

**KONZA**  
TECHNOLOGY CITY

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# Project Profile & Expected Benefits

## Project Profile

- An exemplar mixed development technology city, on a Greenfield site 60kms from Nairobi
- Phased development over 20 years, with BPO/ITeS Park taking up 23% of the planned 6 Million square feet of floor space.

## Economic Benefits

- Create 200,000 BPO/IT & ITeS Jobs over 20 years.
- World class infrastructure and technology to facilitate research, education and business
- BPO/ITeS Sector contributes over 10% to GDP

## Social Benefits

- Mixed urban development and best in class residential and working environment.
- Enhance local research and development, entrepreneurship and IT enterprise culture.

# Sponsor Profile

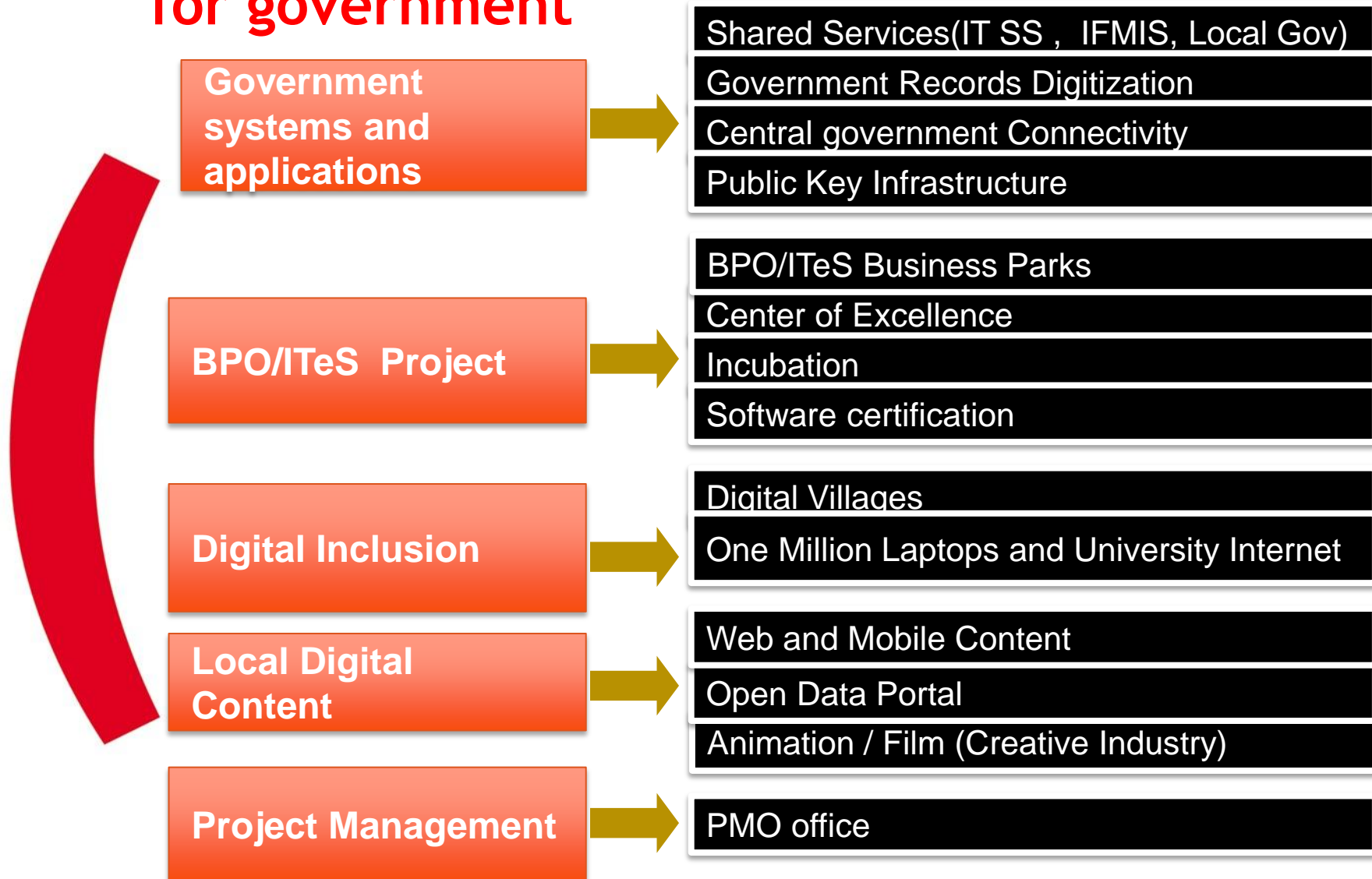
## Kenya ICT Board

- KICT Board is the implementation agency of the Ministry of Information and Communications.
- Mandates -International marketing & Transparency project (\$116)
- Infrastructure Development

