

UK announces £132m of new investments in Kenya and backs Nairobi as an international financial centre

The Foreign Secretary also launched the Nairobi International Financial Centre, and its formal partnership with the City of London.

At the start of a three-day visit to the UK to co-host the Global Education Summit with Prime Minister Boris Johnson, President Kenyatta witnessed the signing of a new memorandum of understanding between TheCityUK and the Nairobi International Financial Centre Authority, establishing a formal partnership, including closer collaboration with the London Stock Exchange.

This will help to channel international investment into Kenya and the wider region, making sure firms and investors are able to make the most of trade and investment opportunities.

Foreign Secretary Dominic Raab said:

This £132 million package of new UK-Kenya deals from the UK government and British firms will support investment in the region, including building new green affordable homes, connecting households to clean energy, and boosting manufacturing.

This package of investments will create new jobs and unlock new opportunities for UK and Kenyan businesses by strengthening the relationship between Nairobi and the City of London.

British insurer Prudential intends to be the first firm to set up in Nairobi's new International Financial Centre, while Kenyan mining company Mayflower Gold announced plans to dual list its shares on both the London and Nairobi Stock Exchanges in a deal worth £14 million.

Prudential PLC Chair Shriti Vadera said:

Africa is an important part of our long term growth strategy and I am delighted that the UK and Kenya are collaborating on financial services, where there are many opportunities for innovation. Prudential is proud to be working with both countries on this initiative.

We believe that deepening the financial sector across the continent is key to building and driving economic resilience, development and growth in a region of great promise and opportunity. Joining the International Financial Centre in Nairobi is testament to our long-term commitment to supporting financial sector development across

Africa.

President Kenyatta also secured the backing of UK investors to boost affordable housing and manufacturing across Kenya. £28 million of private investment in Kenyan manufacturing was confirmed today as a result of the UK's Manufacturing Africa initiative, and UK company ARC Ride announced plans to invest £4.5 million in growing its fleet of electric vehicles in Kenya.

The Foreign Secretary also announced a new £58 million fund, anchored by £35 million of UK government investment, which will finance the construction of 10,000 green affordable homes in Kenya. This is on top of £53 million of investment in Kenyan affordable housing announced during the Foreign Secretary's visit to Kenya earlier this year.

A new digital customs system for Kenya will make it faster and easier for goods to move between Kenya and the UK, and between Kenya and the rest of the world. Delivered by TradeMark East Africa, and backed by £18 million of UK funding, this will boost Kenya's economy, allowing firms to take greater advantage of the recently ratified UK-Kenya Economic Partnership Agreement and grow our £1.4 billion mutual trade.

Earlier in the day, President Kenyatta met with COP President Alok Sharma at Kew Gardens to celebrate progress on the Kenya-UK Year of Climate Action. The UK announced £3.7 million of new UK funding to accelerate Kenya's climate transition, including projects supporting renewable energy, clean cooling, and forest restoration. UK-backed InfraCo Africa will also invest £3.3m in off-grid solar to provide clean energy access to 6,000 families in rural Kenya.

Tomorrow, President Kenyatta will meet with the Prime Minister ahead of attending the Global Education Summit on Thursday.

Further information

The £132 million announcement today is as follows:

- a new £58 million fund, anchored by £35 million of UK Government investment, which will finance the construction of 10,000 green affordable homes in Kenya
- £28 million of private investment in Kenyan manufacturing through the UK's Manufacturing Africa initiative
- £18 million of UK grant funding for a digital customs system to help smooth Kenya's international trade, including with the UK, and allow firms to take greater advantage of the UK-Kenya trade deal ratified at the start of 2021
- £4.5 million investment by UK company ARC Ride to expand their fleet of electric vehicles in Kenya
- £3.3 million investment from UK-backed InfraCo Africa to finance expansion of off-grid solar in Western Kenya, providing 6,000 Kenyan homes with access to clean energy
- £3.7 million support from the UK government to back Kenya's green

transition including projects supporting renewable energy, clean cooling, and forest restoration – including Kaptagat Forest, a project spearheaded by Kenyan marathon legend Eluid Kipchoge

- £1 million of UK aid funding for technical support, to structure Kenyan infrastructure projects so they are able to attract private investment
- £0.9 million investment from InfraCo Africa, backed by the UK government, in Nopea Ride, an electric taxi service
- £0.5 million of UK funding for policy advice on how to support the development of green manufacturing in Kenya, including of electric vehicles
- Mayflower Gold, a Kenyan mining company that employs 400 people, will float £14m of shares on the London and Nairobi stock exchanges

The UK has supported the set-up, business case development and investor proposition of the Nairobi International Financial Centre through Financial Sector Deepening.

The MoU comes shortly after the Chancellor Rishi Sunak set out a roadmap to cement the UK's position as an open and global financial hub, and enhance relationships with jurisdictions around the world. Read more [here](#).

Newsdesk

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