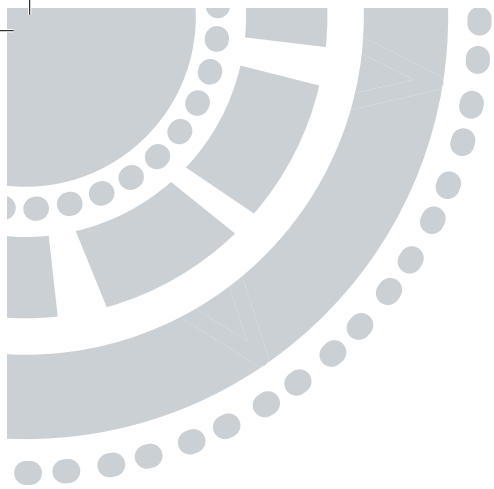


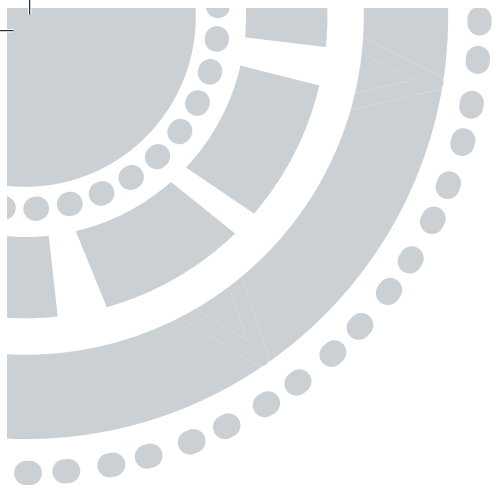


Management and Operation of Select Ports: Kenya



MITI
MINISTRY OF INVESTMENTS,
TRADE & INDUSTRY





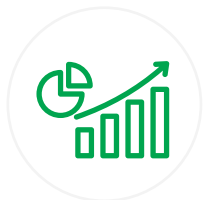
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Why Kenya



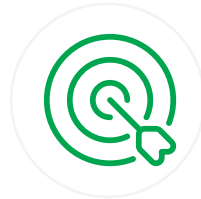
3rd largest
economy in sub-Saharan Africa.



US\$ 110.35 Bn
7.5% growth
Dominant economy in EAC
≈46% of EAC's GDP.



US\$ 2,081.8
+75% growth since 2010
Growing middle-class with an
increasing appetite for high-value
goods and services.



- Regional economic hub
- Host to over 200 Multinational Corporations with regional & continent-wide HQs in Nairobi
- Robust financial system
 - 43 banking institutions
 - 9 representative offices of foreign banks,
 - 13 Microfinance Banks,
 - 3 credit reference bureaus
 - 19 Money Remittance Providers
 - 73 forex bureaus

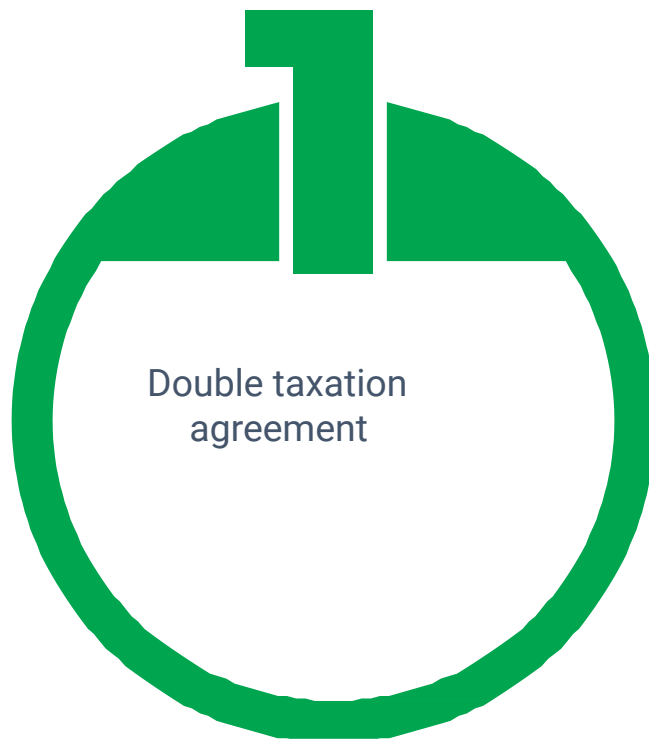


- Africa's UN HQs (UNON) which is one of four main UN secretariat duty stations globally.
- Global headquarters of UNEP and UN-Habitat, together with a joint presence of 23 other UN Agencies.

