



INVITATION FOR EXPRESSION OF INTEREST (EOI) FOR INDUSTRIAL PARK DEVELOPERS AND LOCATORS (MANUFACTURING/PROCESSING FIRMS) AT THE PROPOSED KENGEN INDUSTRIAL PARK IN OLKARIA, NAIVASHA – KENYA (INTERNATIONAL OPEN TENDER) :KGN-BDD-018-2017

1. Background Information

The Government of Kenya launched the Kenya Industrial Transformation Programme in July 2015 that provided a framework for the country's industrialization process. A key component of this programme is the setup of industrial zones and parks. The Transformation Programme identifies the development of green industrial parks at Naivasha for a textile and apparel hub to take advantage of competitively priced geothermal steam and electricity as key economic drivers of production.

KenGen is the leading power producer in Kenya, having been in operation for more than 60 years. KenGen operates 30 power generating plants with a combined installed capacity of 1,632MW of electricity with significant investments in clean, renewable and sustainable energy generation. KenGen has completed plans to set up an Industrial Park at its geothermal power generation hub at Olkaria in Naivasha.

KenGen has earmarked 453ha for the development of an Eco friendly industrial park. This will be developed through partnership with private developers. The development of the KenGen Industrial Park (KIP) will target the optimization of KenGen's business operations, and also support the government of Kenya's industrialization strategy as a pillar for economic growth and development.

This opportunity is for the developers and manufacturing/processing firms (locators) interested in setting up operations within the KenGen industrial Park.

2. The KenGen Industrial Park

The KenGen Industrial Park (KIP) will be located at Olkaria in Naivasha sub county, 130 Km from Nairobi, the capital city of Kenya. The KIP will be connected both by Railway and Road to major sea port and airports and supported with the necessary logistical installations including a commercial ICT Data Centre.

The KIP has been designed as an eco-friendly Industrial Park providing industrial, commercial and recreational facilities.

Key offerings for the Park include:

1. Quality and reliable utilities and energy supply (Electricity, high pressure Steam and Brine at 130°C).
2. Location and logistical advantages with the extension of the Standard Gauge Railway from Mombasa to Naivasha and the benefits of industrial clustering.
3. Strategic location along main regional transport routes providing a gateway into East Africa that sets it out as a regional growth pole.
4. Commitment of the government facilitation. The proposed area is earmarked for a National Industrialization Transformation Programme.
5. Fiscal and Operational incentives specified under the Kenya SEZ Act.
6. One stop shop concept design allowing investors to deal with just one office in obtaining approvals and completing procedures required to set up operations.
7. Abundant supply of highly productive quality labour, multi skilled and highly trainable English speaking workforce.
8. Easily accessible banking and financial services to international standards.
9. A Data Centre for provision of effective and reliable ICT Services.

3. The Proposed KIP Management Set up

KenGen has completed plans for implementation of an eco-friendly mixed use Industrial Park and is now inviting interested parties to submit expressions of interest for two categories of investors:

- a) Industrial Park developer/Operator and;
- b) Industrial manufacturers/processing firms (locators).

KenGen has plans to procure an appropriate partnership with a private entity that shall undertake on-site infrastructure development for the proposed industrial park.

KenGen will provide a Project Sponsor role that entails:

1. Facilitate the approvals and licensing processes in collaboration with relevant government institutions.
2. Ensure the bulk supply for the utilities are provided at a specified boundary points. (Steam, brine and power supply).
3. Provide access to land free of any encumbrances for the Industrial Park.
4. Provide all existing technical documents on the proposed industrial park development.
5. Facilitate the processing of sub leases from the developer to the individual locators.

4. The Invitation

The objective of the expressions of interest is to seek applications from potential investors that will be considered for an RFP preparation and developing of bidding parameters and eligibility criteria for the two categories of investors:

- a) Industrial Park developer/Operator and;
- b) Industrial manufacturers/processing firms (locators).

