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23 NOV 1983

UNIDO PROJECT NO. KEN/81/017.
Assistance to Small-Scale Industries
Kenya Industrial Estates Ltd (KIE).
Phase II.

RESTRICTED.

February
22nd, 1985.

T E R M I N A L R E P O R T

ASSISTANCE TO SMALL-SCALE INDUSTRIES

KENYA INDUSTRIAL ESTATES LIMITED

KEN/81/017. (Phase II)

K E N Y A

Prepared for the Government of Kenya by the UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION executing Agency for
the United Nations Development Programme.

J.C. Fortune, Architect/Project Co-Ordinator
Advisor for Design and Construction of
Industrial Estates.

United Nations Industrial Development Organization
Vienna.

NOTE: This Report has not been cleared with the United Nations
Development Organization which does not, therefore,
necessarily share the views presented.

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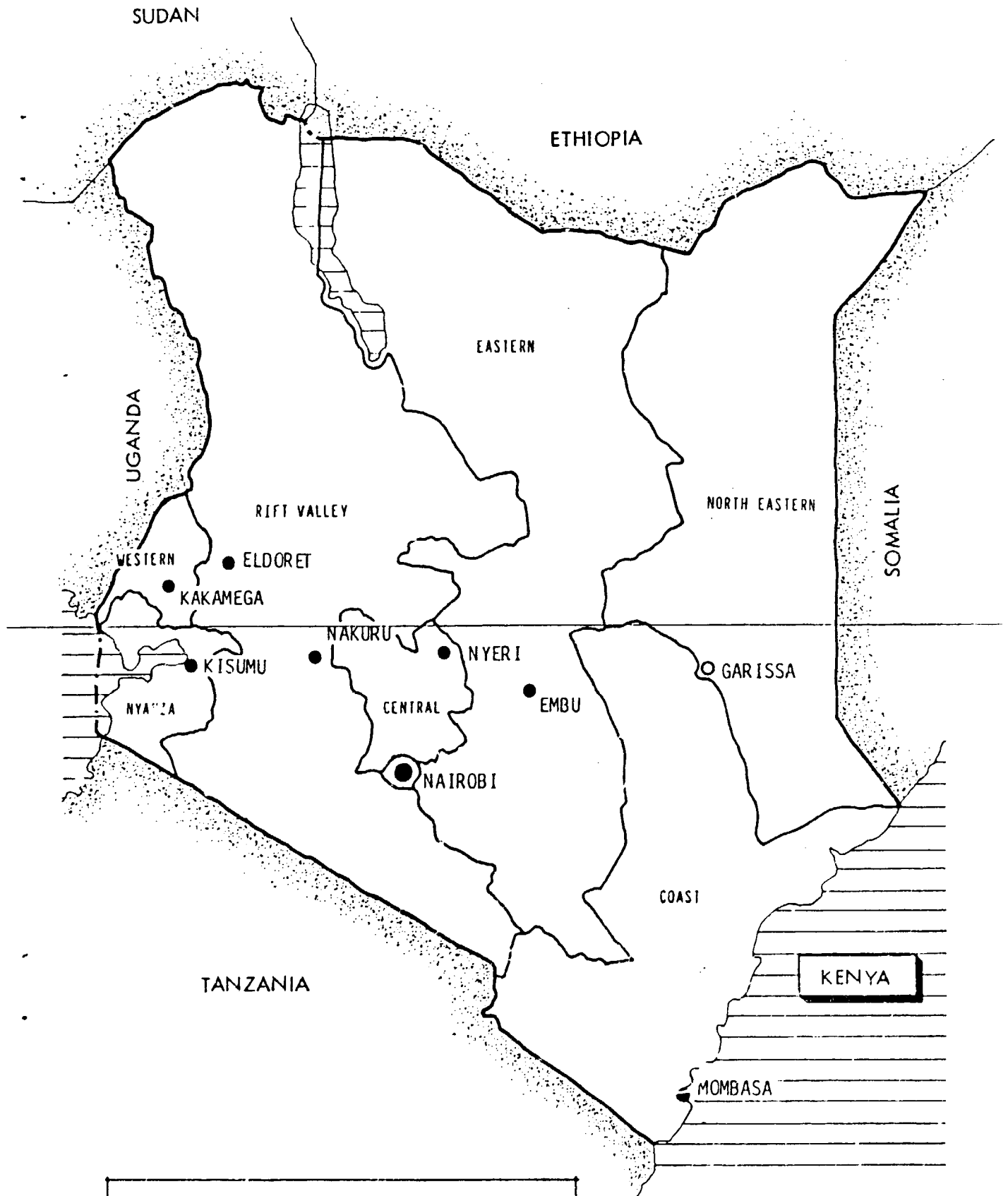
* By E. Sirak. (Not attached to this report but issued separately)

ABBREVIATIONS

| | |
|----------|--|
| KIE. | Kenya Industrial Estates Limited. |
| I.E. | Industrial Estate. |
| RIDC. | Rural Industrial Development Center. |
| IPA. | Industrial Promotion Area. |
| G.O.K. | Government of Kenya. |
| ICDC. | Industrial and Commercial Development Corporation. |
| K.F.W. | Kreditanstalt fuer Wederhaugbau (W.Germany). |
| G.T.Z. | Deutsche Gesellschaft fuer Technische Zusammenarbeit m.b.h. |
| S.I.D.A. | Swedish International Development Agency. |
| DANIDA. | Danish International Development Agency. |
| E.E.C. | European Economic Community. |
| NORAD. | Norwegian Agency for Development. |
| JICA. | Japan International Cooperation Agency. |
| IBRD. | International Bank for Reconstruction and Development. |
| MIDP. | Machakos Integrated Development Programme. |
| UNDP. | United Nations Development Programme. |
| UNIDO. | United Nations Industrial Development Organization. |
| TSC. | Technical Service Center. |
| CFW. | Common Facility Workshop. |
| PDU. | Product Development Unit. |
| SEP. | Special Energy Programme. |
| FINNIDA. | Finnish International Development Agency. |

Note. In January 1985 One U.S. Dollar was equivalent to about 15.50 Kenya Shillings.

At mid-1983, at the beginning of this Project, the value of the Kenya currency has averaged K.Shs.15.10 to the U.S. Dollar.



Note: KIE Head Office (Nairobi)
and Regional Offices

P A R T 1

1. GENERALS.

The second phase of this technical assistance to KIE is the follow-up of the implementation process which has originated during the first phase under code number KEN/77/006 from mid-1978 until June 1983.

In view of the recommendations of the UNDP/UNIDO mission fielded in November 1983, the positions of the two experts, the Architect and the Industrial Economist, were extended until December 1984 under a Preparatory Assistance Document approved in January 1984.

Before the phasing out of this project the Government has however solicited a further extension of three months on the part of the Architect so that the entire programme of his duties together with the KIE priorities could be finalized within a more feasible timetable.

This report is divided into two sections : Part I, to be regarded as the summary of the works of the Architect from July 1983 through to mid-April, 1985, whereas Part II from the Industrial Economist is mainly related to the project activities at the Eldoret and surrounding region, up until the end of December 1984.

Attention is drawn to the fact that reference will be frequently made with regard to Phase I (KEN/77/006), this report being considered as complementary to that of Phase I.

2. ABSTRACTS.

UNIDO PROJECT No. KEN/81/017.

TITLE : Assistance to Small-scale Industries
Kenya Industrial Estates Limited (KIE)
Phase II.

3. BACKGROUND AND INTRODUCTION.

The Kenya Industrial Estates Limited was created in 1967 as a subsidiary of the Industrial and Commercial Development Corporation (ICDC) and, later in 1978, became an autonomous institution entrusted with the tasks of promoting and encouraging the establishment of small-scale industries through the construction and development of Industrial Estates, Rural Industrial Development Centers and Industrial Promotion Areas at suitable urban and rural locations throughout the Republic.

KIE was empowered to negotiate and receive loans, grants and aids through the Government of Kenya from bilateral and other sources for the purpose of developing small-scale industries.

Technical and financial assistance were given over the years by Norway, Sweden, Denmark, Japan, West Germany and Finland. Both the European Economic Community and the World Bank have also contributed to the KIE programme of consolidation and expansion as of to-date.

Furthermore, KIE received from 1978 to 1983 UNDP/UNIDO Technical assistance in the sum of some US\$ 1.3 million in the form of a team of experts and equipment up to the end of June 1983 under the first phase of assistance.

Such assistance was provided as follows :- (see Addendum 3).

- a financial advisor to assist in building up an effective financial management system; prepare an appropriate programme for a mini-computer and put it into operation.
- a designer for rural workshop clusters to assist KIE in designing and providing the related infrastructure for industrial estates, RIDC's and IPA's, and supervise the construction works up to completion.

- a mechanical engineer and an industrial economist for the Eldoret estate and surrounding regions to assist rural industrialists to set up and operate their industries.

It should be noted that the World Bank has also sponsored the position of a Finance Manager since 1982 to look into the ever increasing complexity of the KIE financial operations.

As a result of both financial and technical aids from various donors the KIE has been able, among other things, to put up an extensive network of stations all around the country. See Appendices 2 and 3).

To date eight (8) industrial estates are in operation together with ten (10) RIDC's and eight (8) IPA's.

In Appendix 2 a schematic map (A) indicates the estates in operation as at 1978, the year from which the UNDP/UNIDO programme of assistance to KIE started. The same Appendix on sketch (B) shows the extensions that have taken place since the assistance commenced.

The KIE has grown to a sizable institution employing more than 350 persons to date. Also, some 600 projects are sponsored by the KIE on the estates, as well as out of the estates; in both cases the total number of employment has reached over 10,000.

To cope with the increasing challenge new departmental functions were recently created: 1) Project Preparation and Appraisal, 2) Projects Implementation and Technical Support, 3) Supervision, Review and Entrepreneur Training Department, 4) Technical Service Centers Department. Moreover the Personnel Department has been re-named Personnel and Staff Training Department. See in Appendix 1 the new Organization Chart in effect since November 1984.

As recommended by the mission already mentioned, special emphasis will have to be put on both KIE staff development and entrepreneurship development. In fact, the project document sanctioning the agreement between UNIDO and the

Government have been approved in November 1984 so that a 3-year assistance scheme in such a direction should begin early in 1985, under the code number KEN/84/011, Phase 111.

4. OFFICIAL ARRANGEMENTS AND CONTRIBUTIONS.

Subsequent to the discussions during the tripartite meeting held in May of 1983, the project document, to be called, Preparatory Assistance Document, was approved in January 1984.

The UNDP budget initially designed for 18 months was revised recently (Rev. G) in order to reflect the latest extensions up to 21 month as follows :-

| <u>Year</u> | <u>Months.</u> | <u>U.S. Dollars.</u> |
|---------------|----------------|----------------------|
| 1983 | 6 | 93,791. |
| 1984 | 12 | 226,700. |
| 1985 | 3 | 34,400. |
| Total: | 21 | 354,891. |

Actually, the experts m/m in real terms should read 39 as opposed to 39.7 because no short-term consultant has been appointed.

The contributions from GOK / KIE were provided as per the estimated budget in Appendix 2 of the project document. Provisions were made for counterpart support staff, fuel, maintenance of vehicles, sundry, etc.

The international staff attending the project together with the list of counterpart national staff is shown in Appendix 4. For project's equipment, see also Appendix 4.

5. PROJECT OBJECTIVES.

The immediate objective is an increased capacity within the KIE to develop small-scale industries in urban and rural areas by carrying out the following functions :-

- constructing industrial sheds and providing common facilities for the purpose of renting them out to African industrialists.
- provide assistance in the implementation of new industries and in the revitalization of temporarily closed industries, as well as providing extension services to existing industries in the entire Eldoret region.

The long-term objective is however to gradually decentralize management and operations.

6. TRAINING / FELLOWSHIPS.

On-the-job training has been provided to national counterparts and support staff accordingly.

The fellowship programme has however been more successful as compared to Phase 1, during which only 8 m/m were provided in four years. In Appendix 5 the complete list of candidates and courses attended shows 22 m/m of attendance in various disciplines, i.e. internal auditing, project study preparation, financial management, financial accounting, small industry and entrepreneur development, etc. The country of study is also indicated.

This extensive programme has been made possible because of a more flexible approach agreed upon after Phase 1 regarding the use of funds which originally were meant to finance out-of-country courses to be attended exclusively by counterparts.

7. JOB DESCRIPTION.

1. Architect / Project co-ordinator.

Plan, design, co-ordinate, tender and supervise the construction works on workshop clusters at Kericho, Busia and Muranga.

The extended period of his duties has provided an opportunity for him to undertake the following work during the time in which he is:-

- undertake a new design approach for an IIR at Kalamnaga with the primary objective of making the project more feasible.
- upgrade the data on the entire IIR construction programme.
- complete the design work for the IIR at Kalamnaga and,
- ensure that the design works for the extension programme at Kalamnaga must be on line with the low budget level required prior to tendering.

See in Appendices 6 and 7 respectively the general work plan carried out during Phase II and the detailed schedule within the extended period. The Gantt charts show the continuity of the work undertaken from the beginning of Phase II.

2. Industrial Economist. (*)

- Prepare project appraisal for about 100 small industrial units with a view to their registration.
- Implement 7 - 10 new projects in District Estate for which potential entrepreneurs have been identified.
- Provide extension services to existing projects.
- Set-up a reporting system that will facilitate performance assessment of the District Estate.

NOTE: The above paragraph 2 is contained in detail in Part III.

(*) See footnote on page ii

2. ACTIVITIES AND OUTPUTS.

2.1. The activities of the Architect were mainly concentrated on the guidelines in the above job description in Para. 1.1.

However, a number of other activities were carried out extemporaneously. This was the case of the "Graphic Representation of the KIE Operations" from inception 1967 through June 1983.

The paper was designed in co-ordination with the Finance Department to illustrate graphically the following :-

- a.1. origin and utilization of funds.
- a.2. projections into the next 5-year plan.
- a.3. future resources requirements.
- a.4. disbursements of loans and projects under consideration for implementation.
- b.1. construction programme.
- b.2. funds for construction and contributions from donor agencies.
- b.3. survey of construction costs, and,
- b.4. technical assistance to KIE from bi-lateral and other international agencies.

The request for such an exercise can be credited to the INP office.

For construction and related activities the Table 5 in Appendix 3 has been designed with the purpose, among others, to show the chronological order of the process of implementation as per KIE plan of operations. Appendix 14 shows some design works being implemented.

This extensive programme has been fully achieved as described in the next paragraph 3.

8.2. Activities and outputs in connection with the project component at Eldoret is covered in Part 11.

9. ACHIEVEMENTS.

In 1978 KIE had an inventory of about 49,500 m² of rentable space distributed in 174 workshops as per Table 3, Part A Appendix 8, as already mentioned above.

Between 1978 and mid-1983 (Phase 1) the above area was increased by over 16,500 m².

