

KENYA

Corona Related Effects on the Economy

Market Update Water Sector

18th May 2020
Nairobi

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Delegation of German Industry and Commerce in Eastern Africa



Handling of Corona in Kenya - as of May 16th, 2020

- > **830 confirmed cases, 301 recoveries and 50 deaths** recorded in Kenya since the first case was announced on March 13th.
- > increase in imported cases (from Tanzania and Somalia) with 43 imported cases recorded in the past week; 78 foreign truck drivers tested positive for at different border points were denied entry into the country.
- > The nationwide **dusk to dawn curfew** (1900hrs-0500hrs) has been extended for a further period of 21 days until 06 June 2020, this is the 2nd of such extensions.
- > Cessation of movement into and out of the Nairobi Metropolitan Area three Coastal Counties and one County bordering Somalia/ Ethiopia has been extended until 06 June 2020.
- > One city quarter each in Nairobi and Mombasa locked down.
- > After initial closure of restaurants, bars, etc. first relaxations in place.



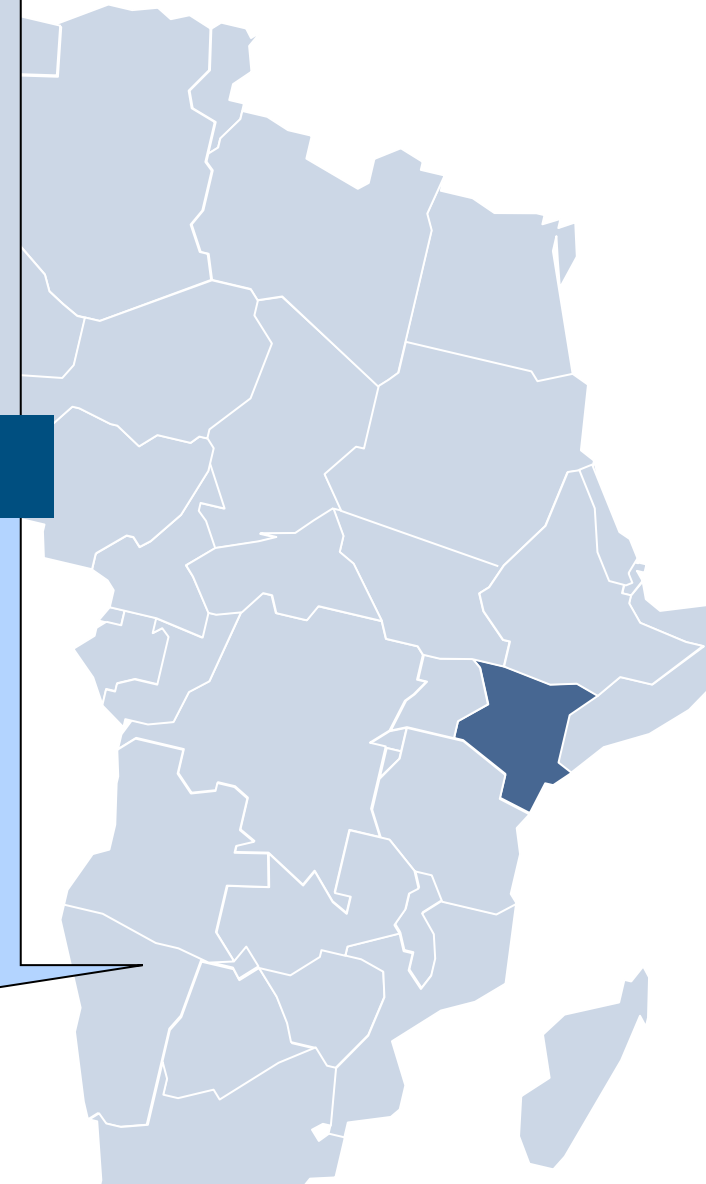
Ongoing Water Sector Development in Kenya

- > Political Devolution with clear implications for water sector
- > Adequate and up to date water laws
- > Ambitious regulations with strong institutions
- > Focus on utility performance with improving credit-worthiness
- > Diversified private sector catering specific needs

