www.manufacturingafrica.org

#### **NEWSLETTER | JULY 2022 | THE 'GREEN' EDITION**

Since inception of the programme and through MA support, a total of £68.09 million (Kshs 10 billion) of foreign direct investment (FDI) has been injected into manufacturing in Kenya and 1,093 direct jobs added. In the last year, our work has centered primarily on supporting the growth of green manufacturing in Kenya.

This edition will focus on the support we have provided some trail blazers in Kenya's nascent green economy.



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#### Nairobi Waste Recycling Company Expands Green Footprint



incomes.

A global impact investor injected \$6.8 million in a Kenyan company that provides sustainable waste management solutions. The company supplies affordable toilets in Nairobi's low-income areas, collects the waste and converts it into fertilizer and animal feed. The company's approach achieves two key objectives: improves sanitation and boosts farming productivity by manufacturing affordable farm inputs.

sanitation company has improved infrastructure for 500,000 residents in Nairobi slums and processes 72,000 tonnes of waste every year that would otherwise end up polluting the city. In addition, 1,000 farmers who use their agricultural inputs are expected to increase yields by approximately 30%, boosting both productivity and

The investment that was acquired through MA support has facilitated the expansion of the company's operations and is subsequently expected to create more than 250 direct new jobs.

### Accelerating Electric Transport Transition in Kenya



A Kenya based electric vehicle (EV) company seeking to expand its operations by producing more drive trains and installing charging stations at strategic locations across Kenya closed a fundraising series totalling £5.6 million of which £3.7 million in equity and £1.9 million in additional grants.

MA worked closely with the company by generating market intelligence on the potential of local EV manufacturing in Kenya and supported fundraising efforts by identifying a relevant set of investors. The company told TechCrunch that it is looking to deliver its first electric bus by Q1 2023

#### **Broadening the Regional Circular Plastic Economy**



A tech-enabled plastics recycling company disrupting the current informal and exploitative plastic recycling sector in Kenya successfully closed a Series B funding in January 2022.

The company offers an in-house end-to-end process for plastics waste recycling by purchasing directly from sourcing agents or waste pickers who are some of society's most marginalised people.

MA support accelerated the fund raise by developing an investor memorandum outlining the regional expansion plan and highlighting the business opportunity to potential investors. This investment boost will improve the output quality of the company's recycled plastics to a food-grade standard and significantly increase capacity, enabling it to contribute to a broader circular plastics economy in the region.

# Championing Extended Producer Responsibility (EPR) Regulation



Responsibility Producer Extended environmental protection strategy that makes the manufacturer of a product responsible for the entire life cycle of the product and its packaging, especially for the collection, recycling, and final disposal.

Kenya's Ministry of Environment and Forestry (MoEF) has been in the process of developing the country's first EPR regulation which will require a polluter to pay a fixed amount per weight of

MA worked closely with the Kenya Extended Producer Responsibility Organization (KEPRO),

Kenya Association of Manufacturers (KAM), and other industry actors to detail out how EPR could be implemented in the non-hazardous packaging waste and electric waste streams.

In consultation with manufacturers, MA supported MoEF to streamline the regulation; making it simpler and easier to implement. MA has also worked with stakeholders in the industrial ecosystem to sensitize manufacturers about the coming regulation. In April, MA held two webinars whose aim was to familiarize key stakeholders with the regulation and promote its implementation once passed into law.

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# **EVENTS CORNER**

#### **Electric-Two-Wheeler Pilot Study Presentation**



Electric mobility is increasingly gaining acceptance as key component to improving quality of life by reducing air and noise pollution. It is also a game changer in the fight against global warming and climate change.

MA carried out a pilot study to demonstrate the commercial viability of electric motorbikes for use as boda boda (motorbike taxis) in Kenya showing that they are about 25% cheaper than petrol bikes. The findings based on the experiences of 20 riders involved in the study were disseminated at a launch event hosted by the British High Commissioner and attended by Kenya's Cabinet Secretary of Industry and Principal Secretary of Transport. The successful event was broadcast on several national news outlets and on social media.

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# MA at the Africities Summit



At the Africities Summit held in Kisumu. Manufacturing Africa made a strong case for green cities and how these can improve living conditions for inhabitants. African green cities of the future will

- sustainable transport
- green affordable construction materials waste recycling
- clean energy

The UK through its #ManufacturingAfrica programme is committed to working with the Kenyan government to grow the country's green economy and has developed a #greenmanufacturing 2030 roadmap for Kenya. This plan is intended to accelerate economic activity that will result in the improved well-being of protecting citizens while environment.

click for more info



# **Looking for Support?**

We invite Kenyan manufacturing companies seeking to raise capital to get in touch with us for advisory support on investor engagement and technical assistance. We also welcome investors looking for new investment opportunities in the manufacturing sector in Kenya to engage us.