The current Phase 11 has to its credit some 4,200 m² of rentable space distributed in 52 smaller units of workshops. Other projects to be finalized between 1985/1986 will show a further increase to the tune of 2,300 m², once the site works at Keroka, Muranga, Narok and Kakamega are completed.

A total of 202 workshops were built between 1978 and 1984 thus offering an area of rentable space of 21,500 m². See Appendix 9, Table 4.

What has been achieved by KIE in building industrial facilities throughout the country can be summarized by the following tables :-

TABLE 1.

| Year | Stations | Sheds (Rentable units) | Surface m ² . |
|----------------|----------|---------------------------|-----------------------------|
| 1967-1978 | 8 | 174 | 49,474 |
| 1978-1984 | 18 | 187 | 20,069 |
| Sub-Total | 26 | 361 | 69,543 |
| 1984-1986 | 4 | 52 | 3,175 |
| GRAND TOTAL | 30 | 413 | 72,718 |

Upon completion of all the on-going projects the ultimate position shall be as follows :-

TABLE 2.

| Type | Stations | Sheds (Rentable units) | Surface m ² . |
|----------------|----------|---------------------------|-----------------------------|
| Ind.Estates | 9 | 203 | 57,923 |
| RIDC's | 12 | 119 | 10,156 |
| IPA's | 10 | 91 | 4,639 |
| GRAND TOTAL | 30 | 413 | 72,718 |

The Table 5 in Appendix 10 summarizes the positions according to the type of estate, i.e. I.E., RIDC's and IPA's. The above table is inclusive of both Narok and Muranga.

10. FUNDS FOR CONSTRUCTION.

The figures for the estates built between inception and 1978 have recently been revised. As per Table 6 in Appendix 11, the amount shown is slightly over K.Shs. 55 m, thus superseding the total indicated in previous exercises. The contribution from the GOK amounted to 43% during above period.

As final disbursements have not been completed for all the projects built during Phase 1 and Phase 11, a total of some K.Shs. 86 m was calculated as an estimation.

The main sponsor was the GOK with 62.5% of the total for the period 1978-1986 as opposed to 37.5% from bilaterals and other agencies, i.e. SIDA, NORAD, GTZ, EEC and IDA for the same period under consideration. See the summary of costs and graphic representation of the contributions in Appendices 9 and 12. Appendix 13 should be regarded as the grand summary of the overall past and present construction programme.

11. UTILIZATION OF PROJECT RESULTS.

With regard to occupancy or rented workshops, during Phase 11 it might be too premature to come up with a satisfactory survey of the position at the newly built estate within that period.

One of the most successful cases appears to be at Karatina, where, after completion of the estate in late 1981 (Phase 1) 100% occupancy has been registered. A similar situation has been verified at Homa Bay which was completed in mid-1983.

On the other hand, the example at Nunguni should not be left unnoticed. Fifteen months after completion it appears that a number of entrepreneurs have been identified but no one has taken possession of their workshops yet.

The above examples show the two extremes. However, on an average, it does take some 6 to 12 months in which to verify a satisfactory rate of occupancy.

The rate for Phase 1 as indicated on the related report had reached the level of 61.5%, as compared to 83% for the period pre-1978.

The expansion of KIE, although not to be seen at all as an "institution building programme", should rather be considered as an increased capacity to gather all the possible end users, in this case the entrepreneurs, under the same roof and under the same organization.

By doing so, more job opportunities are expected to be created from both ends and furthermore vital challenge is being put on KIE in identification and selection of viable projects / entrepreneurs.

12. FINDINGS.

The construction programme has not been without problems throughout its implementation.

1. The Title Deeds have not been delivered to date for most of the estates built in the past few years. As the property is granted free of charge it is however normal procedure to obtain the construction permit from the Municipality or the County Council of the relevant locality before any site works should commence.

In some cases a letter of allotment is forwarded to the KIE by the Office of Lands and Settlement but not necessarily in conjunction and / or co-ordination with the above mentioned permit from the municipal authorities.

2. Other areas of serious difficulties have been the delays encountered in finalizing the construction works. Very few contracting firms were able to adhere to the contract timetable mainly due to poor management.
3. In 1980 the IPA project at Karatina was tendered and satisfactorily built at a cost of K.Shs. 1,800.00 per square meter, inclusive of infrastructure. The lowest price during the period mentioned.

Construction costs always being on the rising trend, efforts were made to modify both the design approach and the specifications. (Re: Recommendations para. 1 thro' 5, Terminal Report, Phase 1).

In early 1985 the cost per m² is currently assessed to be around K.Shs. 3,000.00 if the project is implemented exclusively with the KIE work-force.

4. Other relevant factors have however serious implications on the overall cost of these projects. The topography of the site, the nature of the sub-soil, the availability of power, water, drainage and sewerage, if any, are all elements which will finally dictate the amount to be spent on infrastructure.

All these factors have shown their proper impact on costs especially in those projects built in the remote areas.

5. The chart in Appendix 13 indicates among other things, the relationship between costs and area built for the whole construction programme from inception. 84% of the surfaces built are rentable.

13. CONCLUSION.

The number of estates has increased from 10 as at 1978 to a total of 28 inclusive of Kericho and Keroka which will be ready by mid-1985.

Over 23,000m² of rentable space has been added to the existing 49,000m², or so, of workshops inventoried as of 1978. The number of estates has increased from 10 as at 1978 to 28, taking into account the on-going projects currently being implemented.

With regard to TSC and CFWs the total area of 3,580m² for all these facilities has been increased to over 5,000m² during the same period under consideration.

Mention is made in the KIE Operational Plan for the extension of the Industrial Estate at Embu and the construction of an IPA at Makueni, but are not subject to commissioning yet.

At the time of this writing two more projects are being considered for implementation : an RIDC at Muranga and an IPA at Narok. Both projects were commissioned and designed within the framework of this technical assistance. Thus a total of 30 estates is projected in the near future, including Muranga and Narok. (See Addendum 1).

14. RECOMMENDATIONS.

1. As the construction programme has practically reached a saturation point, proper recommendations regarding future estates would appear unnecessary. However, if the possibility should arise the selection of a typical model could be made from past experiences at least at the IPA level.
 - a) The model at Kibwezi is recommendable for any part of the country. Furthermore the flexible partitioning between workshops is designed for expansion without extra cost. A simple rafter-truss roof system is provided as opposed to a full truss system as for previous models.
 - b) The prototype at Busia, a steel structure with metal cladding at the external partitions is also advisable due to ease of erection. However such option should be taken according to the climatic conditions and, most important, if a qualified contractor is to be selected.
2. Steps should be taken for obtaining the Title Deeds which have not yet been issued by the Office of Lands and Settlement.
3. In order to stimulate entrepreneurship and know-how, it would be appropriate to organize pilot-projects in selected areas.

Surveys should be carried out to assess, select and implement the relevant projects.

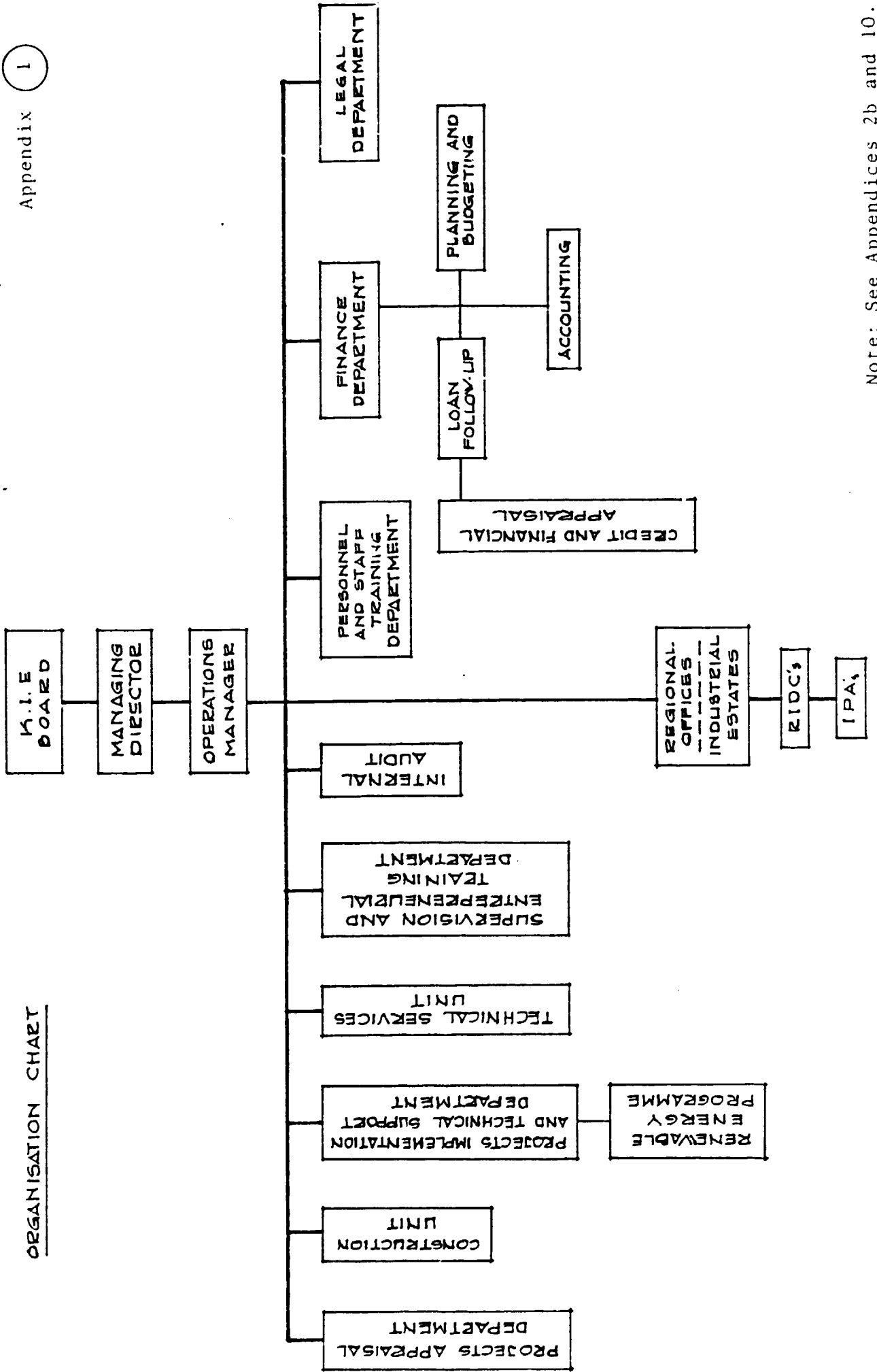
The acquired experience based on success/failure of such pilot-plan could generate in the long-term the appropriate approach and at the same time would also create the proper incentive which so often is lacking.
4. Having spent over the years more than Shs.140 Million in construction of sheds with related services a programme of estate management is currently under consideration.

This new programme is being encouraged by the World Bank as well.

LIST OF APPENDICES : PART I.

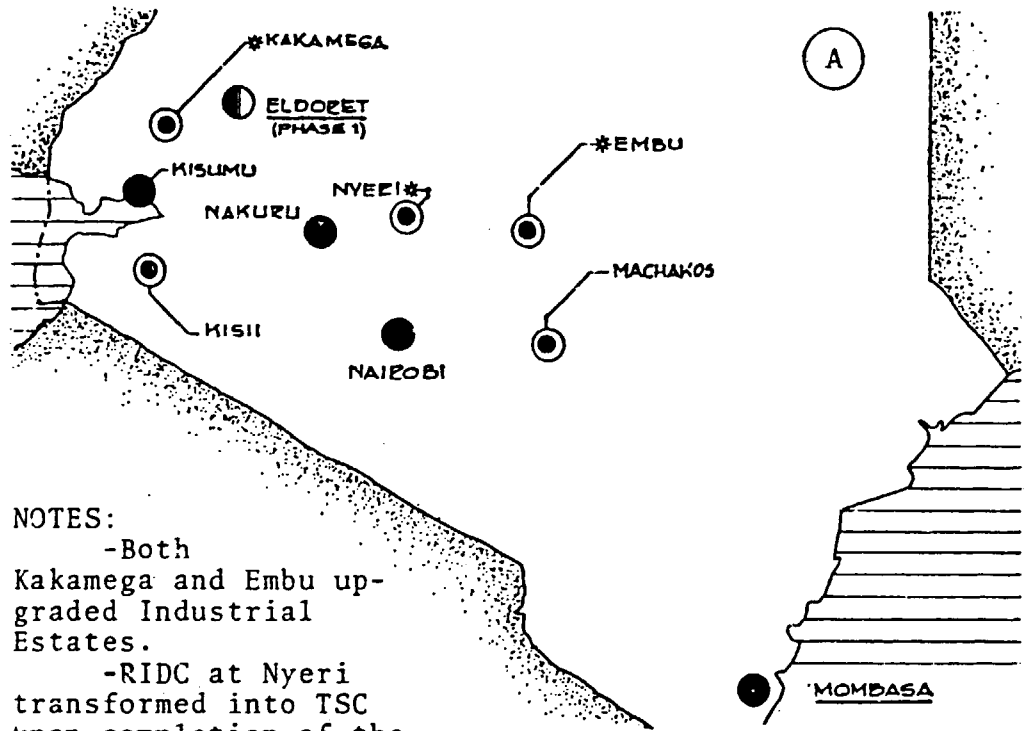
- Appendix 1 Organization Chart of KIE.
2 Map of KIE Expansion.
2/a Construction Programme: 1967-1978/1978-1984.
2/b Map of KIE Stations: Position todate.
3 Stations as per Geographical Divisions.
4 Project Staff and Equipment.
5 Fellowship Posts / Courses attended.
6 General Work Plan.
7 Detailed Work Plan.
8 Survey of KIE built-up areas (Table 3).
9 Summary of Costs and Construction Programme (Table 4).
10 Survey of Rentable Sheds (Table 5).
11 Funds for Construction: 1967-1978 (Table 6).
12 Funds for Construction: 1978-1986 (Tables 7,8).
13 Chart of KIE Construction Programme.
14 Design Works and Projects as built.