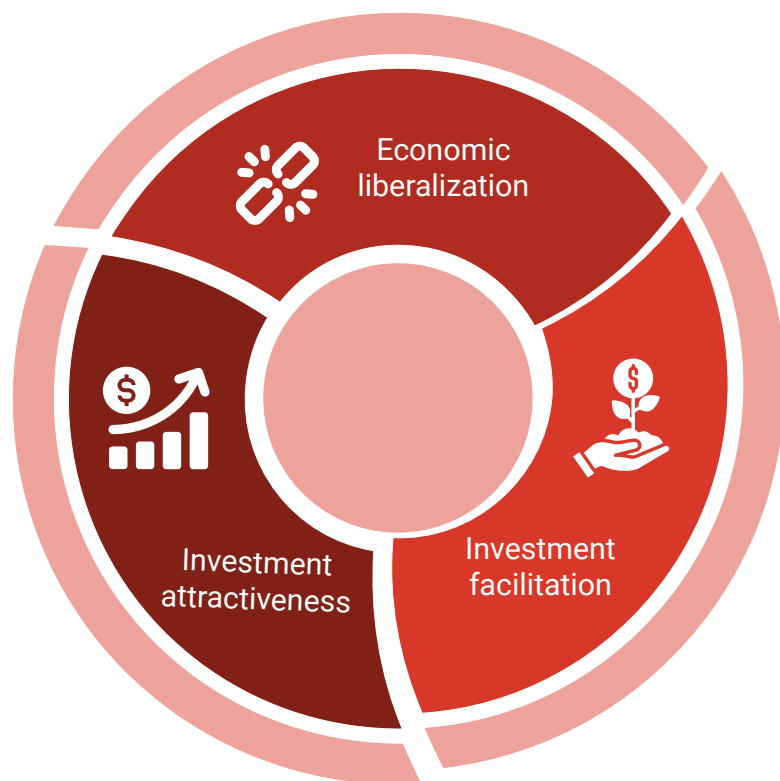


- Communications & Logistics hub of the region
- Access to regional transport corridors.
 - 4 international airports
 - 2 sea ports and 2 ICDs
 - 30-freight and 2-passenger rail services daily between Nairobi and Mombasa.

Existing Bilateral Trade Treaties with Kingdom of Saudi Arabia



The Investment Environment is Conducive



Source: World Bank, UNCTAD, CBK, KNBS

1

- Guaranteed repatriation of capital and profits
- Constitutional protection against expropriation
- Investment guarantee against non-commercial risks: ICSID, MIGA and ATIA

2

- One stop shop facilitation
- Periodic Presidential roundtables with private sector
- Digitization of government services
- Facilitative Industrial zone programs - EPZs & SEZs

3

- Political and macroeconomic stability.
- High labour productivity: a large pool of youthful, trainable and literate workforce
- Globally competitive:
 - 56th in the Ease of Doing Business
 - 1st for five years in a row in financial inclusion
 - 1st globally in protection of minority investors
 - Nairobi – Africa's leading business travel destination and hub for impact investors.
 - 2nd in Africa in the logistics performance index

Wide Market Access & Good Trade Relations



US\$ 17.43 Bn
Total Imports



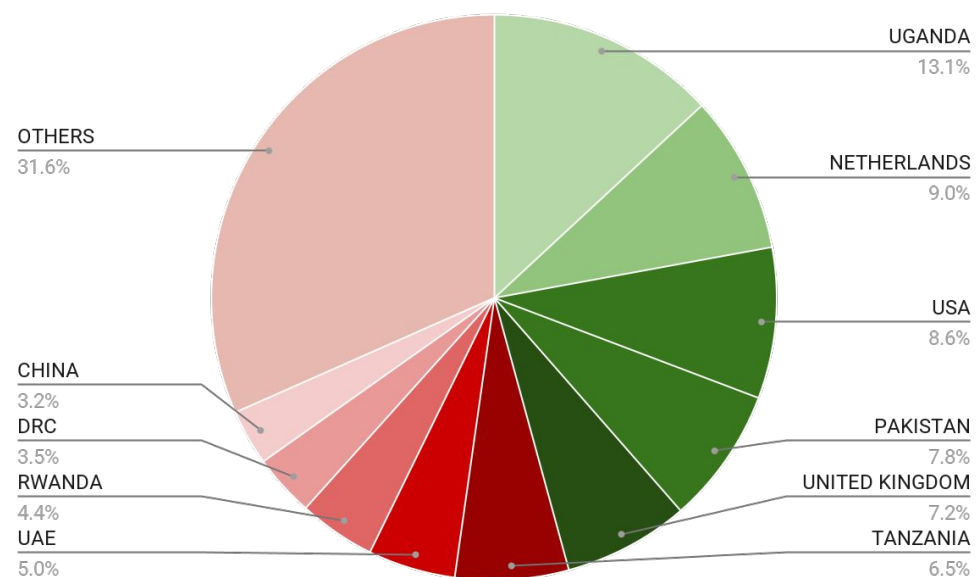
US\$ 6.09 Bn
Total Exports

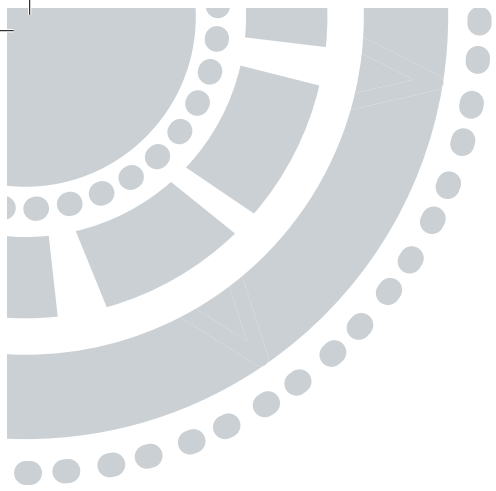
Preferential Trade Agreements

1.7Bn ~ US\$ 40Tn
Population Market value



Kenya's untapped
export potential ~ US\$ 4.1 Bn (ITC)



