KENYA'S PUBLIC PRIVATE PARTNERSHIPS PROGRAMME UPDATE

'Scaling Infrastructure. Mobilising Capital. Delivering National Transformation'

Status, progress and investment opportunity within Kenya's PPP programme

Kenya has entered a new era of infrastructure development, defined not only by greater ambition, but by smarter and more sustainable delivery models. At the centre of this transformation is the Public Private Partnerships (PPP) programme, which has emerged as a key mechanism for delivering critical national infrastructure.

Introduced in 2009 as a strategic response to growing infrastructure demands and shrinking fiscal space and formally anchored through the PPP Act, 2013, the PPP model created a new pathway for addressing longstanding development challenges across sectors such as roads, energy, water, housing, health, and digital infrastructure. It also established the legal and institutional foundation for structured private sector participation in public infrastructure delivery.

Under this model, Government partners with private investors to finance, design, build, operate, and maintain major infrastructure assets, aligning public development priorities with private sector efficiency, innovation, and long-term capital.

Kenya further strengthened this framework through the PPP Act, 2021, a landmark reform that modernized the country's PPP regime by improving transparency, clarifying institutional mandates, strengthening investor protections, and reducing delays through clearer project approval timelines and decision-making processes.

The new law also expanded the range of eligible PPP arrangements and introduced local content provisions aligned with the Buy Kenya, Build Kenya policy, ensuring that infrastructure investments not only deliver public assets but also support domestic enterprise growth and broader economic inclusion.

Today, Kenya's PPP programme comprises 51 active projects valued at over KES 1.1 trillion, making it one of the most ambitious and diversified infrastructure pipelines in Africa. The projects span sectors that directly influence national productivity, competitiveness, and quality of life.

More importantly, the programme has matured significantly. Projects are being prepared more rigorously, institutions are stronger, processes are more disciplined, and investor confidence continues to grow.

Kenya is no longer simply planning for infrastructure transformation, it is delivering it.

A section of the Nairobi Expressway: Modern infrastructure is increasingly being delivered through structured public private partnerships.

How we are strengthening the PPP framework to ensure sustainable infrastructure delivery

Kenya's Public Private Partnerships (PPP) programme has become a central pillar in delivering the country's infrastructure and broader development agenda. The focus is on strengthening the PPP framework to ensure infrastructure is delivered sustainably, efficiently, and in a fiscally responsible manner, while safeguarding both public and private sector interests.

A key area of progress is the development of a more structured and credible project pipeline across sectors such as transport, energy, water, housing, ICT, and urban development. Through stronger project preparation, improved feasibility studies, and better risk-sharing frameworks, projects entering the market are now more bankable and better positioned for successful delivery.

This progress has been reinforced by stronger project preparation and delivery systems, improved inter-agency coordination, and targeted Transaction Advisory support for priority projects in health, education, housing, and port infrastructure. These interventions are helping to improve execution discipline and accelerate project readiness.

The PPP Act 2021 has strengthened governance, improved transparency, clarified institutional roles, and created a more predictable and investor-friendly environment. As a result, Kenya's PPP framework has become more mature, disciplined, and better aligned with long-term infrastructure sustainability goals.

"By strengthening project preparation, improving governance, and enhancing investor confidence, Kenya is building a PPP framework that is not only bankable, but capable of delivering long-term national transformation," says the Principal Secretary for Public Investments and Assets Management, Cyrell Wagunda

PPPs and the National Infrastructure Fund anchor Kenya's infrastructure transformation agenda

Cabinet Secretary for The National Treasury, Hon FCPA John Mbadi.

The National Treasury is strengthening the role of Public Private Partnerships (PPPs) as a core pillar of infrastructure delivery and long-term economic transformation.

PPPs are being advanced not as a fallback option, but as a deliberate policy instrument designed to reinforce fiscal discipline, improve efficiency, and enable the delivery of high-quality public assets through structured private sector participation.

In parallel, the Government is prioritising the establishment of the National Infrastructure Fund (NIF) as a key mechanism for mobilising and channelling long-term capital into strategic infrastructure investments across priority sectors of the economy. The PPP programme and the NIF are therefore not competing frameworks, but complementary instruments within a unified infrastructure delivery ecosystem.