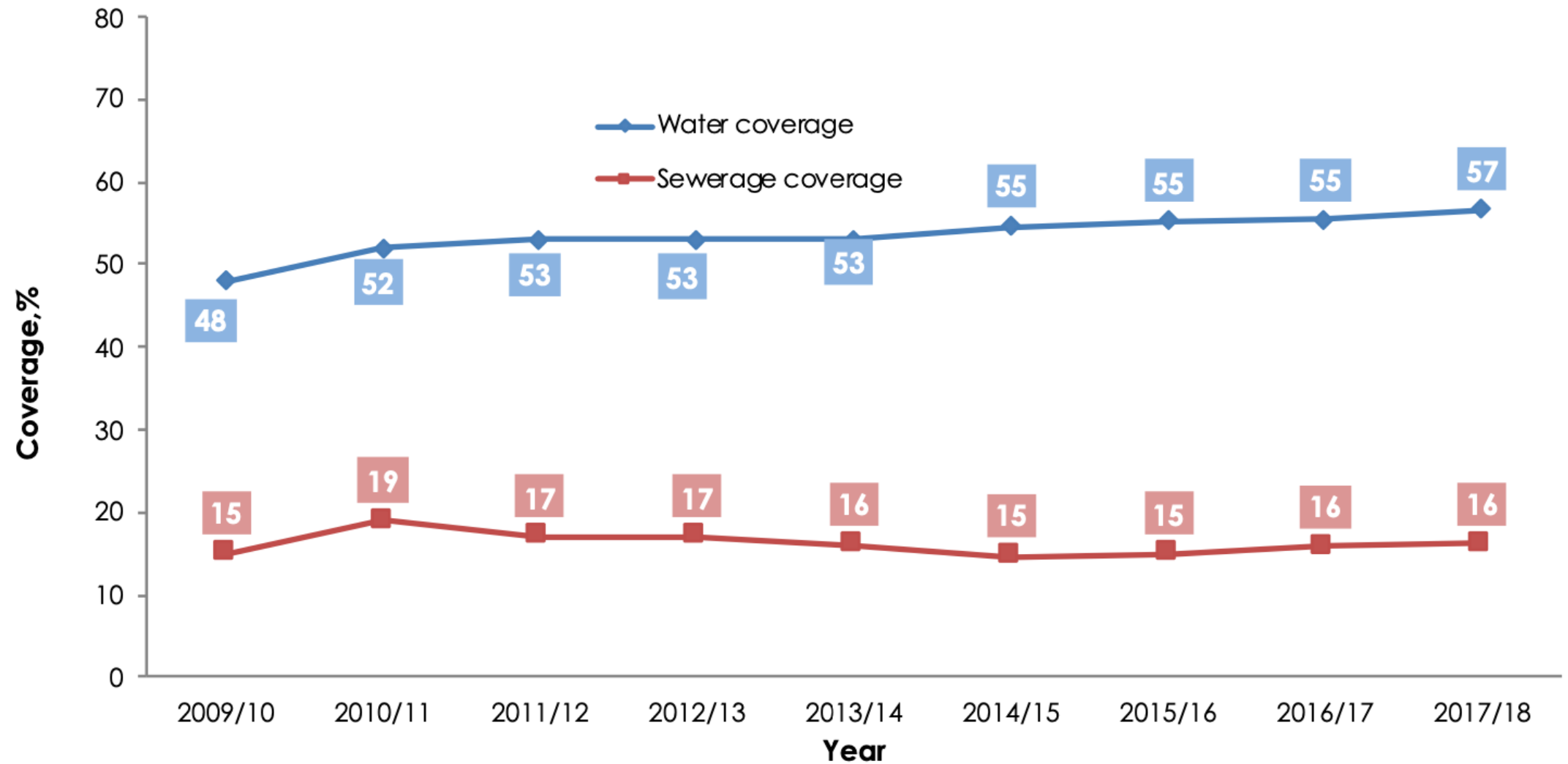
Tailwinds

Headwinds

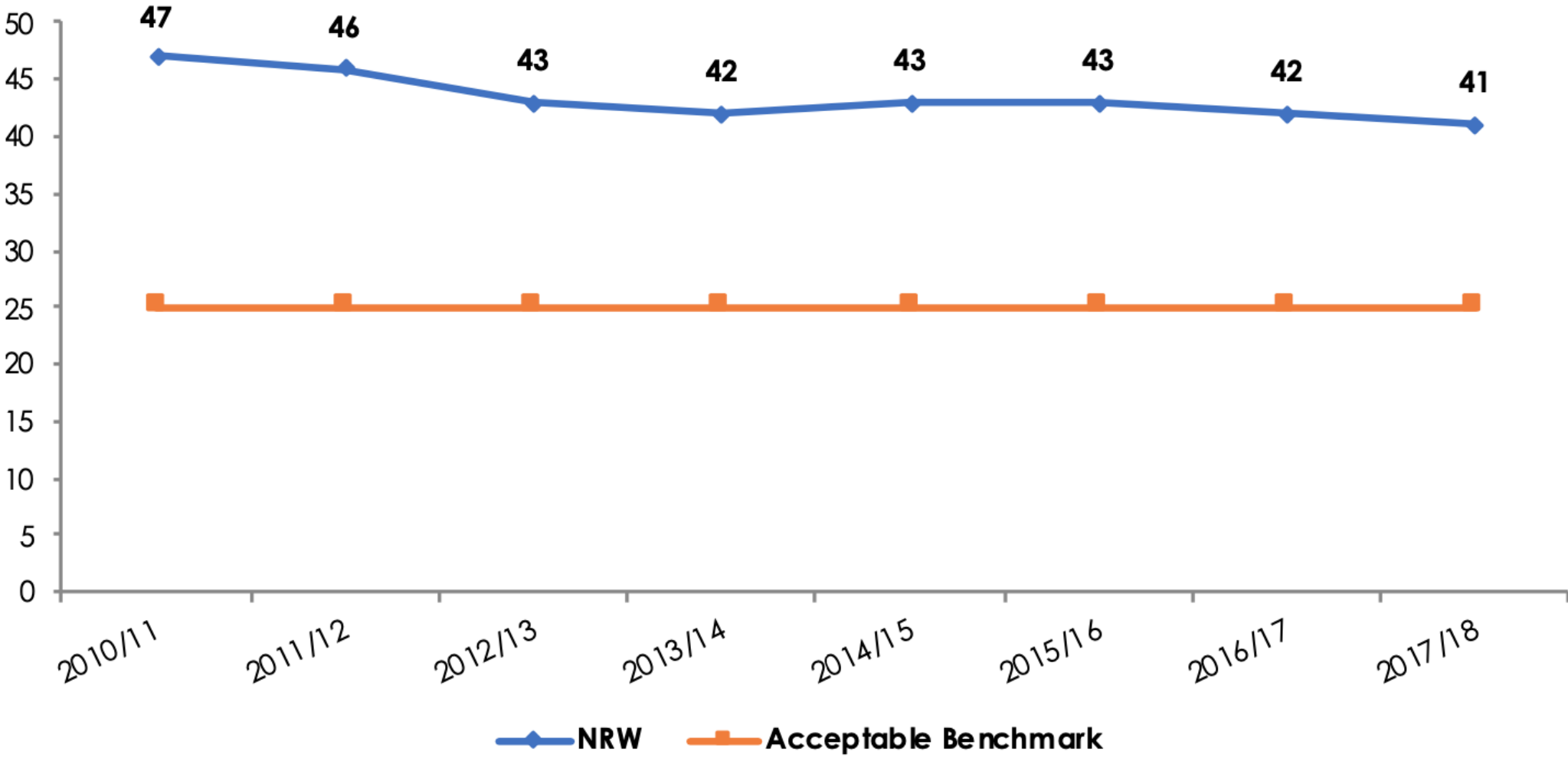
- > Slow and incomplete institutional transformation
- > Lacking progress in crucial infrastructure setup
- > Governance issues keep affecting sector performance
- > Lacking operational and technical experience
- > Regional disparities



Utility Performance - One step at a time



Slow Reductions in Non Revenue Water



Source: WASREB Impact Report No. 11 2017/ 2018

AHK trusted partner for German Companies

“ Boreal Light GmbH

Hereby I would like to extend a sincere appreciation note for all the great support you gave to Boreal during my stay in Nairobi.

That was, indeed, a professional work that one may expect from AHK at its best.

Wish you and all AHK team all the bests and I am sure we are going to see more frequent in Kenya.



“ SEW EURODRIVE GmbH & Co. KG

It carried out its work with a quiet confidence and attention to detail. The ability for us to rely not only on certain individuals but also on an entire team, who are all actively involved, was encouraging and inspiring.