ORGANISATION CHART

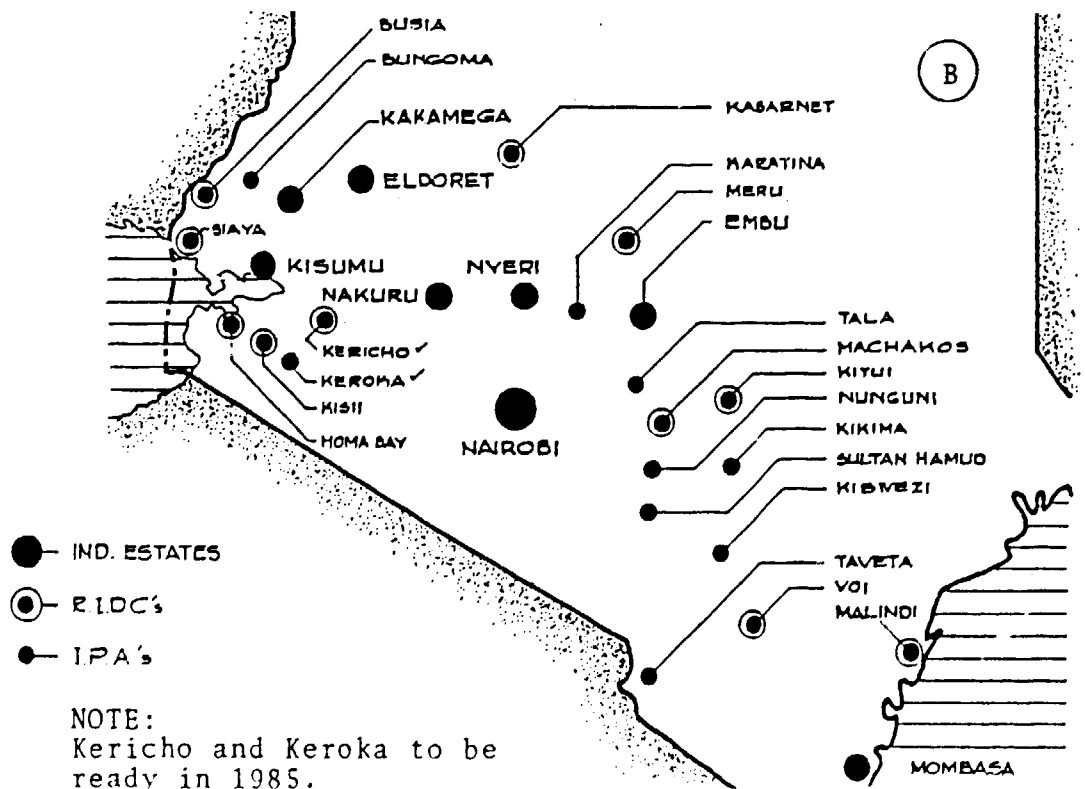


MAPS OF KIE EXPANSION.

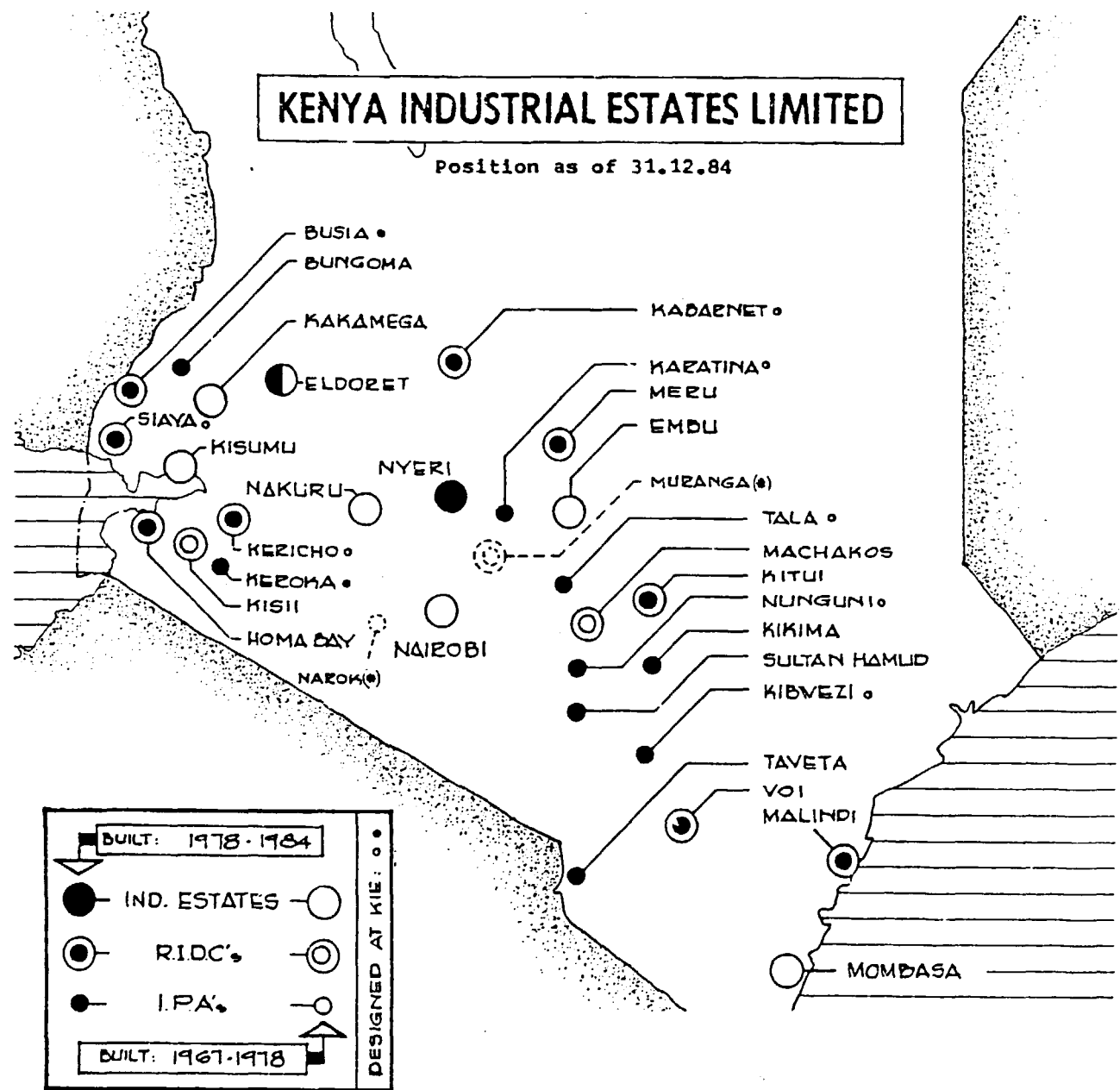
- (A) Stations as of 1978.
- (B) Stations as of 1984.



NOTES:
 -Both Kakamega and Embu up-graded Industrial Estates.
 -RIDC at Nyeri transformed into TSC upon completion of the new estate.



NOTE:
 Kericho and Keroka to be ready in 1985.



Industrial Estates

1. Nairobi
2. Mombasa
3. Nakuru
4. Nyeri
5. Eldoret
6. Kisumu
7. Kakamega
8. Embu

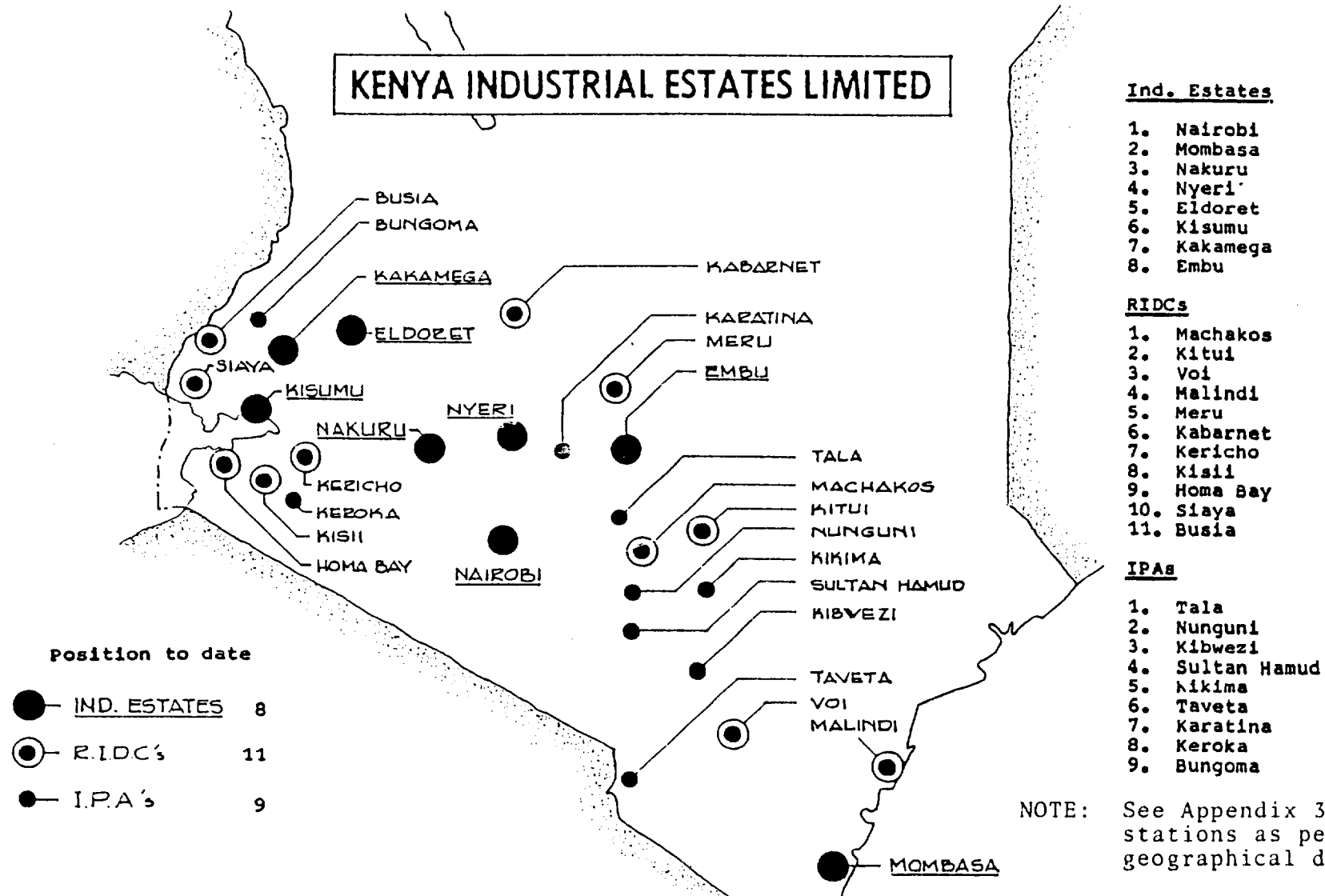
RIDCs

1. Machakos
2. Kitui
3. Voi
4. Malindi
5. Meru
6. Kabarnet
7. Kericho
8. Kisii
9. Homa Bay
10. Siaya
11. Busia
12. Muranga (*)

IPAs

1. Tala
2. Nunguni
3. Kibwezi
4. Sultan Hamud
5. Kikima
6. Taveta
7. Karatina
8. Keroka
9. Bungoma
10. Narok (*)

(*) Design phase completed



STATIONS AS PER KIE GEOGRAPHICAL DIVISIONSNAIROBI REGION (7)

- Nairobi.
- Machakos.
- Tala.
- Nunguni.
- Kibwezi.
- Sultan Hamud.
- Kikima.

NAKURU REGION (3)

- Nakuru.
- Kabarnet.
- Narok.

ELDORET REGION (2)

- Eldoret.
- Kericho.

KISUMU REGION (5)

- Kisumu.
- Kisii.
- Homa Bay.
- Siaya.
- Keroka.

NYERI REGION (5)

- Nyeri.
- Karatina.
- Muranga.

MOMBASA REGION (4)

- Mombasa.
- Malindi.
- Voi.
- Taveta.

KAKAMEGA REGION (3)

- Kakamega.
- Bungoma.
- Busia.

EMBU REGION (3)

- Embu.
- Meru.
- Kitui.

Note : Total stations (30) upon completion of Muranga and Narok in 1986.

PROJECT STAFF

A. LIST OF INTERNATIONAL STAFF.

| | <u>Arrival</u> | <u>Departure</u> |
|---|----------------|------------------|
| <u>J.C. FORTUNEY.</u> Architect, Project Co-ordinator. (USA) | July 1967 | March 1970 |
| <u>E. SIRAK.</u> Industrial Economist. (Ethiopia). | July 1967 | December 1970 |

B. NATIONAL COUNTERPART STAFF.

| <u>Expert / Station.</u> | <u>Counterpart.</u> |
|----------------------------|--|
| J.C. FORTUNEY. NAIROBI. | WILL MURPHY. Civil Engineer From July 1967 to date |
| E. SIRAK. ELDORET. | J. J. MURPHY. Project Engineer. From July 1967 to date |

NOTE. Both experts have attended SEN 77 014 Phase 1 from October 1976 until June 1980.




EQUIPMENT PROVIDED BY UNICEF

| <u>Description.</u> | <u>Remarks.</u> |
|--|--|
| - Peugeot 504 Saloon. Reg. No. 40 UN 331 E. | Delivered to UNICEF on 10/10/77. Reg. No. 331 E. 40 UN. 331 E. Delivered to UNICEF on 10/10/77. Reg. No. 331 E. 40 UN. 331 E. |
| - Peugeot 505 Saloon. Reg. No. 40 UN 331 F. | Delivered to UNICEF on 10/10/77. Reg. No. 331 F. 40 UN. 331 F. |

FELLOWSHIP PLACES COURSES ATTENDED.
1982 - 1984.

| NO. | FELLOWSHIP POST | COURSE TAKEN (MONTHS) | NAME OF FELLOW AND COUNTRY OF STUDY | STARTED (MO/YR) | | COMPLETED (MO/YR) | |
|-----|---|-----------------------------|--|--------------------|------------------|----------------------|------------------|
| | | | | SCHED. | ACTUAL (TEST) | SCHED. | ACTUAL (TEST) |
| 1. | Executive Accounting and Internal Control | 1.5 | H.N. DERU. Tanzania. | 7/83 | 7/83 | 8/83 | 8/83 |
| 2. | Project Engineer. Course Project Study Preparation. | 1.5 | A.P. ODJOK. Philippines. | 7/83 | 7/83 | 9/83 | 9/83 |
| 3. | Secretary Chief Accountants Credit Department. Course Financial Management. | 3. | J.R.R. NJIRU. Holland. | 7/83 | 7/83 | 12/83 | 12/83 |
| 4. | Project Engineer. Planning and Appraisal of Agro- Industrial Projects. | 3. | J.M. GATHAGE. U.K. | 9/83 | 9/83 | 9/83 | 12/83 |
| 5. | Purchasing Officer. Course Purchasing and Supplies Manage- ment. | 12. | E.K. MUTISYA. Tanzania. | 9/83 | 5/84 | 6/84 | 6/84 |
| 6. | Project Officer. Course Small Industrial Promotion in Developing Countries. | 3 | M.V. GHILL. India. | 9/84 | 9/84 | 12/84 | 12/84 |
| 7. | Regional Accountant Course Financial Accounting. | 12. | J.L. NJIRU. Tanzania. | 10/84 | 10/84 | 11/84 | 11/84 |
| 8. | Letter Manager. Course Small Industry and Entrepreneur Development. | 12. | E.N. NYANJA. Ireland. | 10/84 | 12/84 | 12/84 | 12/84 |
| | Total = 9 | 22. | | | | | |

GENERAL WORK PLAN AND CONSTRUCTION SCHEDULE

LEGEND:
 CONST. PERIOD
 DELAYS
 T.N.D.E. OR NG

| PROJECT | TYPE | COY. D AREA | SHDS NO. | T.N.D.E. DATE | SITE WORKS | 1983 | | | | | | | | | | | | 1984 | | | | | | | | | | | | 1985 | | | | | | | | | | | | |
|---------|----------|-------------|----------|---------------|------------|-------|---|---|----|----|----|---|---|---|---|---|---|------|---|---|----|----|----|---|---|---|---|---|---|------|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | 7 | 8 | 9 | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 | | | | | | | | | | | | | |
| | | | | | | 1983 | | | | | | | | | | | | 1984 | | | | | | | | | | | | 1985 | | | | | | | | | | | | |
| 1 | NUNGUNI | IPA | 483 | 10 | 8/82 | 10/82 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | KIDVEZI | " | 617 | 10 | 12/82 | 03/83 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | KITUI | EIDC | 699 | 6 | 12/82 | 03/83 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | MERICHO | " | 874 | 9 | 10/83 | 04/84 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | KERONA | IPA | 830 | 8 | 07/84 | 11/84 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | BUSIA | EIDC | 452 | 7 | 09/83 | 04/84 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | MURANGA | " | 1,000 | 10 | - | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | NAROK | IPA | 600 | 10 | - | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9 | KAKAMEGA | EXT. | 330 | 16 | - | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

REMARKS:

- COMPLETED IN SEP 83 SHORT DELAY: 16 WEEKS.
- NEW CONTRACTOR TO FINALIZE JOB IN DEC. 84.
- DRAINAGE WORKS TO BE COMPLETED WITH PROJ. 12/84.
- MIN. 3 MONTHS DELAY PROJECTED INTO 1985.
- START OF SITE WORKS DELAYED DUE TO LAND.
- ALL CONST. WORKS COMP. ON SCHED. ONLY ELECT. WORKS REMAINING.
- PRELIMINARY DESIGN PHASE, T.N.D.E. EARLY 85.
- TO BE DESIGNED. T.N.D.E. DATE: MID. 1985.
- DESIGN BY CONS. COMPLTD. BOO'S IN PREPARATION. TO BE TENDERED EARLY 85.