With a growing pipeline of bankable, tender-ready projects, strengthened safeguards under the PPP Act 2021, and enhanced risk mitigation instruments, Kenya continues to reinforce a more predictable and investor-ready environment for sustainable infrastructure partnerships.

This approach reflects a clear policy direction: the scaling of PPPs, anchored by the National Infrastructure Fund, as Kenya's infrastructure financing architecture evolves in line with the country's development ambition.

A stronger investment environment begins with stronger institutions

The PPP Committee has played a central role in strengthening Kenya's Public Private Partnerships framework by providing strategic policy direction, enhancing institutional coordination, and ensuring a balanced approach that safeguards both public and private sector interests.

A key focus of the Committee's work has been improving the efficiency, transparency, and integrity of the PPP system. In this regard, the Committee has clarified institutional roles, streamlined approval processes, and strengthened compliance with the PPP Act, thereby creating a more structured environment for project preparation, procurement, and implementation.

Principal Secretary of The National Treasury and PPP Committee Chairperson Dr Chris Kiptoo.

In addition, the Committee has reinforced implementation oversight through enhanced inter-agency coordination and more active monitoring of projects under operations and maintenance. In this context, during May and June 2026, the Committee conducted inspection visits to the Nairobi-Nakuru-Mau Summit Highway Project, the KDF Residential Accommodation Projects in Gilgil and Lanet, the Menengai Geothermal Power Plants, and the Lot 15 and Lot 18 Road Annuity Projects.

These inspections represent an important step toward deeper accountability and performance tracking, reinforcing a more mature and disciplined PPP programme aligned with Kenya's long-term development priorities.

PPP committee members inspecting ongoing works at the Nairobi-Nakuru-Mau Summit highway project.

PPP committee members on a monitoring mission of the progress at the KDF residential accommodation project at Gilgil on May 26, 2026.

From growth to discipline: The pipeline driving bankable infrastructure delivery in Kenya

Eng Kefa Seda, Director General of Public Private Partnerships Directorate

Kenya is at a defining moment in its infrastructure development journey, marked by a clear trajectory towards a structured, rules-based Public Private Partnerships (PPP) framework. With 51 active projects and 10 of them at advanced stages of implementation, the PPP programme reflects a decisive shift from project identification to execution, anchored on discipline, transparency, and results.

The current PPP pipeline, valued at over KES 1.1 trillion, spans more than eight sectors including transport, energy, water and sanitation, housing, health, ICT, and urban development. These projects are at different stages of development, ranging from feasibility studies to procurement and construction, demonstrating both depth and diversity within our infrastructure investment landscape.

To strengthen the commercial viability of the projects, we have enhanced upstream project preparation through rigorous feasibility studies, value-for-money analysis, environmental and social safeguards, and structured risk allocation frameworks. These measures ensure that projects entering the market are properly structured, bankable, and aligned

Continued on next Page >>>

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>>> Continued from the previous Page

with investor expectations.

Further, as a Directorate, we are deepening reforms to strengthen due diligence and standardization of bidding documents for key sectors including water, health, and roads. These reforms are designed to improve consistency, efficiency, and transparency in project preparation while reducing transaction risks and improving delivery timelines.

"For us time is money and because of this, we are actively shortening both transaction advisory processes and overall project delivery timelines to accelerate the realization of infrastructure outcomes".

Importantly, we are also evolving in both scope and ambition. Our pipeline now includes key Government priority projects such as the Sosian Menengai Geothermal Power Project, Galana Kulalu Food Security Project, the Nairobi-Nakuru-Mau Summit Highway, Sabaki Bulk Water Supply and KETRACO transmission line projects, all at various stages of implementation.

Beyond these, we are progressing major investments towards feasibility, including the Malindi Spaceport, Konza Smart City expansion, Liquefied Natural Gas power generation at Dongo Kundu, Karura Hydro Power Dam, irrigation schemes, and key port and inland container depot concessions.

Additionally, the PPP programme is expanding into new frontiers such as nuclear power, battery storage, biotechnology and life sciences, and subnational county PPPs which were largely absent from Kenya's PPP landscape five years ago.