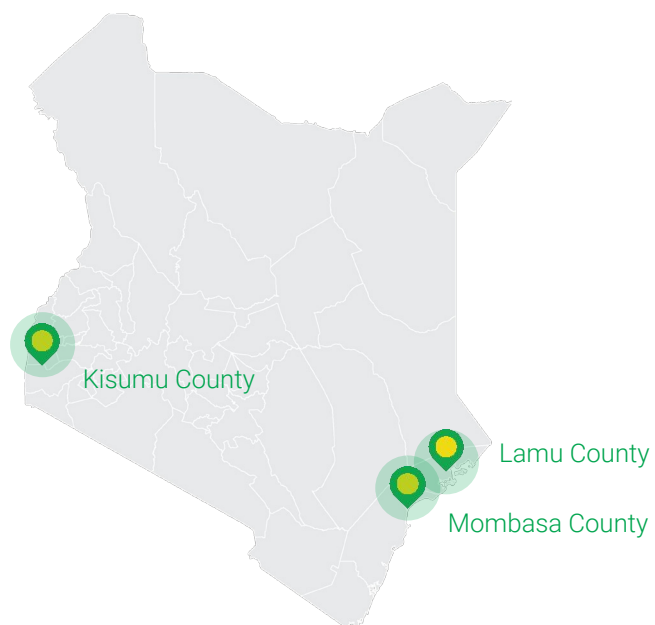


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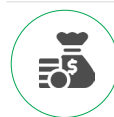
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Executive Summary

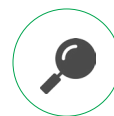
Project Name: **MANAGEMENT AND OPERATION OF SELECT PORTS IN KENYA**



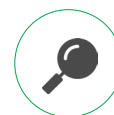
IMPLEMENTING AGENCY: **KENYA PORTS AUTHORITY AND LAPSSET CORRIDOR DEVELOPMENT AUTHORITY (LCDA)**



INVESTMENT ENGAGEMENT: **PUBLIC PRIVATE PARTNERSHIP (PPP)**



SUMMARY OF THE PROBLEM: **PORK CONGESTION IN MOMBASA AND DAR ES SALAAM PORTS**



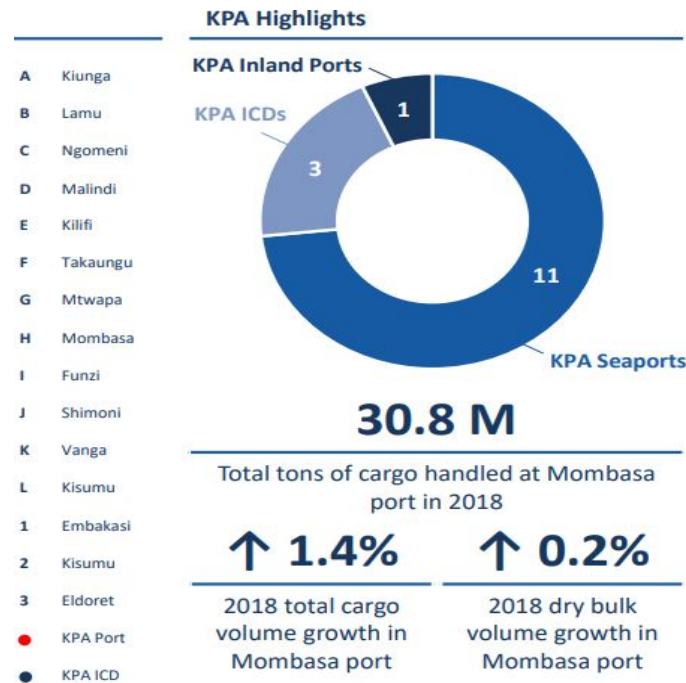
REASON FOR INVESTMENT: **FACILITATION OF IMPORT AND EXPORT TO MEET GROWING DEMAND**

Project Implementing Agencies

Kenya Airports Authority (KAA):

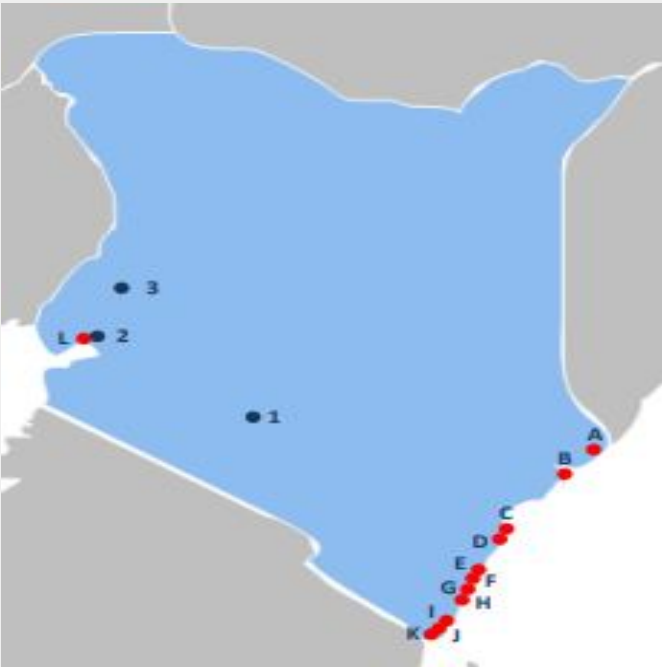
Pursuant to article 12 of the KPA Act (2014), the Kenya Ports Authority (KPA) has the power maintain, operate, improve, and regulate the ports set forth in the second schedule of the KPA Act.