 SEE DETAILS NEXT PAGE.

| DETAILS OF WORK PLAN AS OF 03.85. | | | | | | | | | | | |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---|
| MURANGA ██████ NAROK ██████ | 1984 | | | 1985 | | | | | | REMARKS | |
| | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 | | |
| ARCHITECTURAL | ██████ | ██████ | ██████ | ██████ | ██████ | | | | | | SURVEY OF PLOT FINALIZED @ MID.DEC. |
| STRUCT./CIVIL ELECTRICAL | ██████ | | ██████ | ██████ | ██████ | | | | | | TO BE DEVELOPPED @ KIE. |
| BILLS OF QUANTITIES | ██████ | | | ██████ | ██████ | ██████ | | | | | CONSULTANT TO BE APPOINTED. |
| SELECTION OF CONTRACTORS | ██████ | | | | ██████ | | | | | | -- |
| TENDER | ██████ | | | | | ██████ | ██████ | ██████ | | | 2/3 WEEKS TENDERING |
| SITE WORKS TO START | ██████ | | | | | | | ██████ | ██████ | ██████ | GENERALLY 4/5 WKS. AFTER TENDER OP.NG! |
| ESTATES MANAGEMENT PROGRAMME | ██████ | | | | | | | ██████ | ██████ | ██████ | TO BE DETAILED IN DUE COURSE |
| UP-GRADING DATA ON CONSTRUCTION | ██████ | | | | | | | ██████ | ██████ | | TO BE FINALIZED AFTER TENDERING MURANGA KAKAMEGA & NAROK |
| TERMINAL REPORT | ██████ | | | ██████ | ██████ | ██████ | | | | | PHASE 2: KEN/81/017 FROM: 01.83 TO 03.85 *(REVISED SCHEDULE). |

TABLE NO. 3

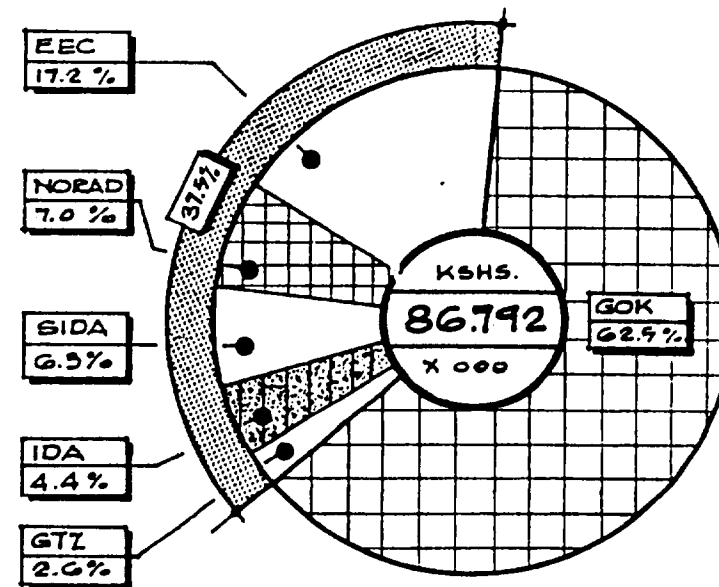
| STATION AT: | | No of workshops No occupied | AREA OF WORKSHOP ONLY (m ²) RENTABLE | AREA OF T.S.C OR C.F.W ONLY (m ²) | TOTAL AREA OF ESTATE (m ²) | REMARKS | |
|--------------|--------|--|---|---|--|--------------------|--|
| | | | | | | | |
| 1967-1977 | 1 | NAIROBI | 53/53 | 16754 | 760 | 19845 | Canteen 737m ² off 2331m ² |
| | 2 | MOMBASA | 20/11 | 8820 | 300 | 9770 | Canteen 350m ² off 300 .. |
| | 3 | NAKURU | 25/18 | 10191 | 370 | 10976 | Canteen 125m ² off 290 .. |
| | 4 | KISUMU | 22/18 | 5376 | 304 | 6397 | Inc. Canteen 304 .. |
| | 5 | EMBU | 8/8 | 685 | 300 | 1265 | Office 280 .. |
| | 6 | MACHAKOS | 13/13 | 1145 | 300 | 1725 | " 280 .. |
| | 7 | KISII | 11/6 | 916 | 320 | 1506 | " 270 .. |
| | 8 | KA KAMEGA | 9/9 | 675 | 210 | 1205 | " 270 .. |
| | 9 | NYERI I | -/- | - | 320 | 620 | " 270 .. |
| | 10 | ELDORET I *** | 13/13 | 4912 | 396 | 5668 | " 360 .. |
| A | | Total | | 49474 | 3580 | 58977 | |
| 1978-1982 | 1 | MALINDI | 8/6 | 600 | 210 | 970 | Completed Jun 79 |
| | 2 | NYERI II | 24/3 | 6750 | - | 7136 | " Sep 81 |
| | 3 | KARATINA | 20/20 | 929 | - | 1076 | " Oct 81 |
| | 4 | TALA | 9/7 | 364 | 104 | 560 | " Jan 82 |
| | 5 | KABARNET | 10/4 | 518 | - | 625 | " Nov 81 |
| | 6 | SIAYA | 10/5 | 807 | 250 | 1231 | " Feb 82 |
| | 7 | VOI | 10/7 | 800 | 260 | 1213 | " Mar 81 |
| | 8 | ELDORET II *** | 12/5 | 3450 | - | 3450 | Ph I+II = 9118m ² *** |
| | 9 | HOMA BAY | 10/10 | 1026 | 297 | 1460 | Completed 83 |
| | 10 | MERU | 11/8 | 1100 | 250 | 1490 | Completed Jan 81 |
| | 11 | BUNGOMA | 5/4 | 300 | - | 385 | " Aug 82 |
| | | total b1 | | 16644 | 1371 | 19596 | |
| STARTED 1983 | 12 | NUNGUNI | 9/ | 304 | 80 | 483 | Completed Sep 83 |
| | 13 | TAVETA | 6/ | 340 | - | 445 | " Sep 83 |
| | 14 | SULTAN HAMUD | 10/2 | 400 | 50 | 471 | Completed Jul 83 |
| | 15 | KIBWEZI | 10/ | 539 | - | 617 | To be completed 84 |
| | 16 | KITUI | 6/ | 600 | - | 693 | Completed Aug 84 |
| 17 | KIKIMA | 10/ | 400 | 50 | 450 | To be completed 84 | |
| | | total b2 | | 2583 | 180 | 3159 | |
| STR. TO 1984 | 18 | KERICHO | 9/ | 740 | - | 874 | Const. Start. 2/84 |
| | 19 | BUSIA | 7/ | 842 | - | 916 | " " 2/84 |
| | 20 | KEROKA | 6/ | 630 | - | 735 | " " 8/84 |
| | | total b3 | | 2212 | - | 2525 | |
| 3 | | Total | | 21439 | 1551 | 25280 | |
| GRAND TOTAL | | | | 70.913 | 5.131 | 84.257 | Areas in m ² |
| Notes | | • Projects designed at KIE | | ✕ In Construction | | | |
| | | •• Total area of estates shown includes office blocks, canteens, external toilet blocks and workshops. | | | | Date: 12/1984 | |

- NOTE: 1) For projects to be implemented in 1985 see Appendix 9, Table 4.
2) For latest position (May 1985) regarding occupancy and no. of workshops, see Addendum 2.

TABLE 4.

Notes: -% of distribution in (A) revised.
 -Amounts not disbursed are only estimated.

| 1978-1986 | | TRK DATE | A | | | B | | C | | SPONSOR | TO BE TENDERED |
|--------------------|--------------|----------|---------------|-------------------------------|------------------|--------------|-----------------|---|--|---------|----------------|
| HIE STATION AT: | M | | YR | TOT. COST KSH X1000 (ROUNDED) | COVERED AREA ME. | SHEDS | ENTBL. ONLY ME. | | | | |
| 1 | MALINDI | 8 | • 1.940 | 970 | 8 | 600 | GTZ | | | | |
| 2 | HOMA BAY | 8 | • 3.500 | 1460 | 10 | 1026 | SIDA GOK | | | | |
| 3 | VOI | 8 | • 3.212 | 1213 | 10 | 800 | GOK | | | | |
| 4 | MERU | 11 | • 3.600 | 1490 | 11 | 1100 | NOEAD.GOK | | | | |
| 5 | NYERI | 1 | • 25.498 | 7.156 | 24 | 6.750 | GOK | | | | |
| 6 | KARATINA | 1 | • 2.248 | 1076 | 20 | 929 | NOEAD.GOK | | | | |
| 7 | KABENET | 2 | • 2.810 | 625 | 10 | 518 | " | | | | |
| 8 | TALA | 3 | • 1.826 | 560 | 9 | 364 | EEC | | | | |
| 9 | SIAYA | 10 | • 4.331 | 1.291 | 10 | 807 | SIDA.GOK | | | | |
| 10 | SULTAN HAMUD | 3 | * 1.590 | 471 | 10 | 400 | EEC | | | | |
| 11 | KIKIMA | 3 | * 1.930 | 450 | 10 | 400 | " | | | | |
| 12 | ELDORET II | 7 | • 9.546 | 3.450 | 12 | 3.450 | IDA.GOK | | | | |
| 13 | BUNGOMA | 11 | • 1.651 | 385 | 5 | 300 | EEC.GOK | | | | |
| 14 | NUNGUNI | 8 | * 1.100 | 483 | 9 | 304 | EEC | | | | |
| 15 | TAVETA | 8 | * 2.400 | 449 | 6 | 340 | EEC.GOK | | | | |
| 16 | KITUI | 12 | * 3.180 | 693 | 6 | 600 | " | | | | |
| 17 | KIBVEZI | 12 | * 2.040 | 617 | 10 | 539 | EEC | | | | |
| 18 | MEEICHO | 9 | * 3.150 | 574 | 9 | 740 | GOK | | | | |
| 19 | BUSIA | * 9 | * 2.430 | 916 | 7 | 842 | " | | | | |
| 20 | KEROKA | * 7 | * 2.400 | 770 | 6 | 691 | " | | | | |
| TOT. 78-84: | | | 80.542 | 25315 | 202 | 21500 | | | | | |
| 21 | KAKAMEGA | 2 | 750 | 330 | 16 | 310 | GTZ | | | | |
| 22 | MURANGA | * | • 3.500 | 1.163 | 12 | 1.036 | GOK | | | | |
| 23 | NAROK | * | • 2.000 | 484 | 9 | 372 | " | | | | |
| TOT. 84-86: | | | 6.250 | 1477 | 57 | 1.718 | | | | | |
| TOTAL : | | | 86.792 | 27292 | 259 | 23218 | | | | | |



(A)

| Sponsor | % | GOK |
|------------|-----|-----|
| IBRD(IDA) | 40 | 60 |
| GTZ | 100 | - |
| SIDA | 70 | 30 |
| NORAD | 100 | - |
| EEC/MIDP | 100 | - |
| EEC/Direct | 100 | - |

* Up to k.Sh.6.000.000
 **Max. ECU 440.000

(B)

| Sponsor | K. Shs. | % |
|------------|---------|-------|
| -GTZ | 2,290 | 2.6 |
| -IDA | 3,818 | 4.4 |
| -SIDA | 5,482 | 6.3 |
| -NORAD | 6,061 | 7.0 |
| -EEC | 14,899 | 17.2 |
| Sub-total: | 32,550 | 37.5 |
| -GOK | 54,242 | 62.5 |
| -TOTAL : | 86,792 | 100.0 |

SURVEY OF RENTABLE SHEDS. TABLE 5.

(as of 31st December 1984)

| | Stations. | Shed no. | Rentable (m ²) | TSC/CFW(m ²) non-rentable |
|-------------------------------------|---------------|----------|-------------------------------|--|
| ● <u>INDUSTRIAL ESTATES</u> (8) | Nairobi. | 56 (**) | 16,754 | 760 |
| | Nakuru. | 25 | 10,191 | 370 |
| | Eldoret. | 25 | 8,362 | 396 |
| | Nyeri. | 24 | 6,750 | 320 |
| | Kisumu. | 22 | 5,376 | 304 |
| | Mombasa. | 20 | 8,820 | 300 |
| | Kakamega. (*) | 9 (**) | 675 | 210 |
| | Embu. | 8 | 685 | 300 |
| | Total: (A) | 189 | 57,613 | 2,960 |
| ● <u>RIDC's</u> (10) | Machakos. | 13 | 1,145 | 300 |
| | Meru. | 11 | 1,100 | 250 |
| | Kisii. | 11 | 916 | 320 |
| | Homa Bay. | 11 (**) | 1,026 | 297 |
| | Kabarnet. | 10 | 518 | - |
| | Siaya. | 10 (**) | 807 | 250 |
| | Voi. | 10 | 800 | 260 |
| | Malindi. | 8 | 600 | 210 |
| | Busia. | 7 | 842 | - |
| | Kitui. | 6 | 600 | - |
| | Total: (B) | 97 | 8,354 | 1,887 |
| ● <u>IPA's</u> (8) | Karatina. | 20 | 929 | - |
| | Sultan Hamud | 10 (**) | 400 | 50 |
| | Kibwezi. | 10 | 539 | - |
| | Kikima. | 10 | 400 | 50 |
| | Tala. | 9 | 364 | 104 |
| | Nunguni. | 9 | 304 | 80 |
| | Taveta. | 6 | 340 | - |
| | Bungoma. | 5 | 300 | - |
| Total: (C) | 79 | 3,576 | 284 | |
| GRAND TOTAL: | 365 | 69,543 | 5,131 | |

● NOTE: PROJECTS CURRENTLY BEING IMPLEMENTED.

| | | | | |
|--------|-----------|----|-------|---|
| (RIDC) | Keicho. | 9 | 740 | - |
| (IPA) | Keroka. | 6 | 691 | - |
| (*) | Kakamega. | 16 | 310 | - |
| (RIDC) | Muranga. | 12 | 1,036 | - |
| (IPA) | Narok. | 9 | 418 | - |
| Total: | | 52 | 3,195 | - |

● Remark (**): Estates in which the number of workshops were subject to changes. See Addendum No. 2.