## Ministry of Information of Communication

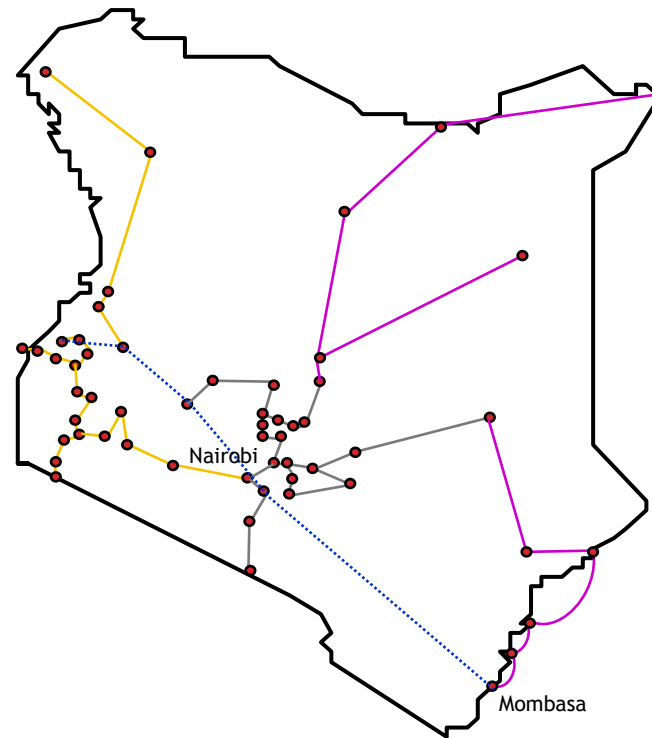
- ICT Policy and legal frameworks
- Country ICT infrastructure development agenda
- Leader of Inter-ministerial co-ordination on the Konza City Project