Pursuant to subsection n of the same Act, the KPA has the power to enter into agreements with third parties for the provision of any of the facilities or services that are mandated to the KPA through the KPA Act. This includes the development and operations of ports and terminals under the jurisdiction of the KPA. The KPA manages 11 ports along the Kenyan coast, as well as an inland port at Kisumu. Additionally, the KPA manages 3 inland container depots.



LAPSSET Corridor Development Authority (LCDA)

The LAPSSET Corridor Development Authority (LCDA) was established in March 2013. As an overarching development agency for the full LAPSSET corridor, LCDA mandate is to plan, coordinate and sequence LAPSSET corridor projects in collaboration with implementing ministries and agencies.



Problem Statement

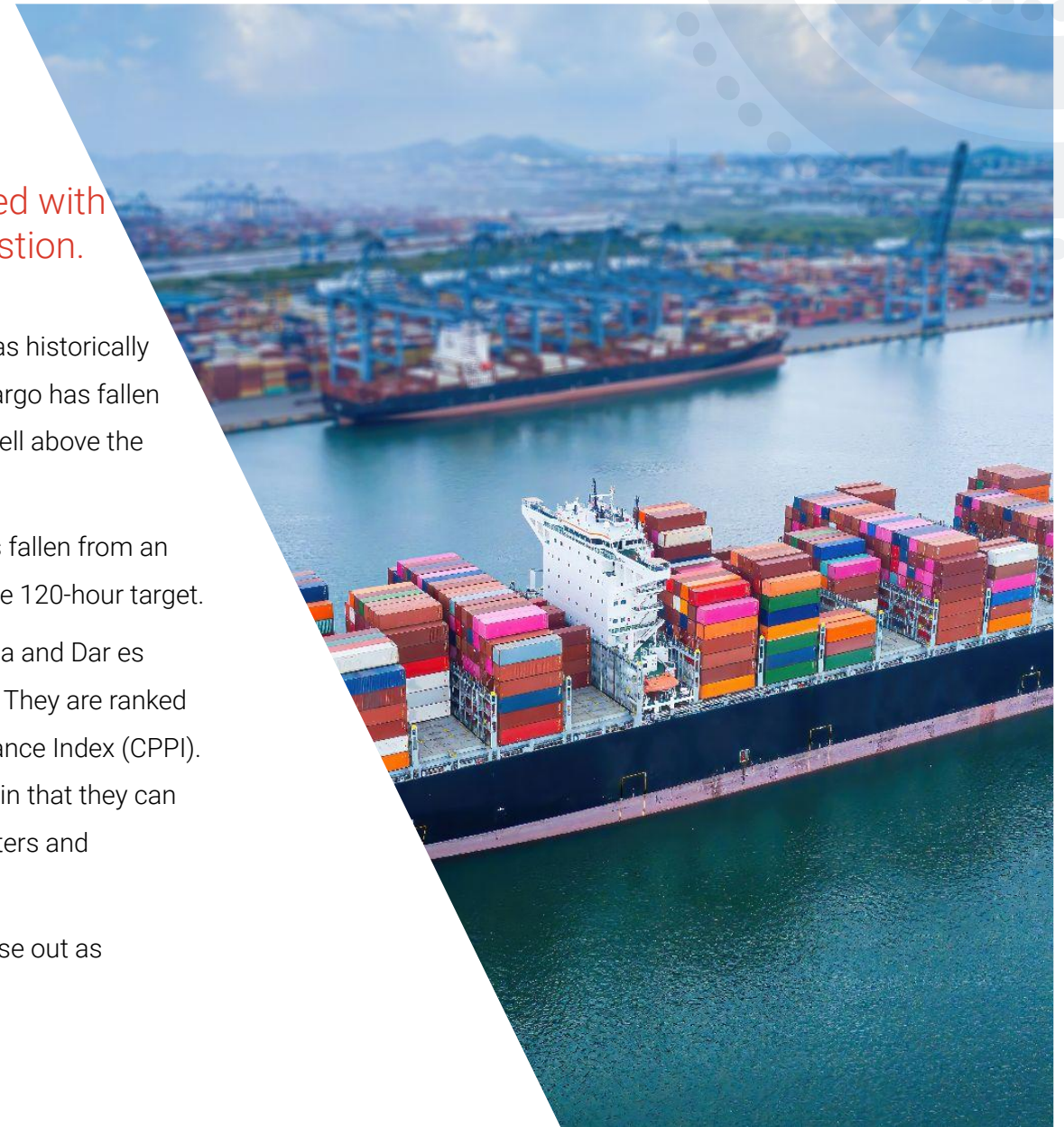
The port of Mombasa and Dar es Salaam are confronted with the reality that many first-generation ports face: Congestion.

As a result, the dwell time of containerised and non-containerised cargo has historically been high. The port of Mombasa's average dwell time for containerised cargo has fallen from 124 hours in January 2015 to 60 hours in March 2022 but remains well above the 72-hour target.

The port of Dar es Salaam average dwell time for domestic containers has fallen from an average 239 hours in 2013 to 133 hours in 2021 but remains well above the 120-hour target.

