

EXPRESSION OF INTEREST (EOI) FOR MANUFACTURING/PROCESSING FIRMS (LOCATORS) TO LEASE LAND AND SET UP TO UTILIZE GEOTHERMAL ENERGY AT THE KENGEN GREEN ENERGY PARK IN OLKARIA, NAIVASHA – KENYA (KGN-BDD-05-2019)

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 setting up 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 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 green energy park at its geothermal power generation hub in Olkaria, Naivasha. The study for energy park development in Olkaria determined there is viable business case for the establishment of an energy park. The green energy park is to be developed through partnership with private manufacturing/processing firms. The development of the KenGen Green Energy Park 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.

To start the Energy Park development, KenGen identified four sites that it intends to allocate manufactures/processing firms that are ready to set up immediately in the KenGen Green Energy Park Zone. The parcels of land identified are:

- Site A which measure about 70 acres (28.3 Hectares)
- Site B which measure about 82 acres (33.2 Hectares)
- Site C which measure about 100 acres (40.5 Hectares) and
- Site D which measure about 57 acres (23 Hectares).

The opportunity available is for land lease to the manufacturing/processing firms (locators) interested in setting up operations in the above mentioned four sites at the KenGen Green Energy Park. Under the lease, the manufacturing/processing firms (locators) will be supplied with utilities such as geothermal steam and brine (hot water) and raw water.

2. The KenGen Green Energy Park

The KenGen Green Energy Park will be located at Olkaria in Naivasha sub county, 130 Km from Nairobi, the capital city of Kenya. The KenGen Green Energy Park will be accessed both by Railway and Road to major sea port and airports and supported with the necessary logistical installations.

Key offerings for the Park include:

1. Land lease at a nominal rate on a 20 year renewable lease term.
2. Quality and reliable utilities and energy supply (Electricity, water, high pressure Steam and Brine at 130°C).
3. Strategic location along main regional transport routes providing a gateway into East Africa that sets it out as a regional growth pole.
4. Location and logistical advantages with the extension of the Standard Gauge Railway from Mombasa to Naivasha and the benefits of industrial clustering.
5. Commitment of the government facilitation. The proposed area is earmarked for a National Industrialization Transformation Programme.
6. Fiscal and Operational incentives under existing government regulations for Industrial Parks
7. Facilitation for One stop shop services allowing investors to deal with just one office in obtaining approvals and completing procedures required to set up operations.
8. Abundant supply of highly productive quality labour, multi-skilled and highly trainable English speaking workforce.
9. Easily accessible banking and financial services to international standards.

3. The Proposed KenGen KenGen Green Energy Park Management Set up

Expression of Interest by Manufacturers/Processing Firms (Locators)

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

KenGen is now inviting interested parties to submit invitation for Expression of Interest (EOI) for manufacturing/processing firms (locators) to lease land and set up at the proposed KenGen Green Energy Park in Olkaria, Naivasha.

4. The Invitation

The objective of the expressions of interest is to seek applications from potential manufacturing/processing firms (locators) 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 locators based on the utilities requirements and documents submitted as required in the expression of interest.

The scope of works by the manufacturing/processing firms (locators) shall include but not limited to:

1. Civil works for levelling of site and perimeter fence.
2. Construction of own factory buildings/sheds, sewerage system and waste water disposal systems.
3. Connection of steam, brine and raw water to sheds from the interface to be agreed with successful firm/(s).
4. Connection of power from the grid to the agreed interface point.
5. Installation of own water treatment plant.
6. Conduct operation and maintenance of its facilities.
7. Any other on-site infrastructure required.

5. Eligibility and Documentation Requirements

i) Eligibility criteria for manufacturing/processing firms (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 Energy 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

6. Format for the EOI

The EOI shall be submitted in the following format:

**INVITATION FOR EXPRESSION OF INTEREST (EOI) FOR
MANUFACTURING/PROCESSING FIRMS (LOCATORS) TO LEASE LAND AND
SET UP TO UTILIZE GEOTHERMAL ENERGY AT THE KENGEN GREEN
ENERGY PARK IN OLKARIA, NAIVASHA – KENYA**

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	2017/18	2016/17	2015/16
	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													
Experience of the Firm in emerging economies														
Business Proposal	<table border="1"> <tr> <td>Interest in the investment opportunity</td> <td></td> </tr> <tr> <td>Investment Plan</td> <td> Land requirement (Acres) Total Built up area (square meters) Period of Lease Value of plant and machinery (USD) Total Investment value (USD) </td> </tr> <tr> <td>Marketing Strategy and potential Linkages</td> <td></td> </tr> <tr> <td>Implementation Schedule</td> <td></td> </tr> <tr> <td>Financing structure</td> <td></td> </tr> </table>				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)	Marketing Strategy and potential Linkages		Implementation Schedule		Financing structure	
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)													
Marketing Strategy and potential Linkages														
Implementation Schedule														
Financing structure														

	General approach towards the investment		
Land and Utilities Requirements	ITEM	REQUIREMENT	UNITS
	Land		Hectare
	Steam		Tonnes / Annum
	Brine		Tonnes / Annum
	Raw water		m ³ / Annum
	Steam Pressure required _____ Bar		
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			
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 Plc now invites expressions of interest from interested manufacturing/processing firms (locators) to lease land and set up at the proposed KenGen Green Energy Park in Olkaria, Naivasha.

7. 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 Plc,
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: tenders@kengen.co.ke; smbatha@kengen.co.ke**

8. 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 28th June 2019** to the following address:

**Company Secretary & Legal Affairs Director,
Kenya Electricity Generating Company Plc,
KenGen Pension Plaza II Building, Next To Stima Plaza Phase 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 manufacturing/processing firms (locators) to lease land and set up at the proposed KenGen Green energy Park in Olkaria, Naivasha: Do not open before, 28th June 2019 at 1400hrs East African Time.

The bid document shall be dropped in the tender box located on the ground floor of **KenGen Pension Plaza II Building**.

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

Supply Chain Director