

**EXPRESSION OF INTEREST (EOI) FOR SUB DEVELOPERS AND INDIVIDUAL
MANUFACTURING/PROCESSING FIRMS TO LEASE LAND AND SET UP AT THE KenGen
GREEN ENERGY PARK IN OLKARIA, NAIVASHA – KENYA**

(OPEN INTERNATIONAL)

Date: 25th April, 2023

I.1 BACKGROUND INFORMATION

The Government of Kenya launched the Industrial Transformation Programme in July 2015 that provided a framework for the country's industrialization process. A key component of this programme is the setting up of industrial zones and parks. KenGen plans to develop an industrial park (to be called KenGen Green Energy Park) at the Olkaria geothermal hub in Naivasha.

KenGen intends to leverage on its Geothermal resources available at Olkaria to establish the Energy Park. The area marked for industrial development is about 342 Hectares (845 acres). The masterplan will accommodate both industrial and non-industrial activities such as Offices, Data Centres, Research & Development Centre, Hospitality, Visitor Experience Centre, Administrative & Commercial uses. Industrial use land has been master-planned targeting Medium/Heavy Industries, Steam Intensive Industries and Light Industries.

A feasibility study has been carried out and has identified two business models for the proposed development. The Master developer model which assumes KenGen will be solely developing the Energy Park and Sub-developer model where it is assumed that KenGen will be leasing some parcels of land to sub developers, who will develop some specific components of the Green Energy Park and sub-lease the serviced Industrial Land.

The opportunity available is for land lease to the sub-developers interested in setting up operations in the master-planned parcel to utilize geothermal steam and/or brine (hot water), raw water and electricity.

The Kenya Electricity Generating Company PLC now invites expressions of interest from interested Sub developers and individual manufacturing/processing firms to lease land and set up at the proposed KenGen Green Energy Park in Olkaria, Naivasha.

I.2 THE KenGen GREEN ENERGY PARK

KenGen has completed plans to set up an Energy Park at its geothermal power generation hub at Olkaria, Naivasha, Kenya. KenGen intends to leverage on its Geothermal resources available at Olkaria to establish the Energy Park. The park will provide industrial, commercial and recreational facilities and would be developed in four phases during the span of 2025 to 2045. The park will provide quality and reliable utilities and will be managed by the developer or sub-developers.

The KenGen Green Energy Park is located at Olkaria in Naivasha sub county, 130 Km from Nairobi, the capital city of Kenya. The Energy Park will be accessed both by Railway and Road to major seaport and airports and supported with the necessary logistical installations. The investment opportunities available at the KenGen Energy Park include the following;

- a) Medium and heavy industries – fertilisers, iron and steel, plastics and packaging and fabricated metal products.
- b) Steam intensive industries- pulp and paper, wood and wood products, textiles and apparel, food and beverages, leather industries.
- c) Light industries- warehousing and logistics and supporting light industries.

I.3 KEY OFFERINGS FOR THE ENERGY PARK

i. LOCATION

- a) **Green Renewable Electricity from Geothermal**
- b) **Geothermal steam, brine and hot water**
- c) **Connectivity & Logistics** - Proximity to key transport connections and/or connectivity (roads, rail, ports, airports, etc.) as well as logistics/supply hubs and corridors.
- d) **Resources** - Presence of natural resources e.g. steam for use in agribusiness and textiles industries. Olkaria steam can be used directly by a range of industrial tenants.
- e) **Urban Centres** - Proximity or connectivity to residential centres or urban settlements.

ii. BUSINESS ENVIRONMENT

- a) **Access to an adequately skilled and productive workforce** – Greatly urbanized with competitive labour and skills.
- b) **Development of Industrial Clusters** - Creation of industrial clusters and synergies between different tenant companies operating in complementary and ancillary sectors (e.g. textiles and apparel) to support the creation of an ecosystem
- c) **SEZ** – Special Economic Zone (SEZ) status to facilitate business through attractive administrative and tax incentives to improve competitiveness for tenants over the longer term to target export-oriented activities.
- d) **Availability of business services** – one-stop shop and customs clearances where all licenses and business permits required for operation are housed in one building for ease of setting up.
- e) **Adequate lease periods for both tenants and developers** – lease period of up to 20 years which is renewable.

iii. CORE SERVICES

- a) **Land** - Flexible options to rent land on a long or short term lease.
- b) **Access to high quality reliable utilities enabling uninterrupted and stable production** - Competitive utilities costs, especially power, access to brine and steam for heat/steam intensive industries, water available from on-site reservoirs and wastewater treatment infrastructure.
- c) **Waste Management** - Waste collection and management services

2. OBJECTIVE

The objective of the expressions of interest is to seek applications from potential Sub developers and individual manufacturing/processing firms that are interested in leasing land and setting up at the proposed KenGen Green Energy Park in Olkaria, Naivasha to be shortlisted towards an RFP process. These will entail selection of multiple developers based on the utilities requirements and documents submitted as required in the expression of interest.

