funding to a tune of 8 Million Euros from the European Union, refurbishment of the Nairobi National Museum currently has a total of 4 permanent galleries and exhibitions

6.2. International Sports Academy

Promoter:	Sports Stadia Management
Estimated Investment:	US\$ 56 Million
Private sector Participation:	Joint Venture
Location:	Nairobi

The project aims at being an international centre for excellence in training, research and consultancy services in sports, attracting international sports persons as well as local sporting bodies for training camps or specific team preparations. Commercial facilities to support sustainability of the academy will include 5-star Sports Hotel, apartments for medium and long stays and lots of sports facilities.

7. AGRICULTURE

	Projects	Promoter
1.	Establishment of Fertilizer Plant	Ministry of Agriculture
2.	Privatization of Sugar Factories	Ministry of Agriculture
3.	LAPSSET Corridor Projects	Ministry of Agriculture
	3.1 Establishment of new sugar processing factory	
	3.2 Establishment of a Mango processing factory	
	3.3 Establishment of Beef Industry	
4.	Rice Irrigation Scheme	TARDA

7.1. Establishment of Fertilizer Plant

Promoter:	Ministry of Agriculture
Estimated Investment:	US\$ 393 Million
Private sector Participation:	Greenfield
Location:	Investor Determined

Total investment cost is estimated to be US\$393Million with Production capacity of 700,000MT of DAP and CAN per annum.

7.2. Privatization of Sugar Factories

Promoter:	Ministry of Agriculture
Estimated Investment:	TBD
Private sector Participation:	Greenfield
Location:	Chemilil, Muhoroni, Miwani, Nzoia

This will involve the privatization of five sugar companies namely; Chemilili, Muhoroni, Miwani, Nzoia and Sony. This will require sourcing of Private Strategic Investor with majority shares that will inject the capital to expand and improve performance to make the sugar industry in Kenya more competitive.

7.3. LAPSSET Corridor Projects

The development of LAPSSET Corridor has created three (3) investment opportunities in agriculture both in the short term and long term. These are;

7.3.1. Establishment of Sugar Factory

Promoter: Ministry of Agriculture
Estimated Investment: US\$ 339 Million
Private sector Participation: Greenfield
Location: LAPSSET Corridor

This will involve the investment in the sugarcane production and processing. It will produce 150,000 MT of sugar per year and generate thirty (30) megawatts of electricity.

7.3.2. Establishment of Mango Production and Processing

Promoter: Ministry of Agriculture
Estimated Investment: US\$ 30.2 Million
Private sector Participation: Greenfield
Location: LAPSSET Corridor

This will involve investment in Mango production and processing by the end of five (5) years.

7.3.3. Establishment of Beef Industry

Promoter: Ministry of Agriculture
Estimated Investment: US\$ 5.4 Million
Private sector Participation: Greenfield
Location: LAPSSET Corridor

This will involve the investment into production and processing of cattle, reaching 16,000 head by Year 5 of operations, up from 2,000 head currently.

7.4. Rice Irrigation Scheme

Promoter:	TARDA
Estimated Investment:	US\$ 89.5 Million
Private sector Participation:	Joint Venture / BOT
Location:	Tana Delta

The Tana Delta Irrigation project expansion works involves extension of 2000 ha to 10,000 ha. This project involves Irrigation infrastructure, river training and flood protection dykes works construction and operation and maintenance

8. CONTACTS

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