FUNDS FOR CONSTRUCTION.

(Estates built between 1967 - 1978).

TABLE NO. 6.

| STATION AT | Cost K. Shs. x000 | S P O N S O R S | |
|---------------|----------------------|-----------------|---------------|
| | | Foreign Aid. | G.O.K. |
| 1. Nairobi. | 17,110 | K. F. W. 10,616 | 6,617 |
| 2. Eldoret I. | 9,982 | DANIDA 750 | 9,232 |
| 3. Mombasa. | 7,786 | K. F. W. 7,786 | - |
| 4. Nakuru. | 7,767 | " 7,767 | - |
| 5. Kisumu. | 5,494 | SIDA. 3,846 | 1,648 |
| 6. Machakos. | 2,208 | - | 2,208 |
| 7. Kisii. | 1,460 | SIDA. 1,022 | 438 |
| 8. Kakamega. | 1,405 | - | 1,405 |
| 9. Embu. | 1,114 | - | 1,114 |
| 10. Nyeri I. | 1,110 | - | 1,110 |
| TOTAL. | 55,559 | - 31,787 | 23,772 |

Summary of Contributions.

| | | |
|----------------------|---------------|-----------------|
| K. F. W. | 26,169 | = 47.0 % |
| SIDA. | 4,868 | = 8.7 % |
| DANIDA. | 750 | = 1.3 % |
| TOTAL DONORS. | 31,787 | = 57.0 % |
| TOTAL G.O.K. | 23,772 | = 43.0 % |
| GRAND TOTAL : | 55,559 | =100.0 % |

FUNDS FOR CONSTRUCTION.
(PERIOD : 1978 - 1986).

TABLE NO. 7.

A. PROJECTS WITH FINALIZED DISBURSEMENTS.

| KIE STATION. | TOTAL COST K.Shs.x000 | SPONSOR + COST | |
|------------------|--------------------------|-----------------|---------------|
| | | FOREIGN AID. | G.O.K. |
| 1. MALINDI. | 1,540 | GTZ 1,540 | - |
| 2. NYERI II. (*) | 25,458 | - - | 25,458 |
| 3. KARATINA. | 2,248 | NORAD 1,574 | 674 |
| 4. TALA. | 1,826 | EEC/M 1,826 | - |
| 5. KABARNET. | 2,810 | NORAD 1,967 | 843 |
| 6. SIAYA. | 4,331 | SIDA 3,032 | 1,299 |
| 7. VOI. (*) | 3,212 | - - | 3,212 |
| 8. HOMA BAY. | 3,500 | SIDA 2,450 | 1,050 |
| 9. MERU. | 3,600 | NORAD 2,520 | 1,080 |
| 10. BUNGOMA. | 1,651 | EEC/D 1,073 | 578 |
| 11. ELDORET II. | 9,546 | IBRD 3,818 | 5,728 |
| TOTAL (A) | 59,722 | - 19,800 | 39,922 |

NOTE: (*) Fully sponsored by G.O.K.
 (**) Estimated amount subject to amendments.
 (***) For % distribution of funds see Appendix 9.

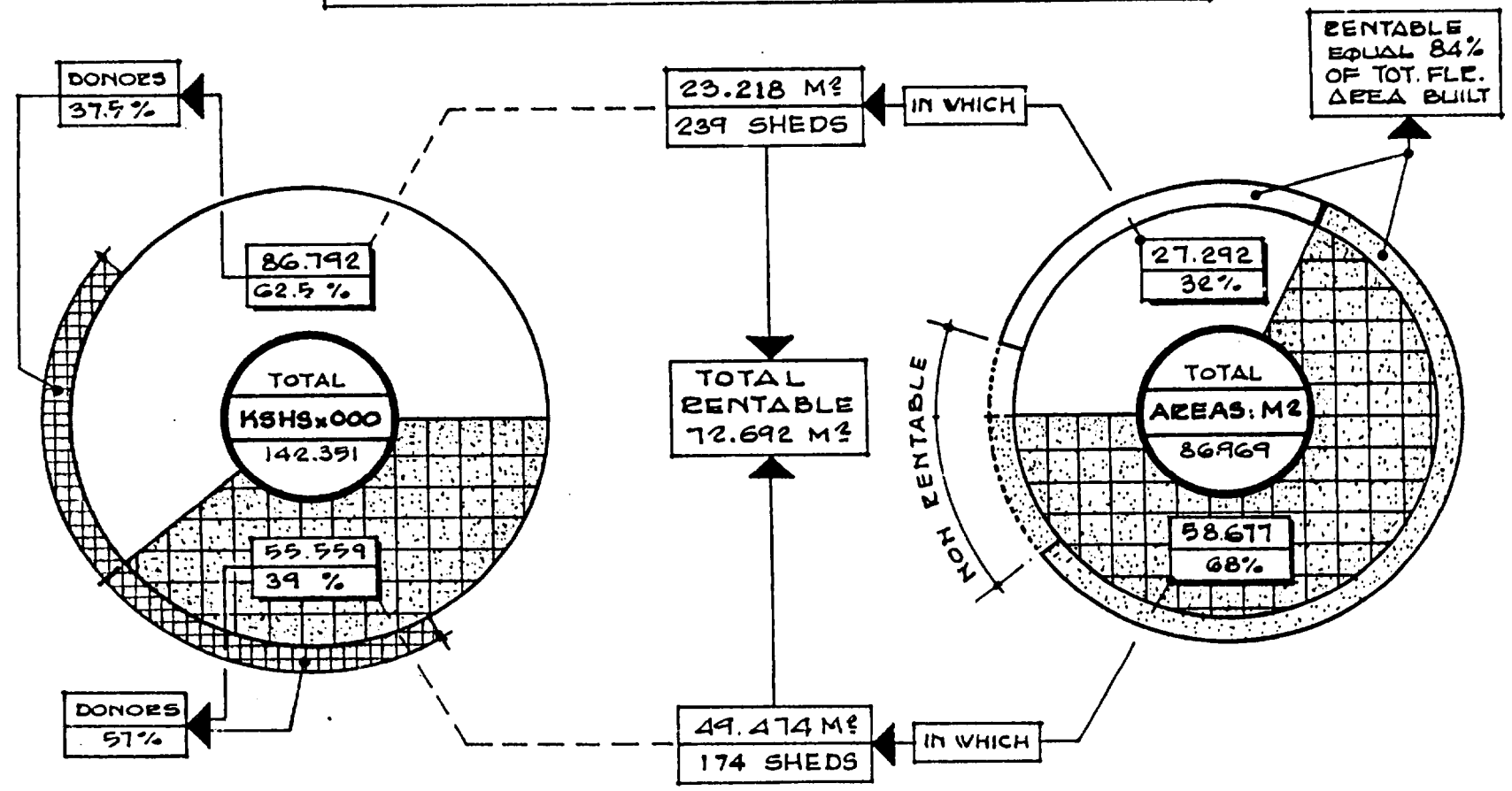
TABLE NO. 8.

B. PROJECTS WITH DISBURSEMENTS TO BE FINALIZED. (**)

| KIE STATION. | TOTAL COST K.Shs.x000 | SPONSOR + COST | |
|-------------------------|--------------------------|-----------------|---------------|
| | | FOREIGN AID. | G.O.K. |
| 12. SULTAN HAMUD. | 1,590 | EEC/M 1,590 | - |
| 13. KIKIMA. | 1,930 | " 1,930 | - |
| 14. NUNGUNI. | 1,700 | " 1,700 | - |
| 15. TAVETA. | 2,400 | EEC/D 1,560 | 840 |
| 16. KIBWEZI. | 2,040 | " 2,040 | - |
| 17. KITUI. | 3,180 | " 3,180 | - |
| 18. KERICHO. (*) | 3,150 | - - | 3,150 |
| 19. BUSIA. (*) | 2,430 | - - | 2,430 |
| 20. KEROKA. (*) | 2,400 | - - | 2,400 |
| 21. KAKAMEGA. | 750 | GTZ 750 | - |
| 22. MURANGA. (*) | 3,500 | - - | 3,500 |
| 23. NAROK. (*) | 2,000 | - - | 2,000 |
| TOTAL (B) | 27,070 | - 12,750 | 14,320 |
| TOTAL (A) + (B). | 86,792 | - 32,550 | 54,242 |

| | | |
|----------------------|----------------|---------------|
| SUMMARY : DONORS : | 32,550. | 37.5% |
| G.O.K. : | 54,242. | 62.5% |
| GRAND TOTAL : | 86,792. | 100.0% |

**CHART OF KIE CONSTRUCTION PROGRAMME
COSTS & AREAS BUILT AND, RENTABLE SHEDS
FROM INCEPTION AND PROJECTION INTO 1986**



LEGEND:
 - 1978-1986
 - PRE 1978

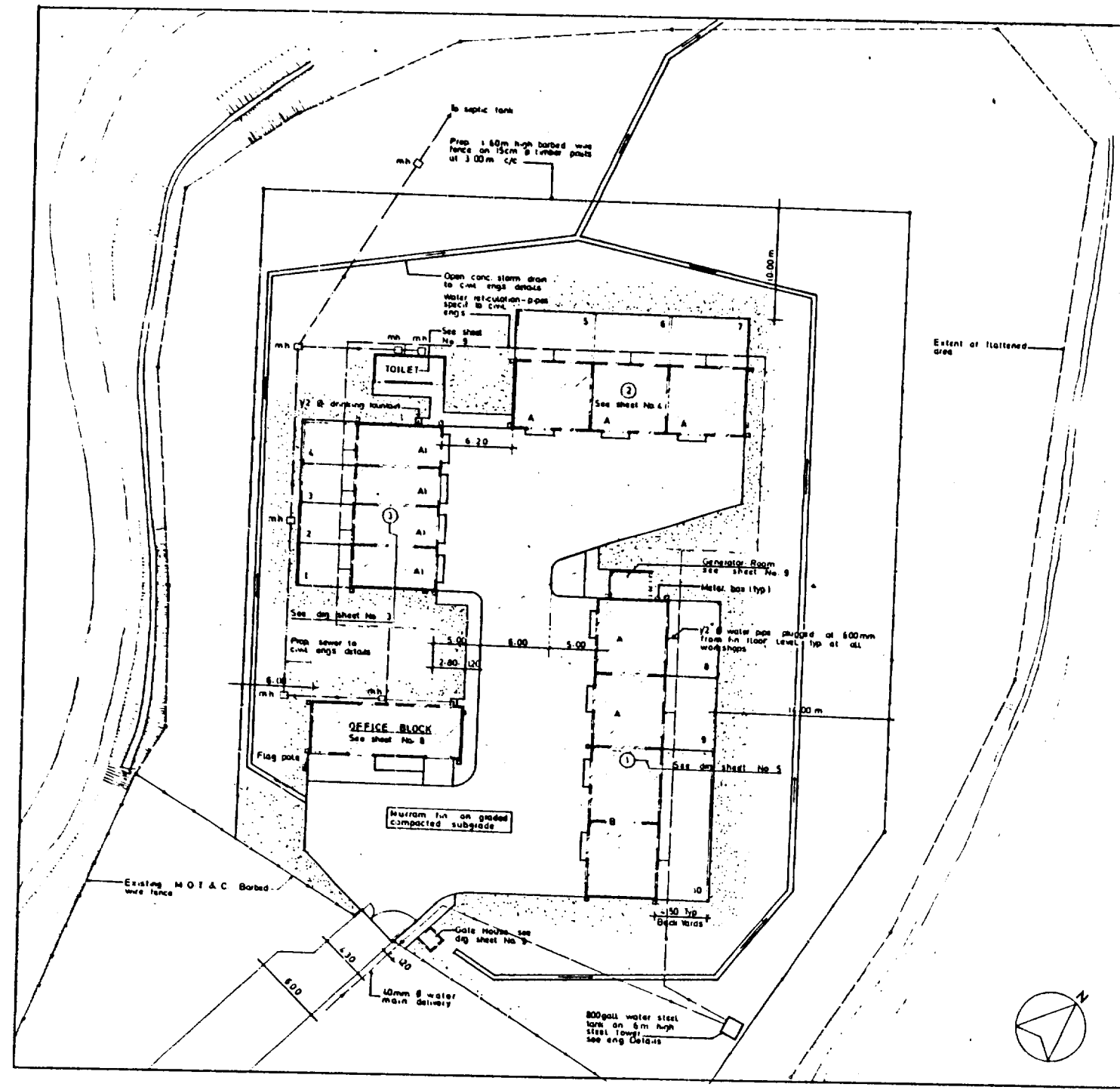
NON RENTABLE:
 TSC's / CFW's
 OFFICE BLOCKS

Design Works and Projects as Built

(See chart in Appendix 6)

| | | | |
|--------------|---|---------------|----------------|
| Appendix 14a | : | Site Plan. | NUNGUNI IPA. * |
| 14b | : | Site Plan. | BUSIA RIDC. |
| 14c | : | Site Plan. | KIBWEZI IPA. * |
| 14cl | : | Photograph at | KIBWEZI. |
| 14d | : | Site Plan. | KERICHO RIDC. |
| 14e | : | Site Plan. | KEROKA IPA. |
| 14f | : | Site Plan. | MURANGA RIDC. |
| 14g | : | Site Plan. | NAROK IPA. |

- Notes.
1. All design works at KIE by:
-JCF/UNIDO : Nunguni, Kibwezi, Kericho,
Muranga, Narok.
-JKR/FINNIDA : Busia, Keroka.
 2. KITUI RIDC the last KIE project commissioned to a private consultant was also built during Phase 11.
 3. Design works for Kakamega supervised by KIE.
- (*) Tendered during Phase 1.