# Kenya Ict Board implements Key IT Projects for government

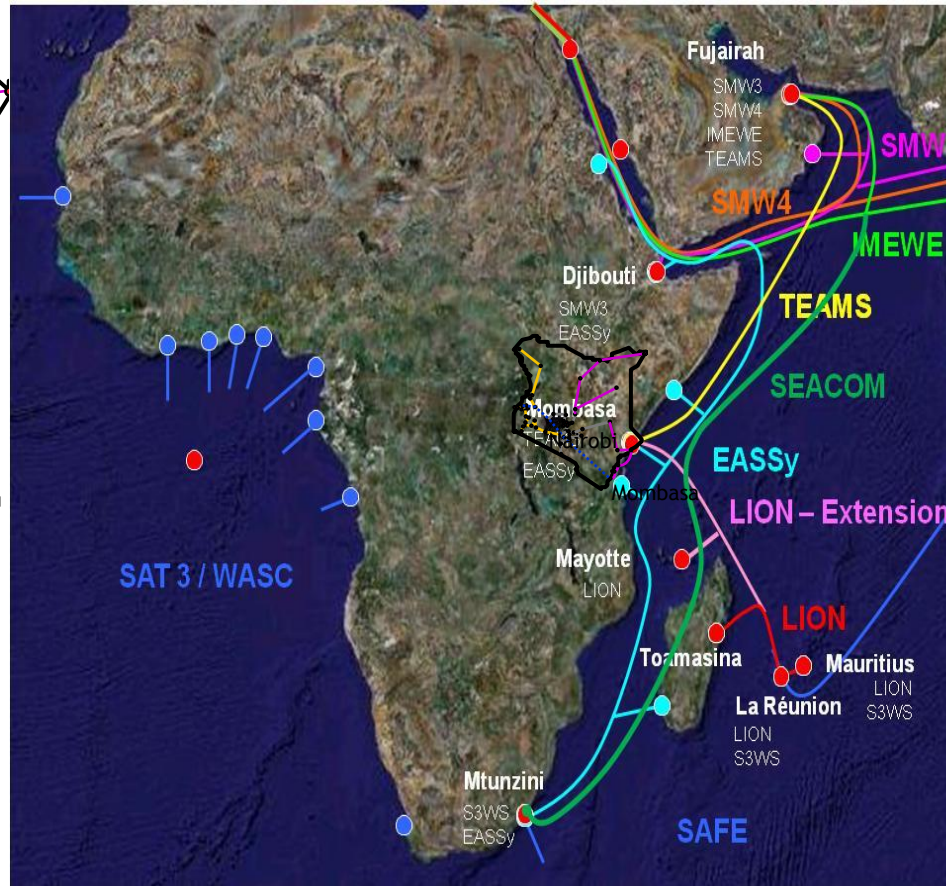


# Broadband Infrastructure Investment USD 200M

## Terrestrial Fibre



