



Kenya: New Public Private Partnerships (PPP) Law Finally in Place

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On January 14, 2013, President Mwai Kibaki signed into law the much awaited Public Private Partnerships (PPP) Bill. This new PPP legislation is expected to provide Kenyan government bodies with the legal capacity to enter into contracts with the private sector, create certainty and investor confidence, reduce negative impacts on risk profiles of PPP projects and provide a clear approval process for PPPs among others.

The Government of Kenya (GoK) estimates a funding gap of approximately US\$44 billion is required to address Kenya's infrastructure requirements over the next five to eight years in line with its economic development blueprint of attaining middle-income status, Vision 2030. To help overcome this financing gap, the Public Private Partnerships Act will create an attractive PPP framework that will extend the scope of PPPs to cover economic infrastructure projects including power generation, ports, airports, railway, roads, water supply, irrigation, among others; as well as social infrastructure projects including housing, medical facilities, prisons, education facilities, solid waste management facilities among others.

A variety of public and private sector projects are planned for private investment under various types of PPP mechanism including management contracts, leases, concessions, BOT (Build, Operate, and Transfer) or BOOT (Build, Own, Operate, and Transfer), ROT (Rehabilitate-Operate-Transfer) among other arrangements approved by the government. These projects include Kenya's first technology city, Konza City, which is expected to be East and Central Africa's first ICT metropolis, the construction of the Lamu Port and Southern Sudan-Ethiopia Transport (LAPSSET) Corridor among others.

For More Information

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