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Full pipeline download: https://pppkenya.go.ke/pipeline-status-reports/
Web: www.pppkenya.go.ke

Touching every strategic sector: A peek into key PPP projects

Kenya's PPP portfolio is deliberately diversified. This ensures infrastructure investment reaches the sectors that matter most to national development and everyday life.

ROADS AND TRANSPORT

Connecting markets, reducing costs, unlocking growth

Transport remains the backbone of economic competitiveness. Efficient road networks reduce travel times, lower logistics costs and strengthen regional trade. The transport PPP pipeline has major strategic projects, including:

- The Nairobi Expressway
- The Nairobi-Nakuru-Mau Summit Highway
- Road Annuity PPP Projects in Central and Western Kenya
- Nairobi-Mombasa Expressway (Transaction Advisory underway)
- Mau Summit-Eldoret-Malaba Road.

These projects are expected to improve travel times, cargo efficiency, support regional integration and strengthen Kenya's role as East Africa's logistics gateway.

ENERGY AND POWER

Powering industrial growth and the green transition

Reliable power remains essential to industrial competitiveness. Kenya's energy PPP pipeline includes geothermal, hydropower, Liquified Natural Gas (LNG) and transmission infrastructure. Flagship projects in this sector include:

- Menengai Geothermal (three power plants at various stages)
- Karura 90MW Hydropower
- Kibuka Grand Falls
- LNG Power Plant - Dongo Kundu
- Power Transmission lines projects.

Together, these projects support energy security, industrial expansion and Kenya's leadership in renewable energy.

WATER AND FOOD SECURITY

Securing livelihoods, resilience and long-term sustainability

Water infrastructure is increasingly central to Kenya's development agenda. Population growth, urbanisation and climate change are placing growing pressure on water systems. The PPP projects in this sector include transformative investments, such as:

- Lamu Water Desalination, designed to improve water access in coastal communities
- Mzima II Water Supply, strengthening water supply to urban centres
- Ndarugu 2 Dam Water Supply
- Galana-Kulalu (at Operations and Maintenance), expanding food security infrastructure
- Tana Delta, Sugar and Pastoralists Communities water projects, aimed at improving resilience in underserved regions.

These projects are not only about water. They touch on health, food production, jobs and climate adaptation.

SOCIAL INFRASTRUCTURE

Improving daily life through better public services

Kenya's PPP programme increasingly focuses on infrastructure that directly affects citizens. Social infrastructure projects include:

- KDF Residential Housing (3,069 units)
- Pwani Teaching Hospital
- Meru Cancer Centre
- Stoni Athi (2820 Affordable Housing Units)
- University of Nairobi's 4000 Bed Student Hostels
- KNH Staff Facility

These investments improve housing access, healthcare delivery and education infrastructure, demonstrating the broader social impact of PPPs.

KENYA PPP PIPELINE BY NUMBERS

	STAGE OF PROJECT IN PPP PROJECT CYCLE	NO. OF PROJECTS	PROJECT NAME
1.	OPERATIONS AND MAINTENANCE	6	1) Nairobi- Expressway 2) Lot 33 of Road Annuity Programme 3) Lot 18 of Road Annuity Programme 4) Lot 15 of Road Annuity Programme 5) 35MW Sosian Menengai Geothermal Power Plant Project 6) Galana-Kulalu (Nafaka) Food Security Project
2.	CONSTRUCTION	4	1) Kenya Defence Forces Residential Accommodation 2) 35MW Quantum Menengai Geothermal Power Plant Project 3) 35MW Orpower 22 Menengai Geothermal Power Plant 4) Nairobi-Nakuru-Mau Summit Highway
3.	COMMERCIAL CLOSE	2	1) Supply of Smart Driving Licenses and Associated Services 2) Power Transmission Lines and Substations sponsored by Africa 50 and PowerGrid
4.	NEGOTIATIONS	3	1) Sabaki Water Carrier 2) Lamu Water Desalination Plant 3) Eldoret Solar Power Plant & Solar-Powered Street Lighting & Upgrade
5.	PROCUREMENT/ TENDER STAGES	4	1) Stoni Athi Affordable Housing Units 2) MTRH Training Complex 3) University of Nairobi Purpose Built Student Hostels 4) Pwani Teaching & Referral Hospital
6.	FEASIBILITY STUDY/ PROJECT DEVELOPMENT	14	1) Nairobi-Mombasa Expressway 2) Ndarugu 2 Dam water Supply 3) Mzima II Water Supply 4) Londiani Dam 5) Maragua IV Dam Water Supply 6) Naivasha SEZ Bulk Water Supply 7) Njoro Kubwa Bulk Water Supply 8) Cancer Centre at Meru Level 5 Referral Hospital

Expressway | Geothermal | Housing | Water | Konza

A stronger legal and institutional framework

A strong and predictable legal and institutional framework is central to building investor confidence, and in Kenya, this foundation has been significantly strengthened through the PPP Act 2021.