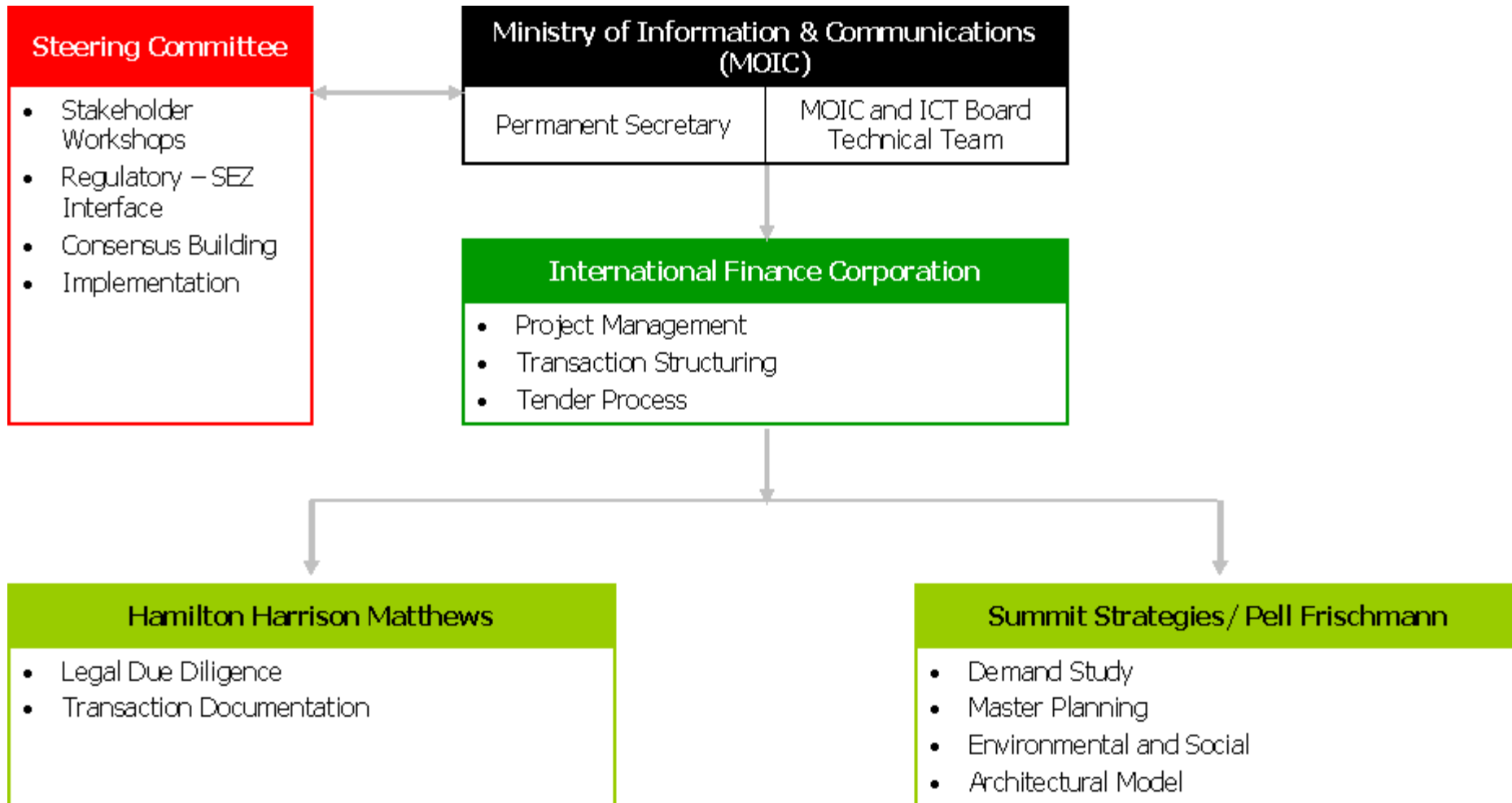
## Undersea Fibre Cables



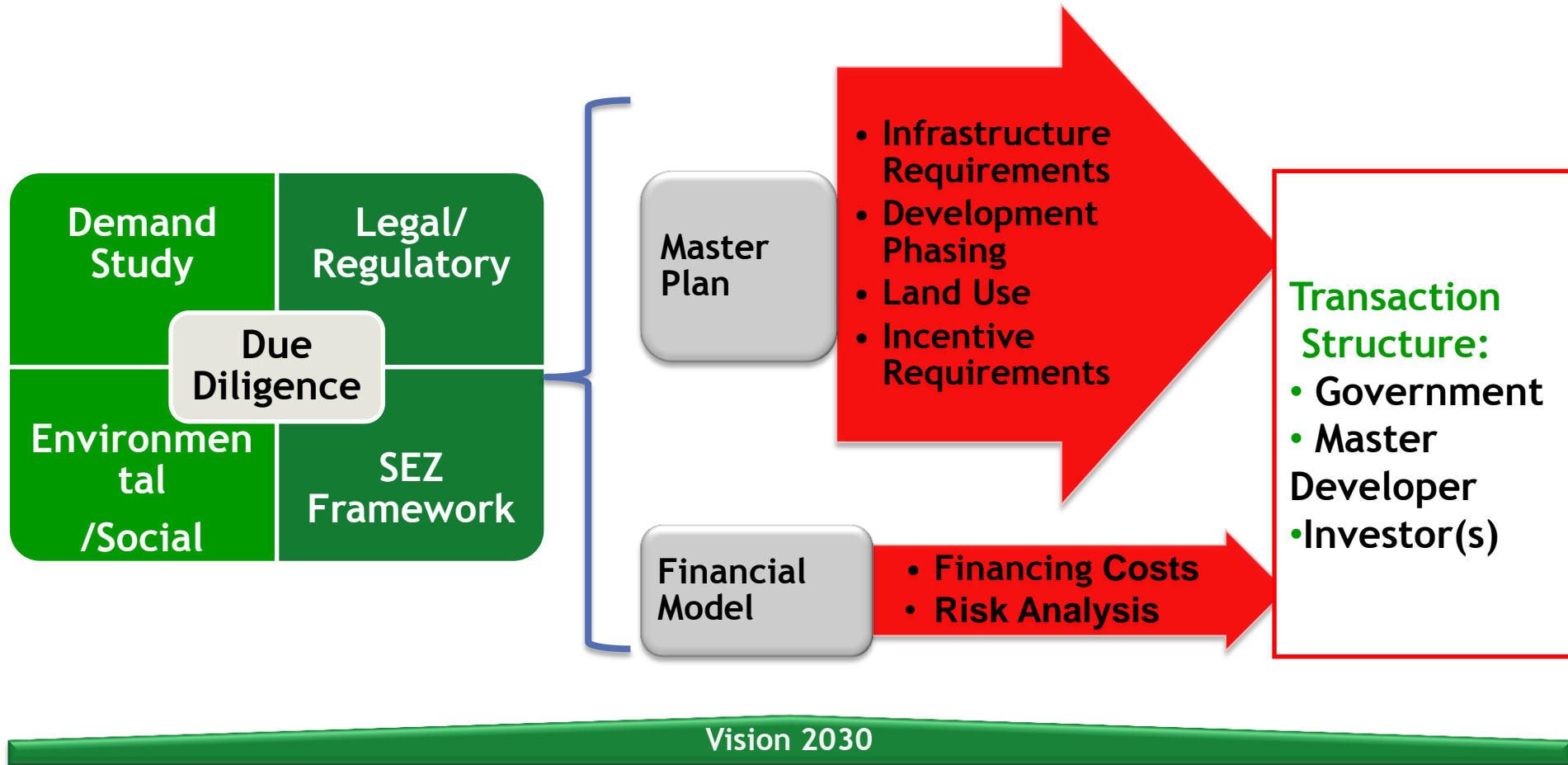
# The Project



# Overview: Konza Project Team



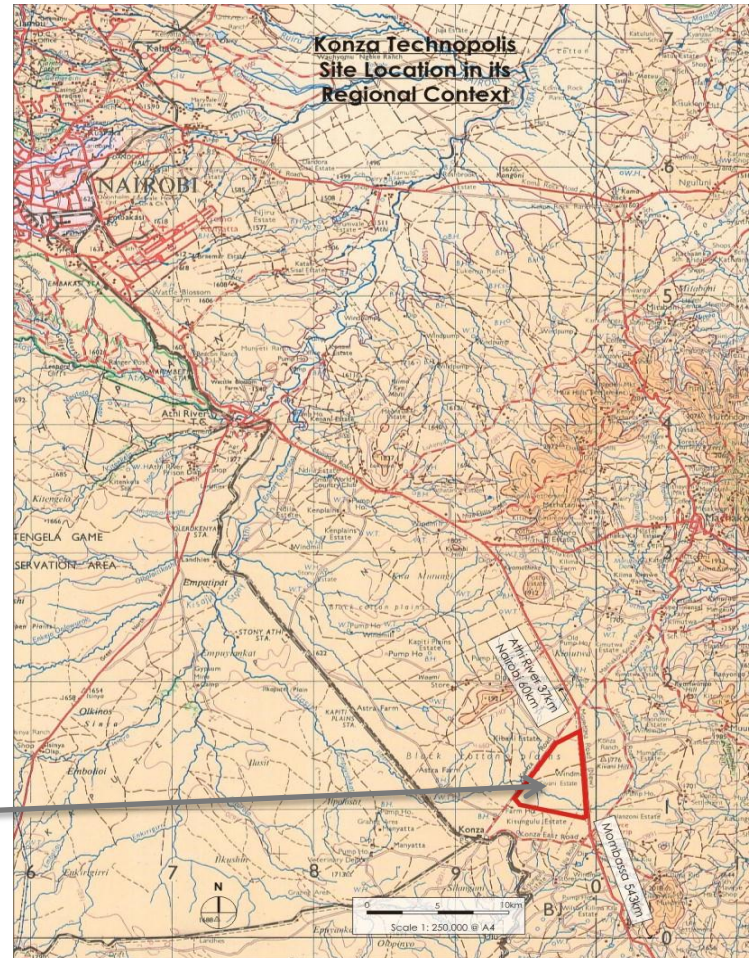
# The Process





# Overview Site Location

- Site sits on 5,000 acres
- 60 km from Nairobi on the main highway
- Only 50 km from Jomo Kenyatta International Airport