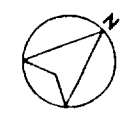
NOTES

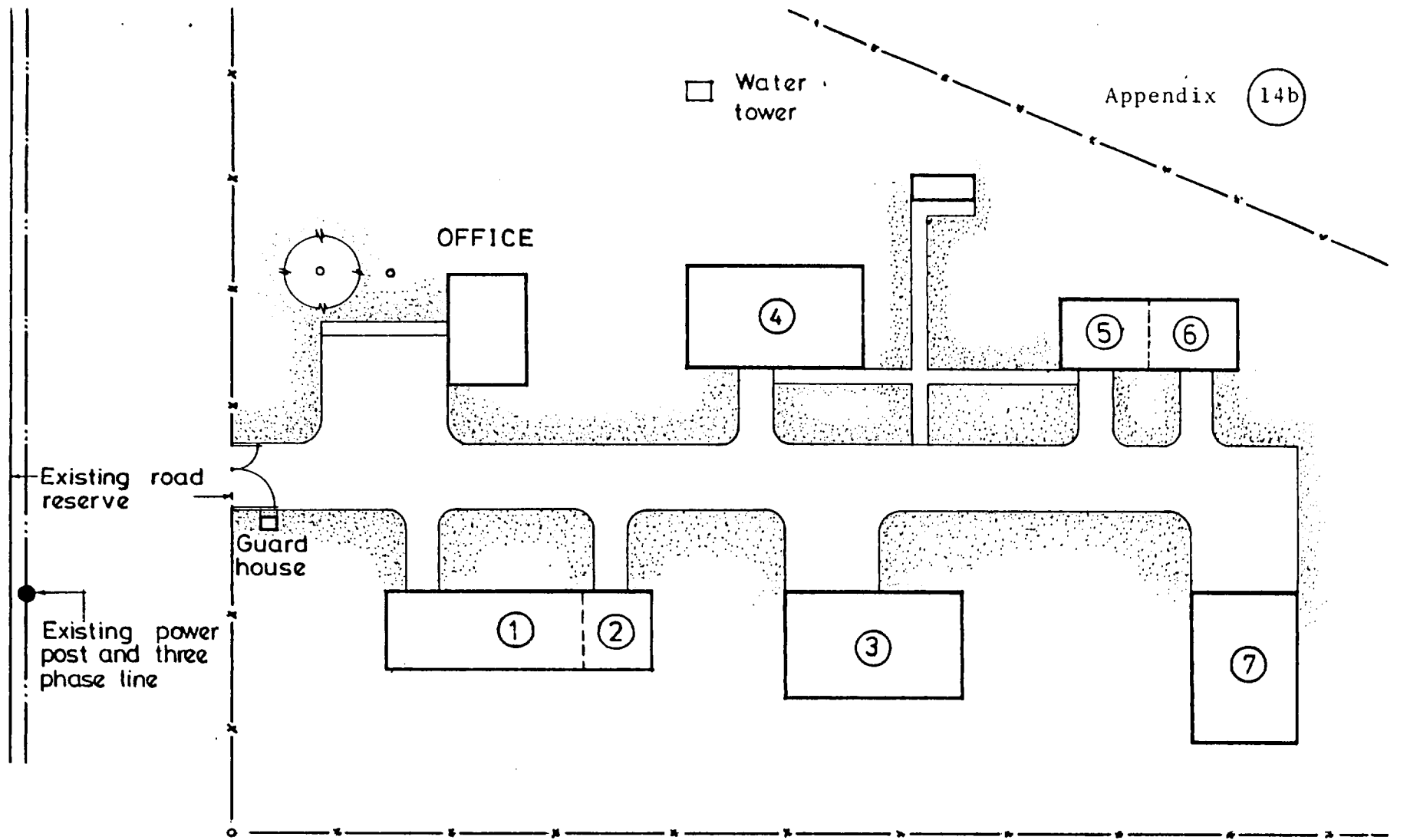
- All dimensions to be checked on site
- For drinking water fountain det see sheet No 9
- For gate det see sheet No 12

Appendix

14a

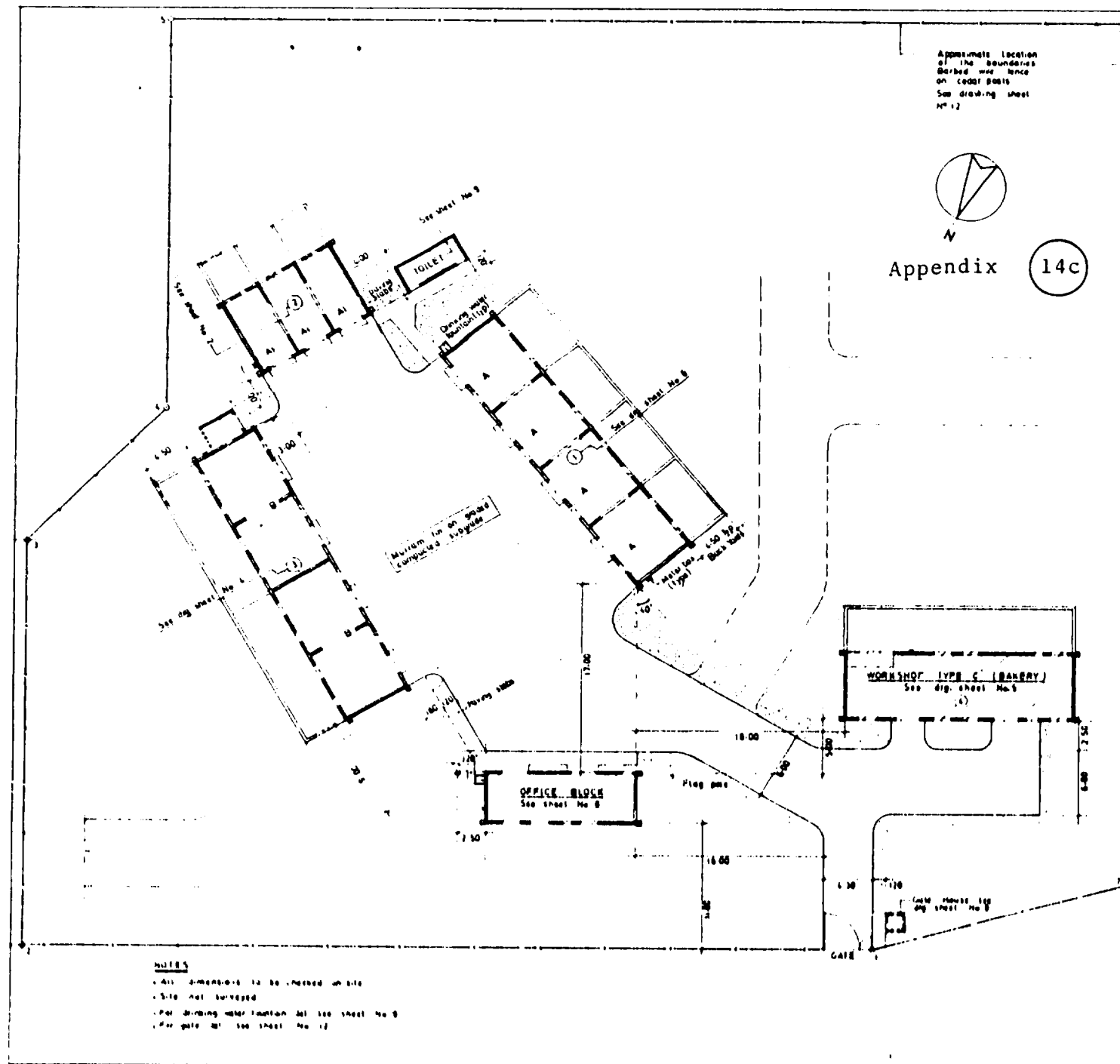
| | | | | |
|-------------------------------------|----------|-----------|----------|----|
| Rev | Date | Rev | Title | By |
| | | | | |
| KENYA INDUSTRIAL ESTATES LTD | | | | |
| INDUSTRIAL PROMOTION AREA | | | | |
| Approved By | | | | |
| SITE PLAN | | | | |
| Proj No | Designed | By | Sheet No | |
| 47 06 | J.C.F. | Uniso | 2 | |
| Drawn By | Scale | Date | | |
| P.M.M. | 1:200 | June 1982 | | |





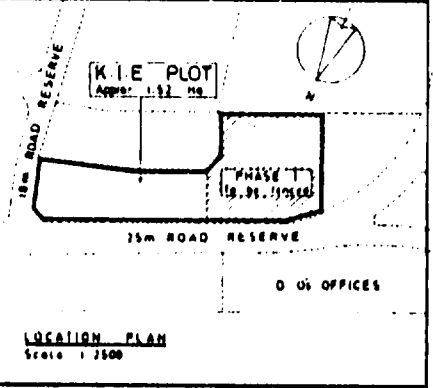
Appendix 14b

KENYA INDUSTRIAL ESTATES LTD
 BUSIA
 RURAL INDUSTRIAL DEVELOPMENT CENTER (RIDC)
 Scale 1:500



LIST OF ARCHITECTURAL DRAWINGS

| TITLE | SHEET No |
|---|----------|
| Cover sheet | - |
| Site and Location Plans | 1 |
| Workshop type A1 | 2 |
| Workshop type A | 3 |
| Workshop type B | 4 |
| Workshop type C | 5 |
| Typical cross section workshop A | 6 |
| Typical cross section workshop B | 7 |
| Office Block | 8 |
| External toilets Gate & Generator House | 9 |
| Door details | 10 |
| Window details | 11 |
| Miscellaneous details | 12 |



COVERED AREA

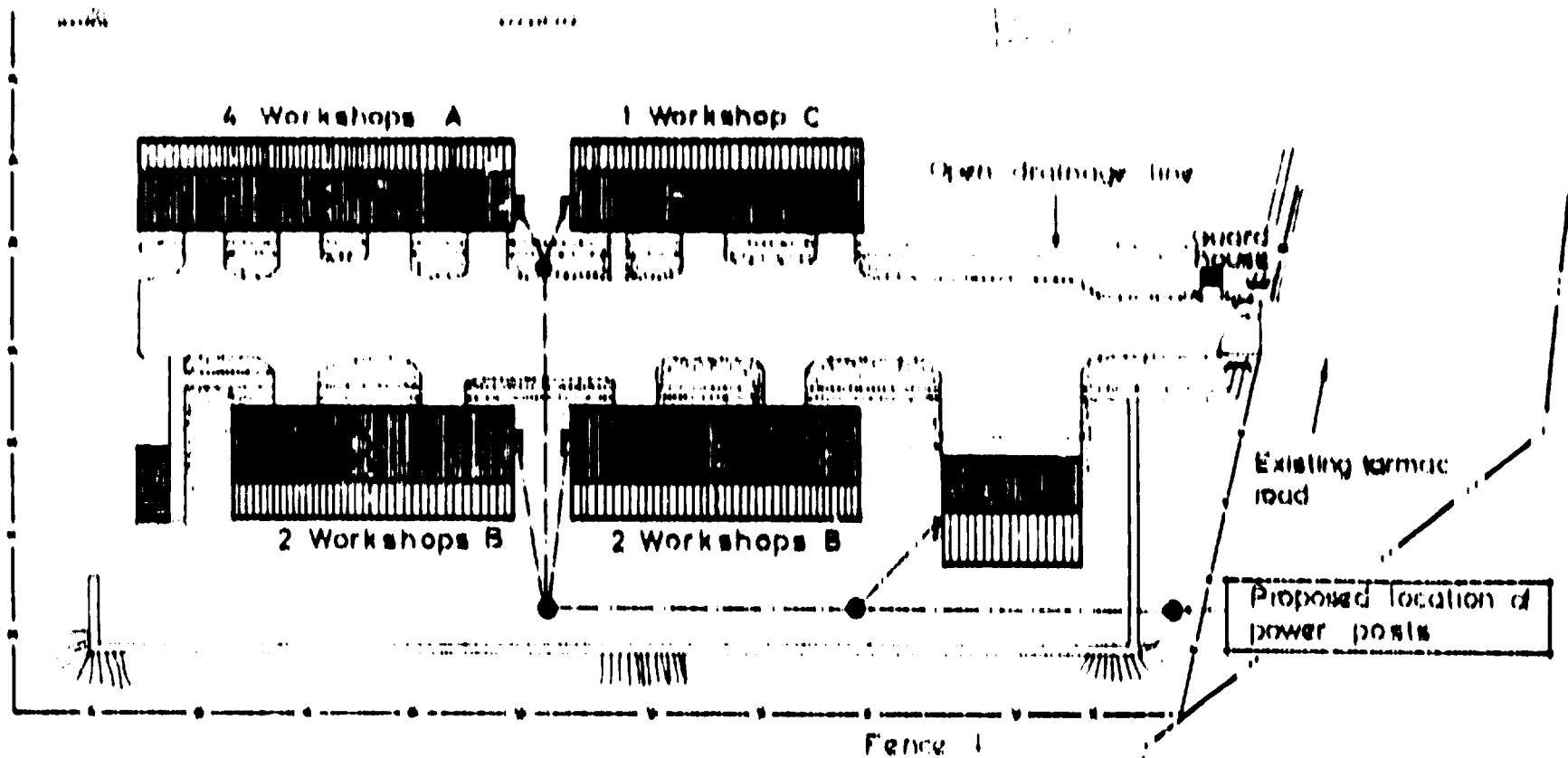
| Shed No | Square meters |
|-------------------|---------------|
| Shed No 1 | 166.2 |
| Shed No 2 | 81.6 |
| Shed No 3 | 160.3 |
| Bakery Shed No 4 | 125.0 |
| Office Block | 62.0 |
| External toilets | |
| Total Area | 595.3 |

| | | | | |
|--|-------------|------------|----------|----------|
| Rev | Date | Rev | Eng | Dr |
| | | | | |
| KENYA INDUSTRIAL ESTATES LTD | | | | |
| KIBWEZI | | | | |
| INDUSTRIAL PROMOTION AREA | | | | |
| Approved by SITE AND LOCATION PLANS | | | | |
| Drawn by | Designed by | Checked by | By | Sheet No |
| P. M. M. | J. P. M. | J. P. M. | J. P. M. | 1 |

Appendix (11.1)