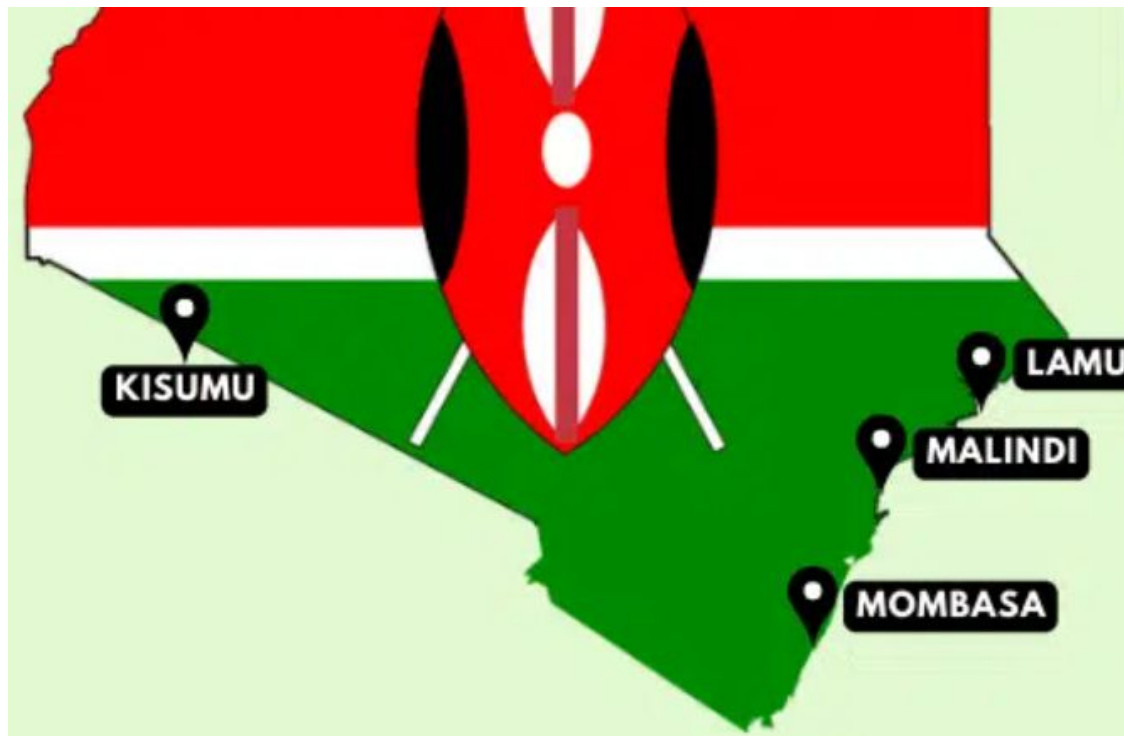
As a consequence, the region's busiest ports by cargo handled — Mombasa and Dar es Salaam — are still a far cry from gateways in the Middle East, for example. They are ranked 293 and 362, respectively, out of 370 in the global Container Port Performance Index (CPPI). Inefficient ports represent a significant risk for many developing countries in that they can hinder economic growth, harm employment, and increase costs for importers and exporters.

Ports that shun partnerships with experienced foreign players are set to lose out as competition for market share intensifies.



Opportunity and Value Proposition

An opportunity for potential investors to invest in the management and operation of the ports is open



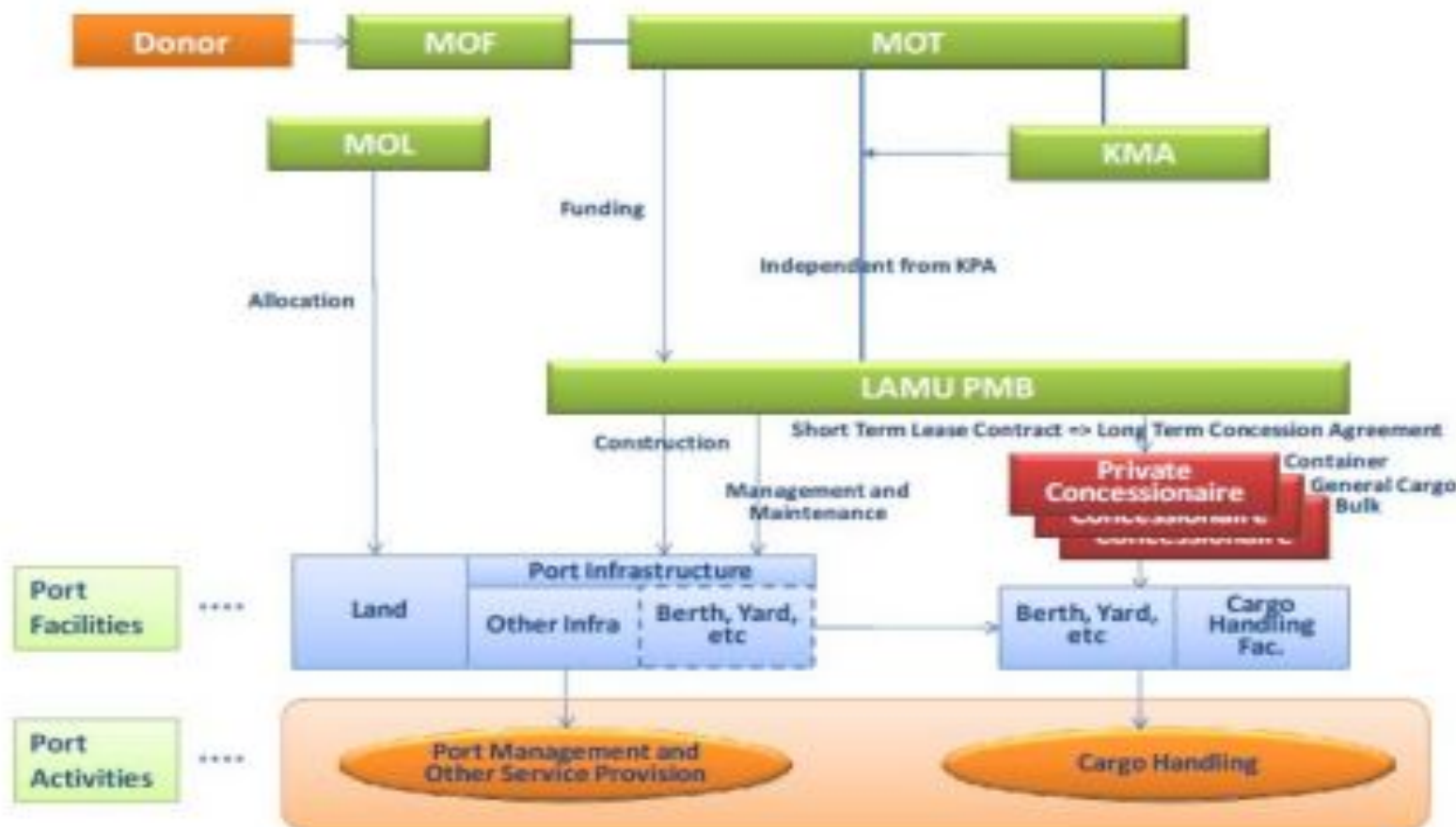
The opportunity involves the management and operation of **select** ports under the **Landlord-type port management system**.