A. Expression of Interest by Industrial Park developer/Operator (CATEGORY A)

The KenGen Industrial Park is proposed to be developed through a Build-Own-Operate-Transfer (BOOT), model under an appropriate commercial structure. The developer will be provided the entire land on a long term lease at a nominal fee upon demonstration of capacity and **value add** through an open competitive bidding process.

The developer will be responsible for detailed design, construction, financing, marketing & attracting of industrial operators/processors and subsequent operation & maintenance of the park. This will include:

1. Development of on-site infrastructure for the park based on agreed designs and implementation schedule between KenGen and the developer.
2. Development and management of the park utilities reticulation infrastructure.
3. Development of the factory lots and infrastructure within the earmarked area as per the requirements of the potential locators.
4. Upon completion of the individual factory lots the developer shall create subleases of the developed lots to be taken up by individual industrialists /entrepreneurs for establishing factories and operations of the Park. The developer will be allowed to charge the premium/ lease rentals, development charges and user charges from the unit holders.
5. Conduct operation and maintenance of the individual lots through the lease periods.
6. Design and build logistical facilities including a Data Centre that will meet the uptime institute certification criteria.

The objective of this expression of interest is to seek applications from prospective investors interested in partnering with KenGen towards this development.

i) Eligibility criteria for Industrial Park developer/Operator

1. Firms duly registered with at least 5 years relevant experience in industrial park development.
2. Relevant experience in at least two successful projects of similar nature.
3. Firms with a positive net worth. Minimum Net worth should be 1.5 times of proposed investment in the Park by the applicant.

ii) Documents to be submitted

The following documents shall be submitted for the EOI:

1. Capability statement of the firm showing:
 - a) Certificate of incorporation (and any certificate of change of name), certified by an authorized representative of the bidder.
 - b) Letter of association in case of consortium indicating the proposed members of the consortium, proposed leader of the consortium and the roles of each member.
 - c) Company profile of the firm showing background of the firm and management structure.
 - d) Developments of similar nature undertaken by the applicant (indicate location, project features, cost, implementation period, funding structures and output/turnover in USD Million).
 - e) Details of experience in emerging economies.
 - f) List of Key Personnel (Management/ Operation) of the company relevant to the proposed investment.
2. Audited financial statements for the last 3 years including, tax registration and tax compliance certificates or equivalent documents applicable in the applicant's country of origin.
3. Proposed business plan and methodology for investment. The KenGen developed Master Plan and development strategy have inbuilt flexibilities to accommodate preferential requirements of individual proposals.
4. Contact information
 - a) Contact Person
 - b) Designation, contact Number and email

B. Expression of Interest by Industrial Manufacturers/Processing Firms (CATEGORY B)

The industrial manufacturers/processing firms shall be responsible for setting up of manufacturing units within the industrial park under established regulations.

i) Eligibility criteria for Industrial Operators/ Manufacturers (Locators)

1. Firms duly registered with at least 5 years relevant business experience.
2. Firms with a positive net worth. Minimum Net worth should be 1.5 times of proposed investment by the entrepreneur / investor in the Park. (For consortium arrangements, each member must meet the requirements).
3. Submission of a business proposal for investment in the industrial Park.

ii) Documents to be submitted

The following documents shall be submitted for the EOI:

1. Capability statement of the firm showing:
 - a) Certificate of incorporation (and any certificate of change of name), certified by an authorized representative of the bidder.
 - b) Letter of association in case of consortium indicating the proposed members of the consortium, proposed leader of the consortium and the roles of each member.
 - c) Company profile of the firm showing background of the firm and management structure, **development operation** of similar nature within the last 5 years (indicate location, size, funding structures and output/turnover in USD Million).
 - d) Details of experience in emerging economies.
 - e) List of Key Personnel (Management/ Operation) of the company relevant to the proposed investment.
2. Audited financial statements for the last 3 years including, tax registration and tax compliance certificates or equivalent documents applicable in the applicant's country of origin.
3. Contact information
 - a) Contact Person
 - b) Designation, contact Number and email