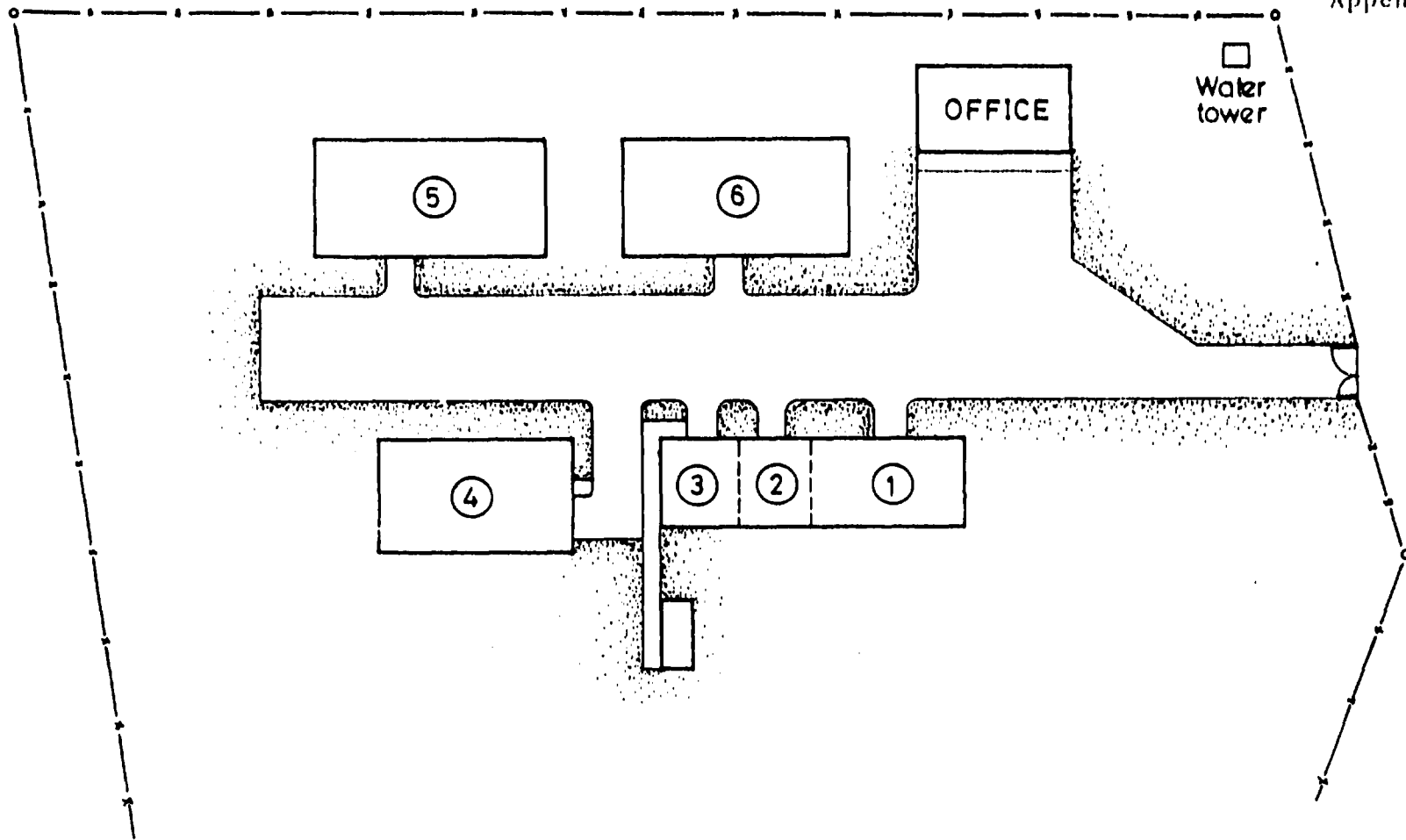


11-11-11



KENYA INDUSTRIAL ESTATES LTD
KERICHO
RURAL INDUSTRIAL DEVELOPMENT CENTER (RIDC)
Scale 1:500

Position of external meter box
Existing power line

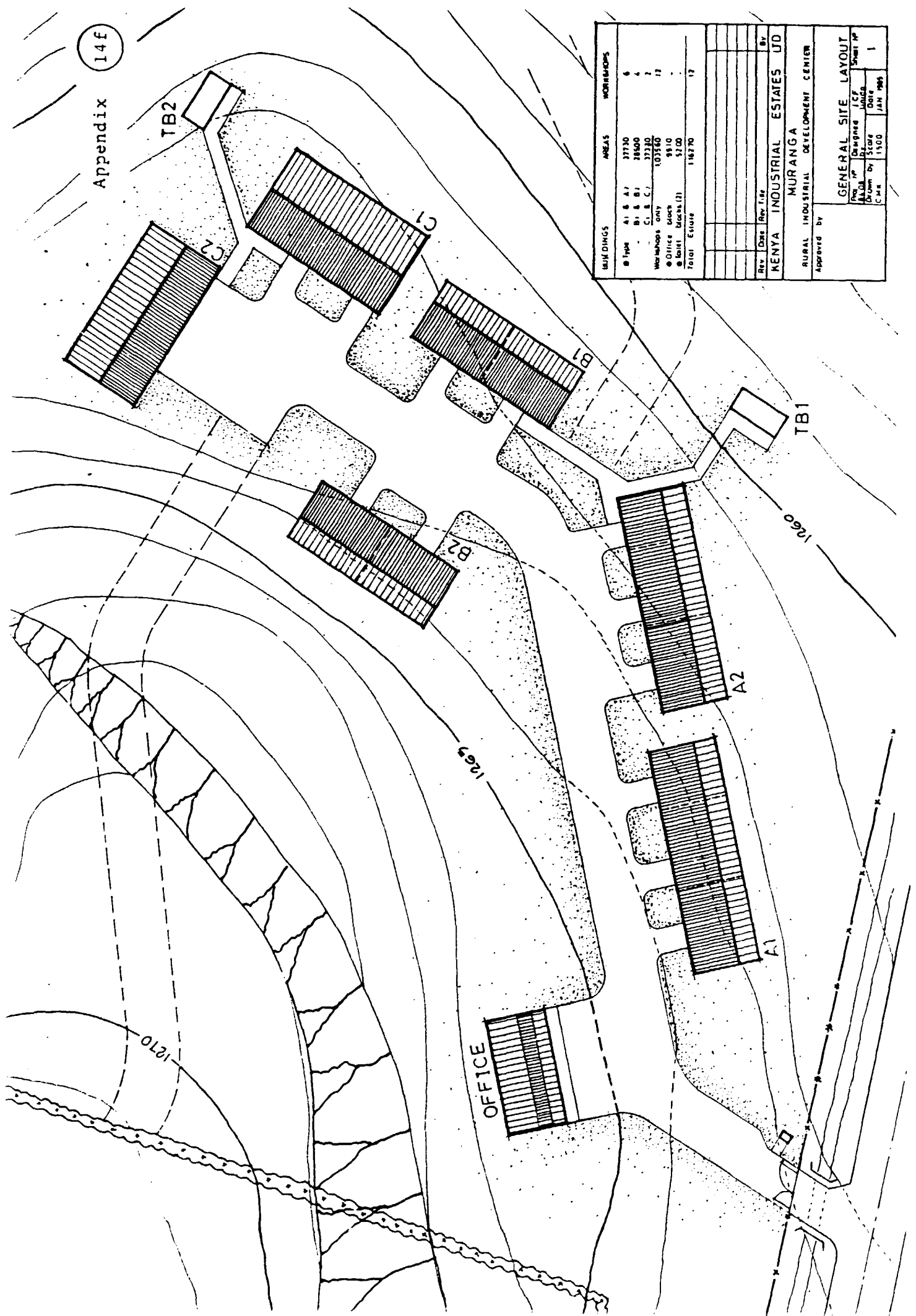


KENYA INDUSTRIAL ESTATES LTD

KEROK A

INDUSTRIAL PROMOTION AREA (I P A)

Scale 1:500



| BUILDINGS | AREAS | WORKSHOPS |
|-------------------|--------|-----------|
| A1 & A2 | 37120 | 6 |
| B1 & B2 | 28600 | 4 |
| C1 & C2 | 37120 | 7 |
| Workshops only | 103540 | 13 |
| Office block | 9910 | - |
| Barrel blocks (2) | 5700 | - |
| Total Estate | 118770 | 13 |

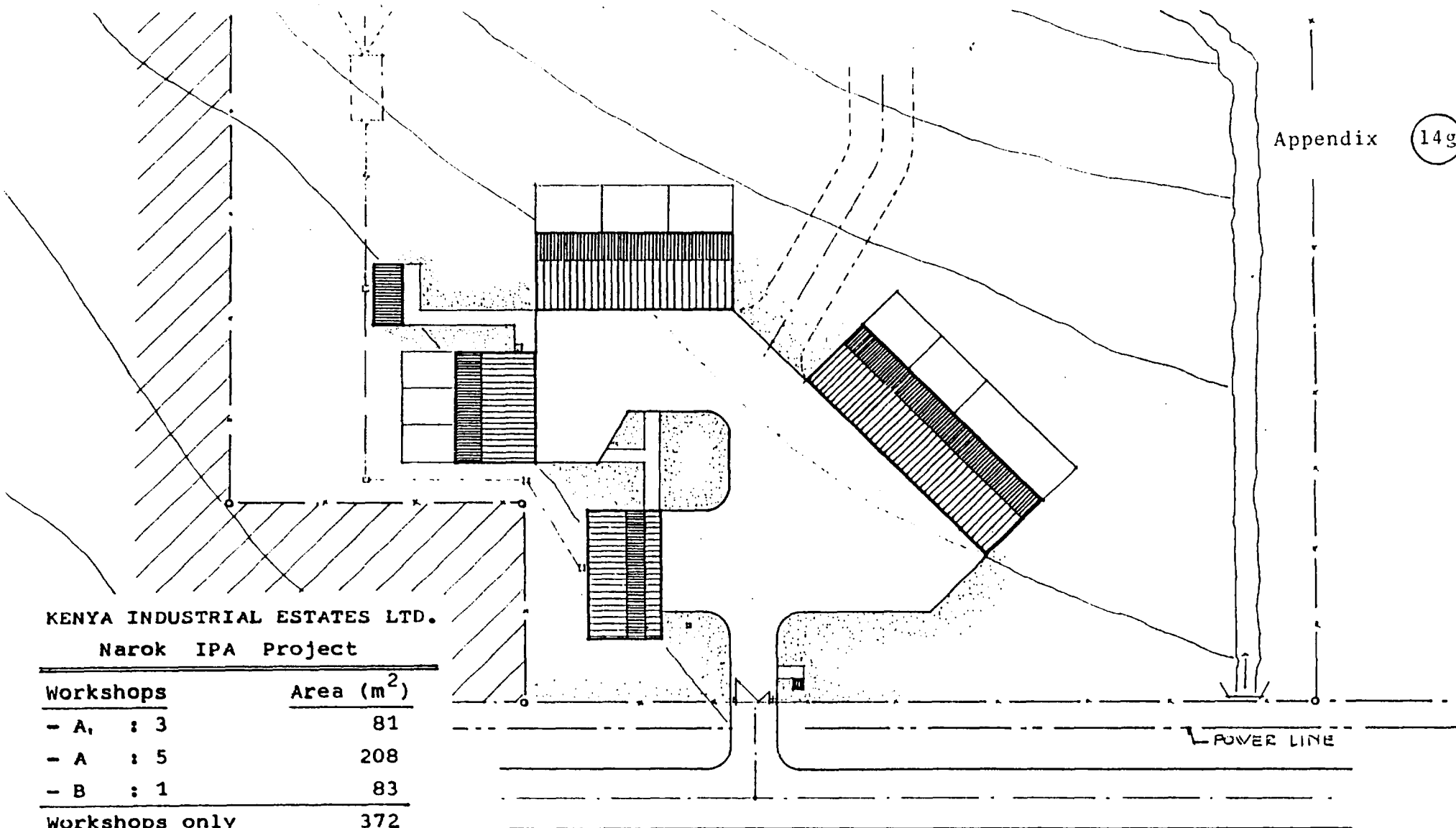
| Rev. | Date | Rev. by | By |
|------|------|---------|----|
| | | | |
| | | | |
| | | | |

| | |
|-------------------------------------|--|
| KENYA INDUSTRIAL ESTATES LTD | |
| RURAL INDUSTRIAL DEVELOPMENT CENTER | |
| MURANGA | |
| Approved by | |

| GENERAL SITE LAYOUT | | | |
|---------------------|--------|----------|-----------|
| Rev. No. | Design | Scale | Sheet No. |
| ALLOI | 1/50 | 1:500 | 1 |
| Drawn by | Date | Date | Date |
| C.M.R. | 1500 | JAN 1985 | |

KENYA INDUSTRIAL ESTATES LTD.
Narok IPA Project

| Workshops | Area (m ²) |
|-----------------------|------------------------|
| - A ₁ : 3 | 81 |
| - A : 5 | 208 |
| - B : 1 | 83 |
| Workshops only | 372 |
| - Office | 96 |
| - Ext. toilet block | 16 |
| Total Estate: | 484 |



GENERAL SITE LAYOUT
SCALE 1: 500

ADDENDUM 1.

The following table hereinafter represents the summary of the latest survey of KIE facilities as shown in Addendum 2. This survey made in May 1985 is the latest revision of the table dated December 1984 in Appendix 10.

The occupancy of the sheds together with the area of other facilities offered are indicated in detail. It is important to note that in some estates the workshop partitions were either removed or added between the period of these two surveys, thus the results of the previous exercise in the above mentioned appendix should be considered superseded.

| Type. | Stations (as built). | Rentable Sheds. | Sheds Rented. | Rentable surface (m ²). |
|--------------|-------------------------|--------------------|------------------|--|
| L.E.'s. | 8 | 203 | 147 | 57,923 |
| R.I.D.C.'s. | 11 | 107 | 70 | 9,120 |
| I.P.A.'s. | 9 | 82 | 41 | 4,267 |
| Grand Total. | 28 | 392 | 258 | 71,310 |

- Notes: 1) The above table is inclusive of the estates finalized at Kericho, Keroka and the extensions at Kakamega.
- 2) However, Narok and Muranga were excluded in view of the fact that both projects will not be implemented as originally anticipated. Upon suggestions of the IBRD both proposals will be subject to scrutiny in terms of their viability, or not, by consultants to be locally recruited so as to look into the proper rentability of these two proposed estates before implementation of any construction works should be undertaken.

The following table represents the summary of the KIE expansion programme from inception to mid-1985 :-

| Year | Stations | Sheds Rentable Units. | Rentable surface (m ²) |
|--------------|----------|--------------------------|---------------------------------------|
| 1967 - 1978. | 8 | 174 | 49,474 |
| 1978 - 1984. | 18 | 187 | 20,069 |
| Sub-Total. | 26 | 361 | 69,543 |
| 1984 - 1985. | 2 | 31 (*) | 1,767 (*) |
| Grand Total. | 28 | 392 | 71,310 |

Note: (*) Inclusive of both Kericho and Keroka and the extension at Kakamega. All 3 construction projects completed in mid - 1985.

ADDENDUM 2.