I would recommend it, especially because I see this is the start of a number of associations between the AHK and SEW Eurodrive. We have a common mission in the region and therefore anyone who sees Kenya as a long term project would see the benefits of such a business delegation.



“ thermofin GmbH

On behalf of thermofin, we thank you for your consideration and inviting us to participate at the AHK sponsored conference and the subsequent meeting that you planned thereafter.

I thank you for the effort, time and energy that you put into it for it being a success.



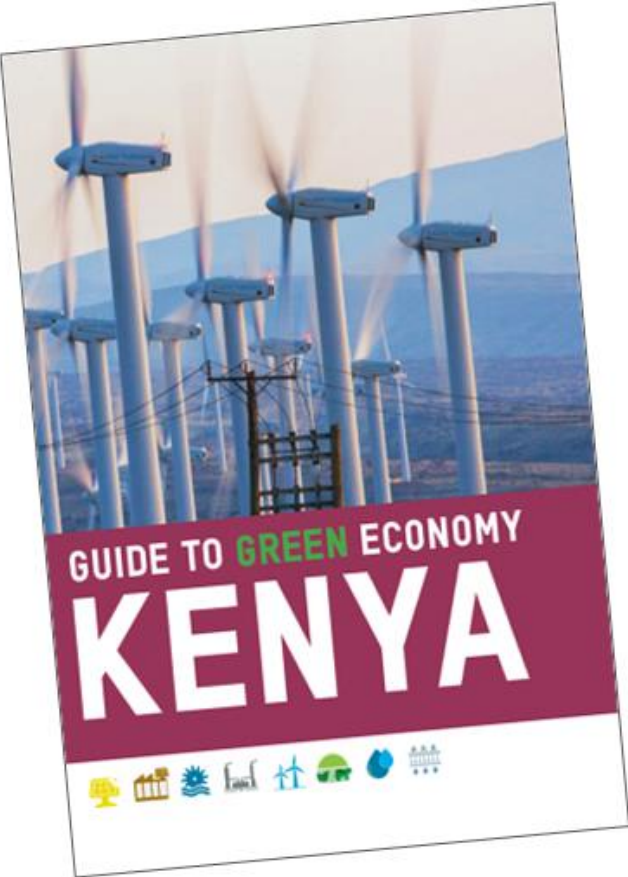
Best Practice Boreal Light GmbH



Setup and Operation of 40 solar powered water desalination plants in Kenya
Expansion to neighbouring countries and industrial applications underway



Guide to Green Economy (2019)



BIOGAS

Biogas plants in Kenya

Good today, the utilization of biogas for energy production in Kenya is a niche market. Utilizing biogas will be suitable for food production. The growing energy crisis is undoubtedly not encouraged.

Biogas power stations are the answer of biomass production. In Kenya, the major biogas power plants are located in the coastal region. The number of biogas power plants is increasing.

A handful of successful projects are the potential to economically

HYDRO ENERGY

Tukwek Power Station

Tana Power Station

For any Kenyan driving towards the popular holiday locations around Mount Kenya and the Eastern Highlands, a construction of state-of-the-art roads is a must. The roads are not only for the tourists but also for the local people.

SOLAR

Off Grid Applications

East Africa is generally and Kenya in particular are the most solar rich countries in the world. In world measurement, potential solar energy is 100 times more than the world's total energy demand. The solar energy is available in all parts of the world. The solar energy is available in all parts of the world. The solar energy is available in all parts of the world.

With the use of solar energy, the solar energy is available in all parts of the world. The solar energy is available in all parts of the world. The solar energy is available in all parts of the world.

ECO TOURISM

ECO TOURISM

Ol Pejeta Conservancy

Ol Pejeta Conservancy is a nature reserve in Kenya. It is the only place in Kenya where Black Rhinos can be seen and a few of the largest Black Rhinos are in East Africa.