5. Format for the EOI

The EOI shall be submitted in the following format:

EXPRESSION OF INTEREST (EOI) FOR INDUSTRIAL GROUPS FOR SETTING UP AT THE KENGEN INDUSTRIAL PARK AT OLKARIA

Name of the Firm	
Location Details	
Contact Details and address	Name of company official Designation Mailing Address Email Phone
Company registration details (Registration Number, Date, government or private entity)	
Type of industry	
Information on Quality Certifications of the Firm	

Financials of the firm in the last 3 years	Amount in USD Million			
	Parameter	2015/16	2014/15	2013/14
	Turnover			
	Export sales (%)			
	Net Worth			
Key Personnel	Please attach CVs of key technical and operations personnel			
	Name	Educational Qualification	Experience relevant to proposed investment	
Similar developments in the last 5 years	Location of development Size of development (acreage) Project cost Project implementation period Funding structures Turnover in USD Million Role of the firm in the development (developer or locator)			
Experience of the Firm in emerging economies				
Business Proposal	Interest in the investment opportunity			
	Investment Plan	Land requirement (Acres) Total Built up area (square meters) Period of Lease Value of plant and machinery (USD)		

		Total Investment value (USD)
	Utility requirements	Industrial Water demand (cubic meters per day) Potable water demand (cubic meters per day) Power demand (KwH) Steam requirement (tonnes/hr) Brine (tonnes/hr) Any other
	Marketing Strategy and potential Linkages	
	Implementation Schedule	
	Financing structure	
	General approach towards the investment	
Common facility requirements		
Manufacturing activities	Products Annual capacity By products Logistical requirements Typical Effluent quality	
Expected Employment	Number of employees Skill sets	
Target date of commencement of commercial production		
Preferred Role in the investment opportunity	a) Industrial Park developer/Operator; OR b) Industrial Manufactures /Locators.	

DECLARATION

I/ We hereby certify that the above statements are true and correct to the best of my/ our knowledge and beliefs.

Signature of the Applicant _____

Name of the Applicant _____

Designation _____

Date _____/_____/_____

The Kenya Electricity Generating Company Limited now invites expressions of interest from interested industrial Developers/Investors.

6. Clarifications

The interested parties may request for clarifications on this expression of interest up to ten (10) days before the EOI submission date. Any request for clarification must be sent in writing by paper mail or electronic mail to:

**Business Development Director
Kenya Electricity Generating Company Limited,
Stima Plaza III, Kolobot Road, Parklands,
P.O. Box 47936 – 00100,
Nairobi, Kenya.
Tel: +254-20-3666427
Fax: +254-20-2248848
Email: mwekesa@kengen.co.ke
Cc ipark@kengen.co.ke; tenders@kengen.co.ke,**

7. Submission of the EOI

The EOI (**1 original and 2 copies**) should be submitted in a sealed envelope by **1400 hours (East African Time) on 9th July 2017** to the following address:

**Company Secretary & Legal Affairs Director,
Kenya Electricity Generating Company Limited,
KenGen RBS Building, 10th Floor Next To Stima Plaza III,
Kolobot Road, Parklands,
P. O. Box 47936 - 00100,
Nairobi, Kenya.**

Information on the outer envelope should also include:

Confidential, Expression of Interest (EOI) for Industrial Groups for Setting up at The KenGen Industrial Park at Olkaria: **do not open before, 9th July 2017 at 1400hrs East African Time.**

The bid document shall be dropped in the tender box located on the ground floor of Stima Plaza Phase II.

The opening will take place thereafter in the presence of bidder's representative (s) who choose to attend at Pension Plaza Phase III ground floor or alternative venue as will be communicated by the procuring entity.

SUPPLY CHAIN DIRECTOR