The scope of works by the Sub developers and individual manufacturing/processing firms shall include but not limited to:

- i. Lease land from KenGen
- ii. Civil works for levelling of site and perimeter fence.
- iii. Construction of own factory buildings/sheds, sewerage system and waste water disposal systems.
- iv. Connection of steam, brine and raw water to sheds from the interface to be agreed with successful firm/(s).
- v. Connection of power from the grid to the agreed interface point.
- vi. Installation of own water treatment plant.
- vii. Conduct operation and maintenance of its facilities.
- viii. Any other on-site infrastructure required.

3. ELIGIBILITY AND DOCUMENTATION REQUIREMENTS

- i. **Eligibility criteria for Sub developers and individual manufacturing/processing firms**

- a) Firms duly registered in their areas of jurisdiction.
- b) Firms with a positive net worth. Minimum Net worth should be 1.5 times of proposed investment by the firm in the Park. (For consortium arrangements, each member must meet the requirements).
- c) Submission of a business proposal for investment in the Green Energy Park.

ii. Documents to be submitted.

The bidder shall submit the following documents as part of the EOI:

- a) Provide the requirements below;
 - Name of firm
 - Postal address
 - Physical address
 - Telephone number
 - Email Address
 - Contact person
- b) Certificate of incorporation (and any certificate of change of name).
- c) 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.
- d) Company profile of the firm showing background of the firm and management structure, development operation of similar nature indicating location, size, funding structures and output/turnover in USD.
- e) Details of experience in emerging economies.
- f) List of Key Personnel (Management/ Operation) of the company relevant to the proposed investment.
- g) 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.

Note: KenGen may undertake due diligence and any bidder misrepresenting facts will be automatically disqualified. The EOI must be submitted in the format provided for in **Appendix I, uploaded on the KenGen website.**

4. REQUEST FOR CLARIFICATIONS

The interested parties may request for clarifications on this expression of interest up to seven(7) days before the EOI submission date. Any request for clarification must be sent in writing by paper mail or electronic mail to:

General Manager, Supply Chain,

Kenya Electricity Generating Company PLC,

9th Floor, KenGen Pension Plaza II,

Kolobot Road, Parklands,

P.O. Box 47936, 00100

NAIROBI

Email: tenders@kengen.co.ke

CC enjenga@kengen.co.ke; smbatha@kengen.co.ke; jomindo@kengen.co.ke

5. 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 **31st May 2023** to the following address:

General Manager, Supply Chain,

Kenya Electricity Generating Company PLC,

9th Floor, KenGen Pension Plaza II,

Kolobot Road, Parklands,

**P.O. Box 47936, 00100
NAIROBI**

Information on the outer envelope should also include:

“Confidential, KGN-BDD-03-2023- Expression of Interest (EOI) for Sub developers and individual manufacturing/processing firms to lease land and set up at the proposed KenGen Green Energy Park in Olkaria, Naivasha:

Do not open before, 31st May 2023 at 1400hrs East African Time.”

The EOI documents should be dropped at the tender box located on Ground Floor at KenGen, RBS building. Bids that **cannot fit** in the tender box should be submitted to the General Manager, Supply Chain’s Office located on the 9th Floor KenGen Plaza II **on or before** the submission deadline.

Bidders should submit one **original and Copies (2)** of the EOI on or before **31st May 2023 at 1400 hrs**. The EOI will be opened on the same day in public at **1430 hours**, (Kenyan time) at 6th Floor, KenGen Pension Plaza II in the presence of bidders’ representatives who choose to attend.

The Expression of Interest can also be viewed and downloaded from our website www.kengen.co.ke

Bidders are advised to be checking the websites from time to time up to seven (7) days before the submission date for any uploaded information through clarification/addendum.

Only firms pre-qualified under this procedure will be invited to submit their Technical and Financial proposals under the Request for Proposals (RFP).

KenGen reserves the right to accept or reject any or all applications without the obligation to assign any reason for the decision. Only individuals pre-qualified under this procedure will be issued with the tender documents and be invited to submit their technical and financial bids under the Request for Proposals (RFP).

GENERAL MANAGER, SUPPLY CHAIN