The ports will be leased/concessioned to private operators to secure the maximum operational and financial efficiency to compete with other ports in the neighboring countries.

1. **Port of Lamu:** 24 Berths to be operated under PPP (3 developed 20 to be developed).
2. **Shimoni Fisheries Port:** To be operated under PPP (Artisanal fishing Port developed, Industrial Fishing Port to be developed)
3. **Dongo Kundu Port:** 6 new berths to be developed and operated under PPP.
4. **Kisumu Port :** To be operated under PPP 5. Kilindini Harbour :To be operated under PPP

Organization of the proposed Landlord-type Port Management System

The Port Management Body (PMB) develops, owns and maintains infrastructure but actual terminal operations are privatized by lease/concession contract(s) to private operator(s)

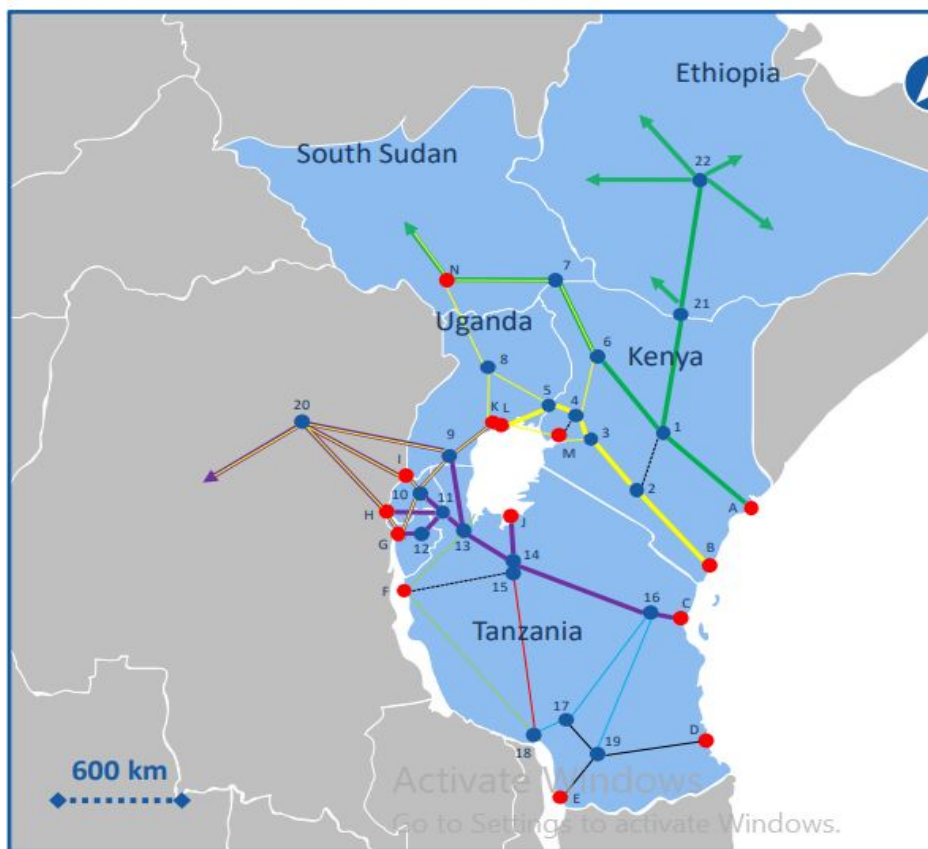


- MOF -Ministry of Finance
- MOT - Ministry of Transport
- MOT - Ministry of Lands
- KMA - Kenya Maritime Authority
- PMB - Port Management Body

The ports Strategic fit to the East African Transport Corridor System

The ports will complement the existing regional corridors by providing high quality entry points to northern Kenya, southern Ethiopia and South Sudan