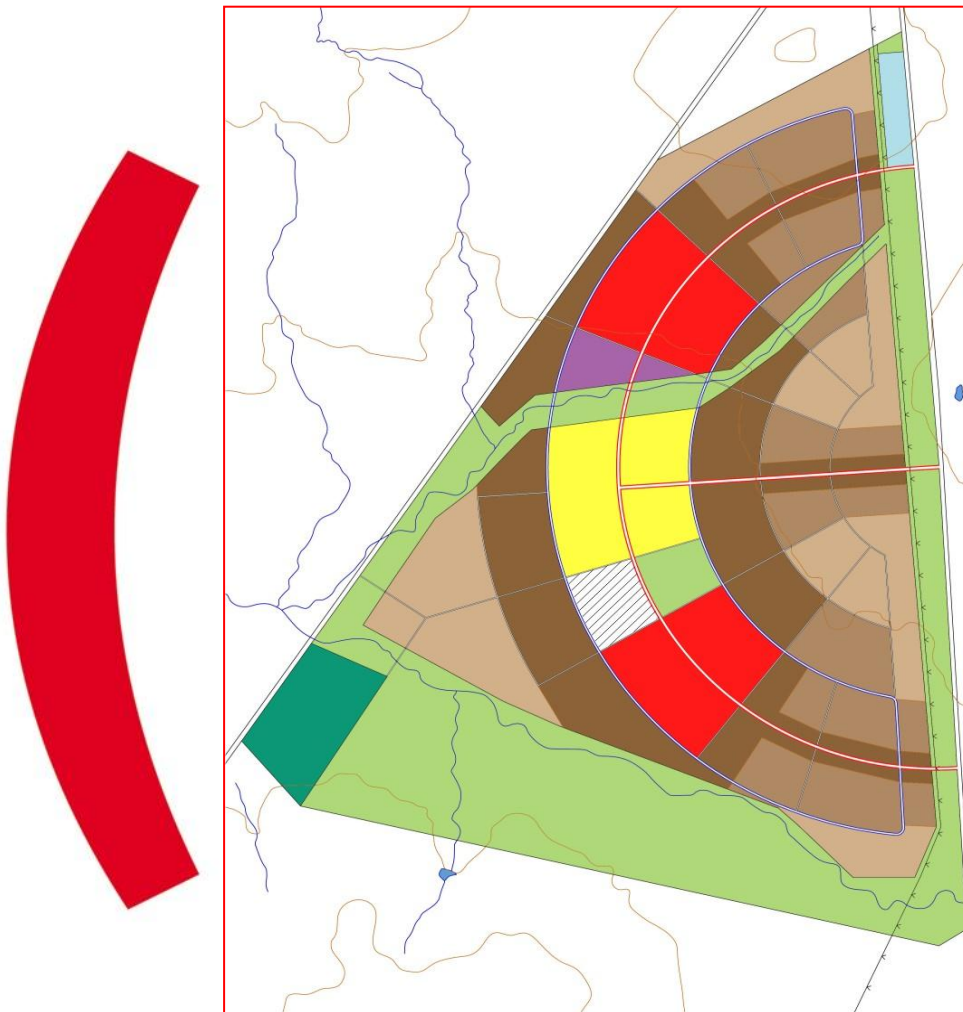
# The Konza Technology City



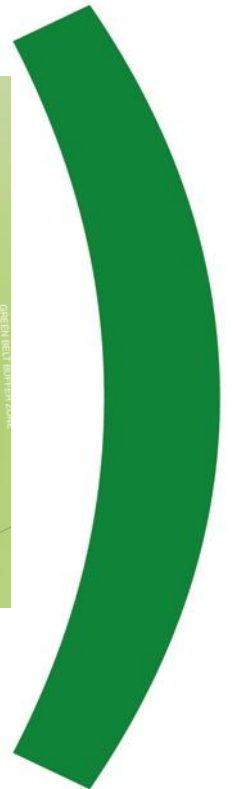
# World Class Design

## Key

- BPO Technopark
- Central Business District (CBD)
- University Campus and Hospital
- High density residential
- Medium density residential
- Low density residential
- Strategic Reserve
- Parks, recreation and open space
- Water treatment plant
- Sewage and wastewater treatment
- Primary road
- Secondary road
- Feeder road
- Public transport only road



# Four 5-year Phases of Investment



# 20 Year Development in 4 Phases



Phase	1	2	3	4	Total	
Infrastructure						
(Total) USD 000	1,000	400	600	150	2,150	
Development						
(Total): USD 000	1,300	1,300	1,500	800	4,900	
Broken Down:						%
BPO Park	200	300	400	450	1,350	28
Residential	975	850	700	250	2,775	57
Financial District	125	100	300		525	11
University		50			50	1
Science Park			100	100	200	4
<b>Total</b>	<b>2,300</b>	<b>1,700</b>	<b>2,100</b>	<b>950</b>	<b>7,050</b>	
<b>%</b>	<b>33</b>	<b>24</b>	<b>30</b>	<b>13</b>	<b>100</b>	

# Floor Space Development Costs

	Status	Development Investment (USD 000)	% in \$ Terms	Floor Space (000 SQM)	% Space
BPO Park	Master Developer and Anchor Tenant	1,350	28	1,400	23
Residential	Master Developer	2,775	57	3,600	60
Financial District	Master Developer	525	11	699	12
University	Local Commitment	50	1	51	1
Science Park	USD 85m Indicative Commitment	200	4	226	4
<b>Total</b>		<b>4,900</b>	<b>100</b>	<b>5,976</b>	<b>100</b>



# Investment Summary

Infrastructure development                      \$ 2.1 B

- On-site     \$ 1.9 B
- Off-site     \$ 200 M

Site real estate development                      \$ 4.9 B

Total project cost                                      \$ 7.0 B

Average expected return - based on real estate market in Kenya:

- 12 -15% per annum for lease income
- 20% capital gains per annum (straight line)

# Investor Participation Models

1. **Government contributes land to an SPV to be established jointly with private Master Developer.** Terms and responsibilities of each party to be determined.
2. **Single Private Master Developer** undertakes the master planning of the entire property under Master Development Agreement and **finances its development** directly or through sub-developers. **Government finances backbone infrastructure fully or partially.**
2. **Government Authority finances backbone infrastructure and undertakes the master planning** of the property, including attracting developers for specific land uses.





# THANK YOU



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