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<https://www.kenia.ahk.de/green-economy/>

Differentiated Look on Eastern Africa

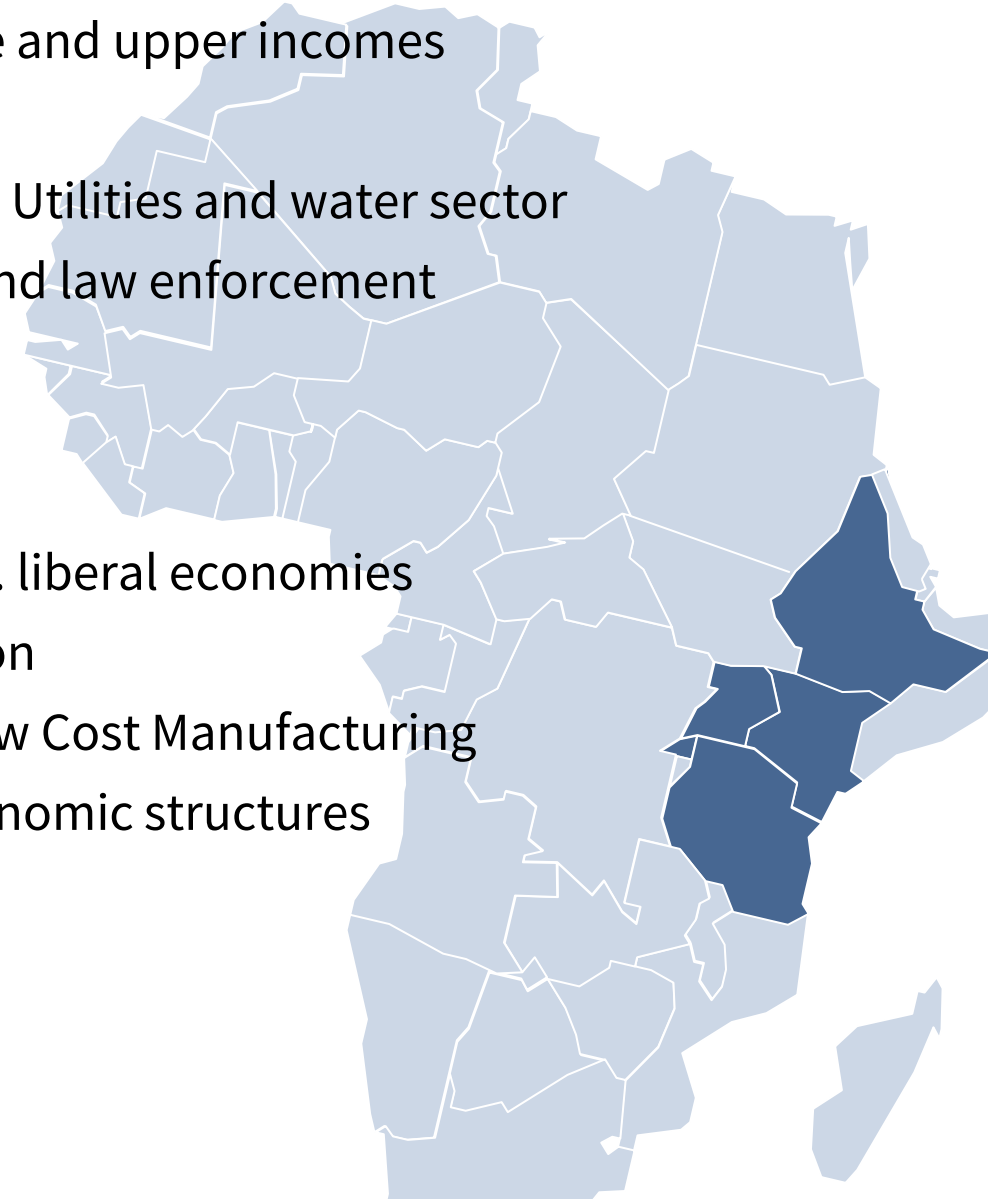
„Boom Region“ Eastern Africa

(before Corona)

- > high and stable economic growth of around 5-10 % p.a.
- > improving Living Standards, e.g. concerning water access
- > more private consumption, higher portion of middle and upper incomes
- > attractive, unique tourism destinations
- > investments in construction and Infrastructure, incl. Utilities and water sector
- > „Rule of Law“ gains importance: more regulations and law enforcement
- > trend towards more authoritarian leadership styles

Political and Economic Disparities

- > interventionist, authoritarian political leadership vs. liberal economies
- > stronger protectionism vs. failing regional integration
- > Extractive Industries vs. Knowledge Economy vs. Low Cost Manufacturing
- > potential for economic catch-up vs. established economic structures



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Economy. Transfer. Sustainability.



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