The East African Transport Corridor System



Connecting Infrastructure

LAPSSET Corridor

Northern Corridor

Central Corridor

Tanzam Corridor

Mtwara Corridor

Western Corridor

Ports

A. Lamu	H. Rusizi
B. Mombasa	I. Rubavu
C. Dar es Salaam	J. Mwanza
D. Mtwara	K. Bukasa
E. Mbamba Bay	L. Port Bell
F. Kigoma	M. Kisumu
G. Bujumbura	N. Juba

Key Nodes

1. Isiolo	12. Gitega
2. Nairobi	13. Nyakanazi
3. Nakura	14. Isaka
4. Eldoret	15. Tabora
5. Malaba	16. Morogoro
6. Lodwar	17. Makambako
7. Nakadok	18. Mbeya
8. Gulu	19. Songea
9. Mbarara	20. Kisangani
10. Kigali	21. Moyale
11. Rusumo	22. Addis Ababa

Existing Capacity of Major ports: Mombasa, Lamu, Dar es salaam & Djibouti

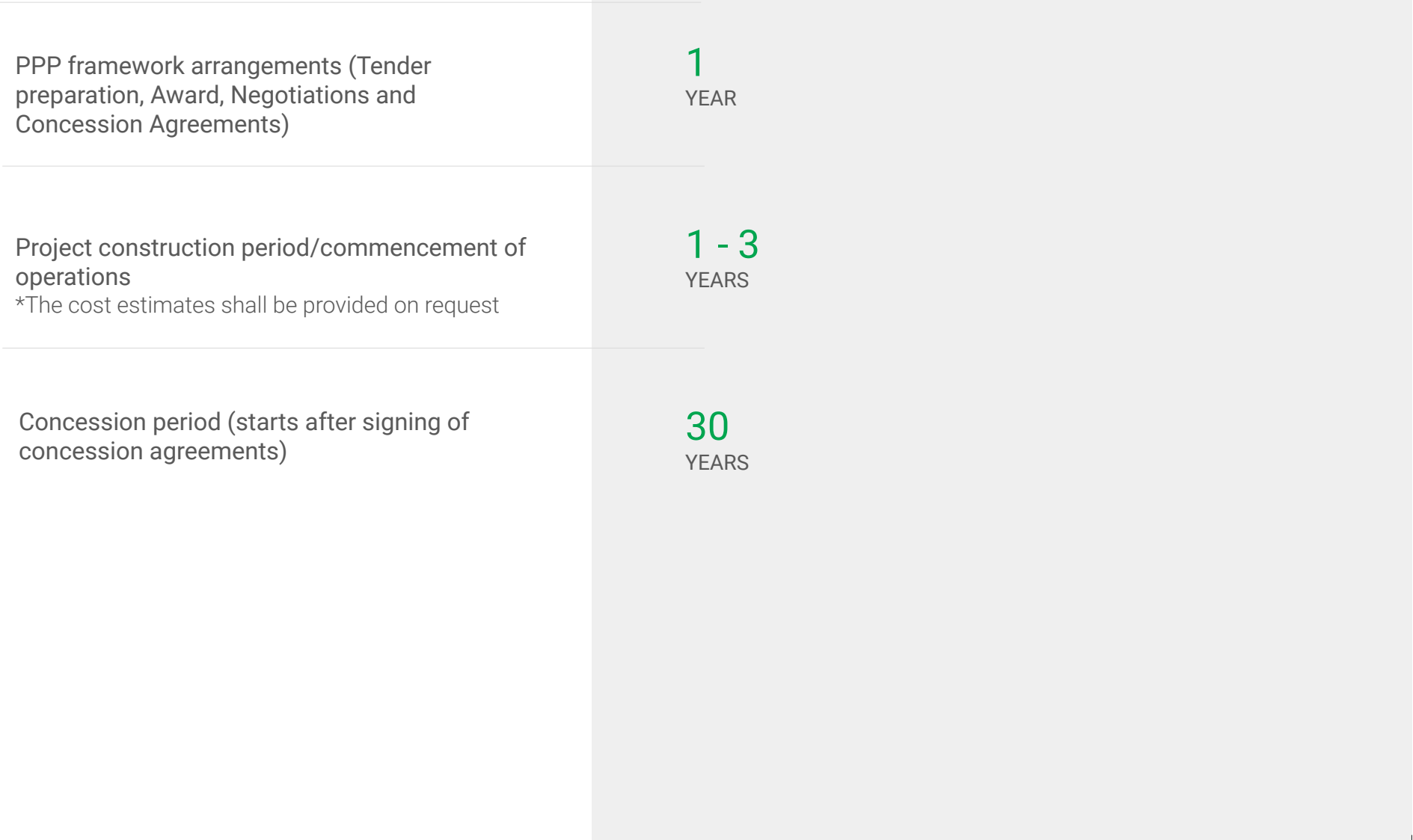
Commodity	Terminal	Total annual capacity	Commodity	Terminal	Total annual capacity
Mombasa [1]			General cargo	Tanzania Ports Authority Terminal	3,100,000 tons
Containers	Mombasa Container Terminal	1,100,000 TEU	Dry bulk	Tanzania Ports Authority Terminal	4,100,000 tons
Containers	Kipevu Container Terminal (Phase I)	550,000 TEU	Liquid bulk	Kurasini Oil Terminal	6,000,000 tons
Dry bulk	Port of Mombasa	8,000,000 tons	Vehicles	Tanzania Ports Authority Terminal	300,000 tons
Liquid bulk	Kipevu Oil Terminal	6,000,000 tons	Port of Dar es Salaam	Total	24,000,000 tons
Liquid bulk	Shimani Oil Terminal	6,000,000 tons	Djibouti [4]		
General cargo	Port of Mombasa	2,000,000 tons	Containers	PAID Container Terminal Berths 1-3	400,000 TEU
Vehicles	Port of Mombasa	500,000 tons	Containers	Doraleh Container Terminal	1,600,000 TEU
Port of Mombasa	Total	39,000,000 tons	Dry Bulks	Port de Djibouti Berths 14-15	1,400,000 tons
Lamu [2]			General Cargo	Port de Djibouti Berths 6-8 & 10-12	1,400,000 tons
Containers	Berth 1	300,000 TEU	Vehicles	Ro-Ro Berth	n/a
General cargo	Berth 2	460,000 tons	Port of Djibouti	Total	22,800,000 tons
Bulk cargo	Berth 3	2,000,000 tons	Grand total capacity*		
Port of Lamu Phase 1	Total	5,460,000 tons			91.260,000 tons
Dar es Salaam [3]					
Containers	Tanzania International Container Terminal Services	600,000 TEU			
Containers	Tanzania Ports Authority Terminal	450,000 TEU			