The Act modernised the Public Private Partnerships regime by improving clarity across institutional roles, strengthening governance and fiscal oversight, enhancing procurement standards, reinforcing investor protections, and improving dispute resolution mechanisms, making the PPP process more transparent, efficient, and easier to navigate. This strengthened legal framework is supported by a more coordinated institutional environment, with key institutions such as the PPP Directorate, the PPP Committee, the National Treasury, and the Judiciary operating within clearer and better-aligned mandates.

For investors, this has created greater predictability and reduced risk, while for Government it has enhanced accountability, improved project delivery, and supported more sustainable infrastructure outcomes.

Upcoming opportunities: Projects moving toward market

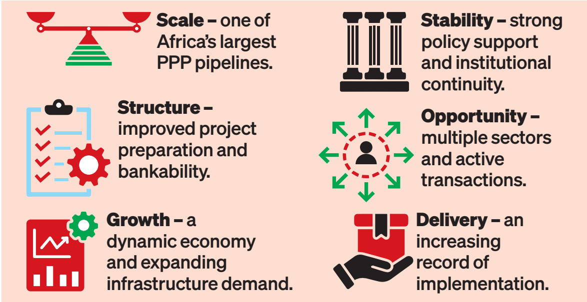
The following projects are expected to enter procurement or deeper market engagement soon. They include:

- A8 Mombasa–Nairobi Road
- Konza Cloud and Smart City Expansion
- KPA Port Concessions
- LNG Power Plant, Dongo Kundu
- Karura 90MW Hydropower
- Kibuka Grand Falls Hydropower
- Additional transmission line projects.

These projects represent immediate opportunities for developers, financiers and technical partners.

The investment case for Kenya

Kenya offers a compelling case for infrastructure investors, captured as follows:



Kenya is no longer a frontier opportunity. It is a structured investment market.

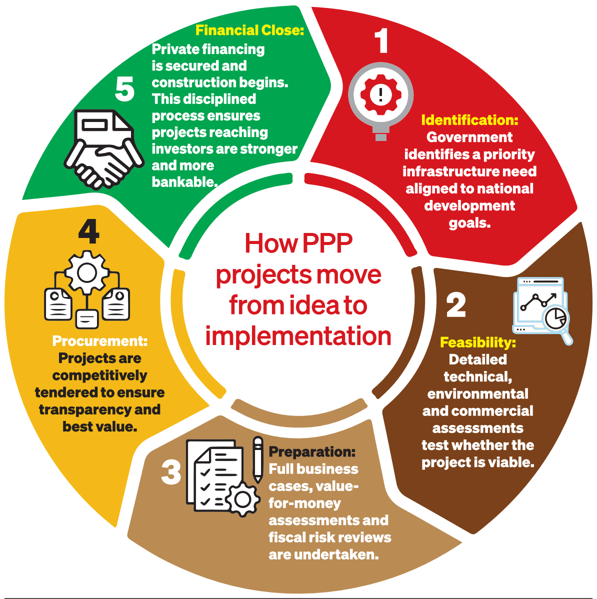
Partner with Kenya. Build the Future.

Kenya is inviting investors to participate in the next phase of national transformation, whether through project equity, debt financing, technical advisory, transaction support, blended finance, or long-term institutional capital.

There is a role for every serious infrastructure partner. The Government has built the framework. The pipeline is ready. The opportunities are real. Now is the time to invest.

How PPP projects move from idea to implementation

Successful PPPs do not begin with construction. They start with preparation. Kenya has adopted a structured five-stage project development model designed to improve quality, reduce risk and increase investor confidence.



Compiled by Argwings Owiti, Head of Communications, PPP Directorate.