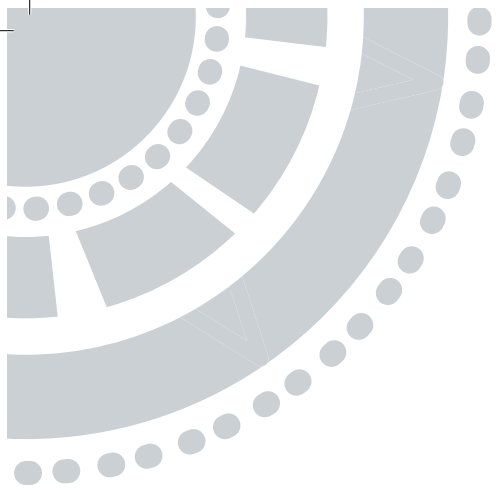
Existing Capacity Small ports: Shimoni, Dongo-kundu and Kisumu Ports

1. **Shimoni:** 10,000 MTs for Phase 1 and Phase II 50,000 MTs
2. **Dongo Kundu:** 70,000 TEUs
3. **Kisumu:** 15,000 TEUs

N/B: Lamu Port plan is to inject new ton capacity of 23 Million tons per year by 2030

Project Implementation Timeline





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Get started with KenInvest and KDC



Kenya Investment Authority

Tel: +254730104200

Email: info@invest.go.ke

Website: www.invest.go.ke



Kenya Development Corporation

Tel: +254727534572

Email: info@kdc.go.ke

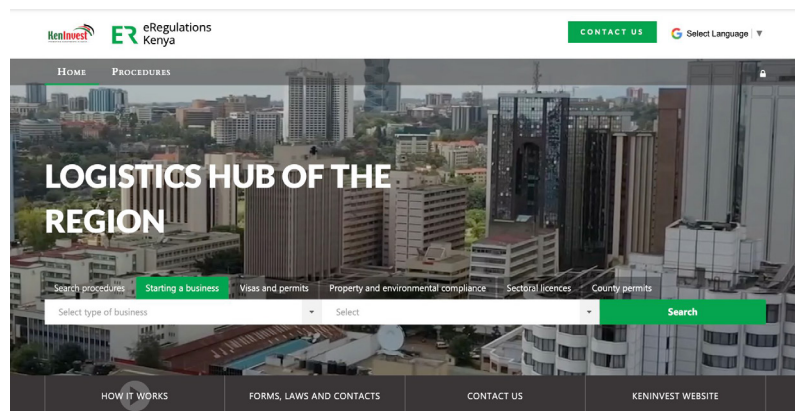
Website: www.kdc.go.ke

KenInvest's Facilitative Online Platforms

E-Regulations Portal

<https://eregulations.invest.go.ke/>

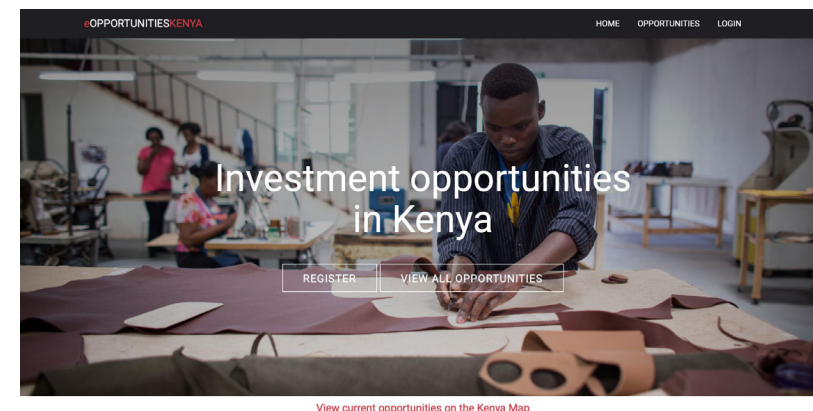
- Step by step procedure of investing in Kenya. Creates transparency
- >275 investment procedures published in the portal



E-opportunities portal

<https://opportunities.invest.go.ke/>

- KenInvest profiles and packages mapped out investment opportunities and uploads them on this portal



Thank you!