SURVEY OF KIE SHEDS (occupancy fig. subject to amendments)

● INDUSTRIAL ESTATES

| Stations | No. | SHEDS | | Workshops Rentable Area m ² . | Non Rentable (m ²). | | Canteen m ² | TOTAL m ² Covered Area. |
|-----------|-----|-------|--------|--|---------------------------------|-----------|---------------------------|--|
| | | Built | Rented | | TSC/CFW | OFFICES** | | |
| NAIROBI | 1 | 53 | 53 | 16,754 | 760 | 2,331 | 700 | 20,545 |
| NAKURU | 2 | 25 | 18 | 10,191 | 370 | 390 | 125 | 10,976 |
| MOMBASA | 3 | 20 | 14 | 8,820 | 300 | 300 | 350 | 9,770 |
| ELDORET | 4 | 25 | 19 | 8,362 | 396 | 360 | - | 9,118 |
| NYERI | 5 | 24 | 9 | 6,750 | 320 | 270 | 416 | 7,756 |
| KISUMU | 6 | 22 | 16 | 5,376 | 304 | 304 | 413 | 6,397 |
| KAKAMEGA | 7 | 26* | 10 | 985 | 210 | 320 | - | 1,535 |
| EMBU | 8 | 8 | 8 | 685 | 300 | 280 | - | 1,265 |
| TOTAL (A) | | 203 | 147 | 57,923 | 2,960 | 4,555 | 2,004 | 67,362 |

● RURAL INDUSTRIAL DEVELOPMENT CENTERS

| | | | | | | | | |
|-----------|----|-----|-------|-------|-------|-------|---|--------|
| MACHAKOS | 1 | 13 | 10 | 1,145 | 300 | 280 | - | 1,725 |
| KISII | 2 | 11 | 8 | 916 | 320 | 270 | - | 1,506 |
| MERU | 3 | 11 | 5 | 1,100 | 250 | 140 | - | 1,490 |
| HOMA BAY | 4 | 11 | 11 | 1,026 | 297 | 137 | - | 1,460 |
| SIAYA | 5 | 11 | 11 | 807 | 250 | 174 | - | 1,231 |
| VOI | 6 | 10 | 8 | 800 | 260 | 153 | - | 1,213 |
| MALINDI | 7 | 8 | 5 | 600 | 210 | 160 | - | 970 |
| BUSIA | 8 | 7 | (new) | 842 | - | 74 | - | 916 |
| KERICHO | 9 | 9 | (new) | 766 | - | 110 | - | 876 |
| KITUI | 10 | 6 | 6 | 600 | - | 93 | - | 693 |
| KABARNET | 11 | 10 | 6 | 518 | - | 107 | - | 625 |
| TOTAL (B) | | 107 | 70 | 9,120 | 1,887 | 1,698 | - | 12,705 |

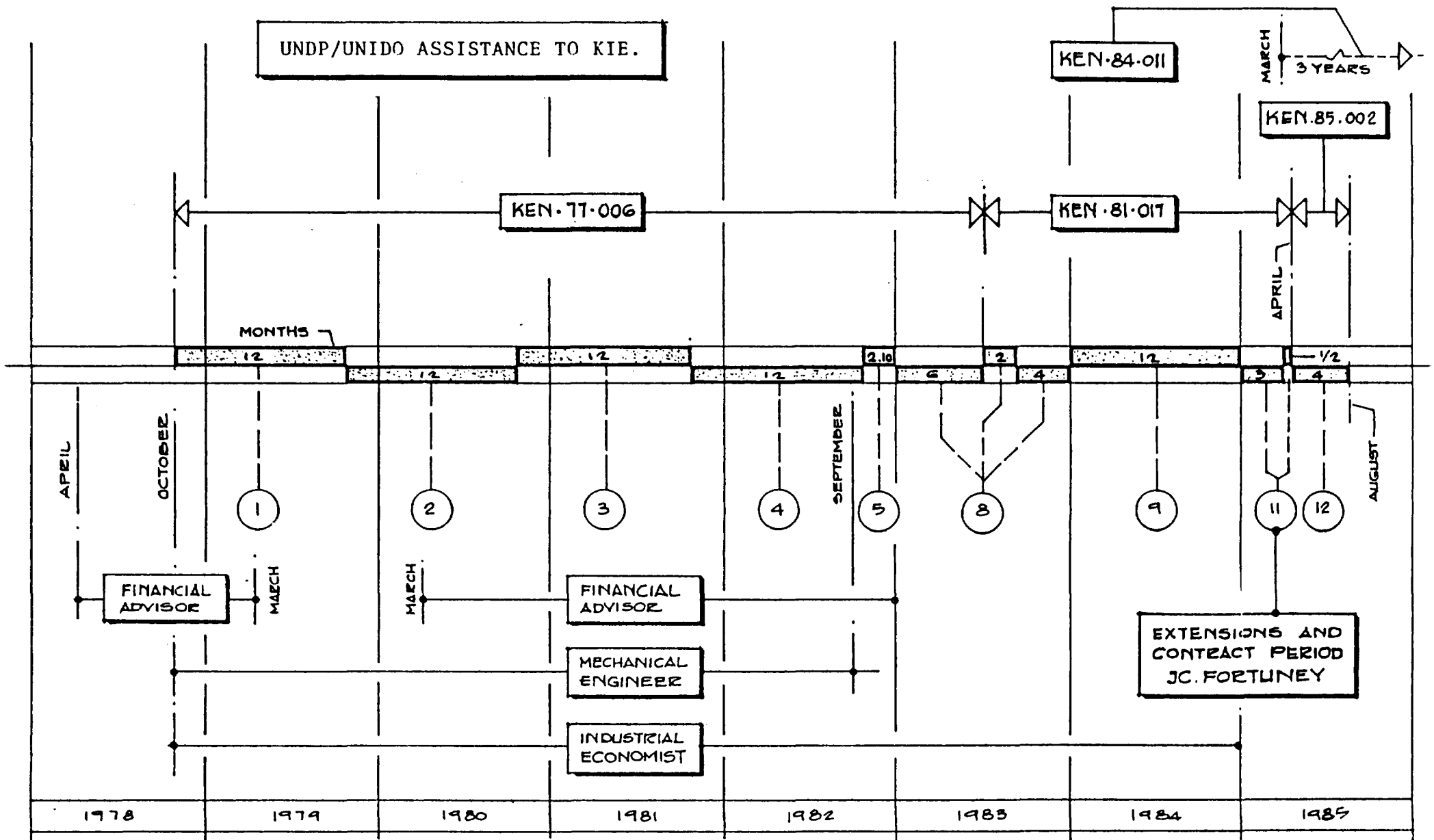
● INDUSTRIAL PROMOTION AREAS

| | | | | | | | | |
|--------------|---|----|-------|-------|-----|-----|---|-------|
| KARATINA | 1 | 20 | 20 | 929 | - | 147 | - | 1,076 |
| KEROKA | 2 | 6 | (new) | 691 | - | 105 | - | 796 |
| KIBWEZI | 3 | 10 | (new) | 539 | - | 78 | - | 617 |
| TALA | 4 | 9 | 5 | 364 | 104 | 92 | - | 560 |
| NUNGUNI | 5 | 9 | 2 | 304 | 80 | 99 | - | 483 |
| SULTAN HAMUD | 6 | 7 | 6 | 400 | 50 | 21 | - | 471 |
| KIKIMA | 7 | 10 | (new) | 400 | 50 | - | - | 450 |
| TAVETA | 8 | 6 | 4 | 340 | - | 69 | - | 445 |
| BUNGOMA | 9 | 5 | 4 | 300 | - | 85 | - | 385 |
| TOTAL (C) | | 82 | 41 | 4,267 | 284 | 696 | - | 5,283 |

| | | | | | | | | |
|-------------|----|-----|-----|--------|-------|-------|-------|--------|
| TOTAL A+B+C | 28 | 392 | 258 | 71,310 | 5,131 | 6,949 | 2,004 | 85,350 |
|-------------|----|-----|-----|--------|-------|-------|-------|--------|

NOTES: (*) Kakamega : 10 existing workshops + 16 new ones to be ready in June 1985.

(**) Office and external toilet block areas together.
Numbering of station is according to overall covered estates area.



PART II *

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| 1. Major Activities carried out and outputs produced. | 1 |
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| 2. Achievement of Objectives. | 2 |
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| 5. Conclusion and Recommendation. | 5 |

TABLES.

Table 1. Status of Projects prepared from October 1973 to December 1984 by District.

Table 2. Industrial Extension Services given by type of service and Project, July 1983 to December 1984.

* By E. Sirak.

I. MAJOR ACTIVITIES CARRIED OUT AND OUTPUTS PRODUCED.

The following major activities were carried out during Phase II as summarized in Table I.

1). PROJECT PREPARATION AND IMPLEMENTATION.

A. In the whole Region.

- a) 24 new feasibility studies were prepared bringing the total number of projects prepared from 131 in Phase I to 155 in Phase II. This shows an increase of about 18.3%.
- b) 19 projects have been implemented in Phase II raising the number of operating projects from 34 in Phase I to 53 in Phase II - an increase of about 56%.
- c) In Phase II, 41 projects were under implementation. When compared to the corresponding figure in Phase I, this shows a decrease of about 28%.
- d) The number of projects shelved increased from 25 in Phase I to 44 in Phase II or by 76%. Most of the projects which were shelved were those under implementation in Phase I but later abandoned by their entrepreneurs.

B. Inside the Estate.

- a) 4 out of the 8 projects which were operating in Phase I closed down in Phase II as a result of various factors, but all of them had long accumulated heavy arrears of debt and rents. This left only 4 of Phase I projects operating.
- b) On the other hand, 4 projects closed down in Phase I were revived and 4 new ones were implemented thus bringing the total number of projects operating within the estate to 12. When compared to projects operating in Phase I, this shows an increase of about 50%. Two of the newly implemented projects occupied two sheds each, reducing the total number of sheds and hence the total number of implementable projects within the estate from 25 to 21.
- c) 3 new feasibility studies for bigger projects having invested over one million shillings each were prepared and submitted to KIE Head Office for approval. Results are expected.

11). INDUSTRIAL EXTENSION SERVICE.

As indicated in Table 2, industrial extension services were given to eleven on-going projects located within the industrial estate in costing, record keeping, book keeping, marketing and management. Prototype formats were prepared in each case and entrepreneurs were shown how to fill them in and keep them filed for easy and quick reference. All the entrepreneurs involved in the extension services are now capable of doing their own costing, marketing, book keeping and record keeping without external assistance.

The extension service was however limited to the projects operating within the estate partly because they were the ones that needed more of these services when compared to the smaller projects that lie outside the estate and partly because of the limited manpower available to deal with this situation. (see section 4 of this report).

111). TRAINING OF COUNTERPART PERSONNEL.

There was only one counterpart in Phase II and on-the-job training continued to be given to him. He joined the project at the beginning of Phase II but because of his keen interest he has quickly learned how to prepare a feasibility study and provide extension services to entrepreneurs, although, being a mechanical engineer, he lacks a broad background of theoretical economics which is necessary for interpreting economic data.

2. ACHIEVEMENT OF OBJECTIVES.

The objectives of the project have been achieved. The achievements can be summarized as follows :-

- a) 19 projects were implemented (see section 1)A.b).
- b) 24 new feasibility reports were prepared (see section 1).A.a).
- c) Extension services were provided to on-going projects within the estate (see Table 2).

- d) Counterpart training was effected (see section 111) of this report).
- e) Within the estate, 4 projects closed down in Phase I were revived, bringing the total of operating projects from 8 in Phase I to 12 in Phase II.

3. UTILIZATION OF PROJECT RESULTS.

The project has been implemented in such a way that its results can be utilized towards the realization of the immediate as well as the long-term objectives of the Nation. This can be clearly discerned from two dimensions - institution building and contribution to development as detailed below.

a) Institution Building.

As indicated above, one counterpart of high level manpower was trained during Phase I. He is still working as Project Officer in Eldoret.

A good method of feasibility study preparation, particularly dealing with market analysis, assessment of entrepreneurs, financial analysis and proper costing, was laid down through a continuous and repeated useage of a proven style of feasibility study preparation. Some aspects of this method and style are now used by KIE. Project Officers showing improvement in the style of feasibility study preparation. A complete manual for project identification and feasibility study preparation was prepared and submitted to both KIE authorities and UNDP in the hope that it will assist in standardizing the method and style of feasibility study preparation.

b) Contribution to Development.

i) Dispersal of Industries.

As indicated in Table 1, out of 155 projects prepared in Phase I and II, 29% were planned to be located in Uasin Gishu district, 32% in Kericho district, 15% in Elgeyo Marakwet district, 10% in Nandi district, 6% in Kabarnet district, 7% in Trans Nzoia district and 1% in West Pokot district.

Thus, the projects prepared are disbursed in 7 districts in accordance with the national development objectives. The projects inside the estate within Uasin Gishu district represent only 19% of the total number of projects prepared.

ii) Employment creation.

The projects prepared both in Phase I and II, excluding those not approved and closed down, were planned to create employment for 1,050 persons. This is about 21% of the total employment created by KIE assisted projects within the entire country. The projects that were operational at the end of the project had already created employment for 400 persons. This is about 38% of the employment planned to be created by those projects operating and under implementation at the termination of the project.

iii) Promotion of African Entrepreneurship.

138 African entrepreneurs, excluding those whose projects were not approved and closed down, were identified during Phase I and II of the project. About 53 or 38% of these were successfully operating, while 41 or 29.7% were in the process of implementing their projects although some of them had serious difficulties in raising their equity capital - a factor which might contribute to the delay of implementation or even the shelving of the projects. The remaining 44 projects or 32% of the total were shelved as a result of the entrepreneurs' difficulty in raising equity capital.

In all aspects, therefore, the results of the project have contributed towards the realization of both the immediate and long-term objectives.

4. PARTICULAR PROBLEMS ENCOUNTERED.

Although from the point of view of the project document the objectives, both the immediate and long-term, were successfully achieved, hindsight discerns that much more could have been done in implementation of projects than what has been achieved.

There are several problems which affected implementation of projects particularly within the estate which was the main concern of KIE during the Tripartite Mission meeting in Nairobi.

First, implementation was affected by the fact that some previously operating projects were closing down while effort was made to revive others, formerly not operating, creating a situation very much akin to a leaking water basin which can never be filled up to the brim because of the leakage. Projects were closing down as a result of entrepreneurs' inability to meet accumulated arrears of rent, interest and loan. As described in the corresponding section of Phase I Terminal Report of this project, this is a situation created by the lack of management skill from the Eldoret management. Arrears are allowed to accumulate for months and years, thus the entrepreneurs take advantage of this and divert funds to other activities not related to the project. When immediate payment is demanded they close down. Several advices were given to the Eldoret management but no heed was given to them. As long as this practice prevails the estate will continue to have many projects which will close down because of inability to pay.

Secondly, the preparation of new feasibility studies for the estate in particular, could not be increased because of KIE's circular of 7th August 1984 asking all regions to go slowly with new loan approvals due to a discrepancy in the development estimates for 1984/85, which left them only a small balance for financing local expenses and which needed time to be sorted out with the Treasury of Kenya.

Thirdly, implementation was also limited by shortage of manpower in the region as there was only one counterpart working with the UNIDO expert.

CONCLUSION AND RECOMMENDATION.

Although the immediate, as well as the long-term objectives were successfully achieved, much more could have been attained in implementation of projects, had there not been certain limiting factors, such as shortage of manpower, shortage of funds and lack of managerial skills.

IN ORDER TO ATTAIN A MORE SATISFACTORY DEVELOPMENT OF THE
FUTURE, IT IS RECOMMENDED THAT THE PROJECT BE RE-EVALUATED
AS FOLLOWS :-

IT IS BELIEVED THAT THE ONE FOOT AND ONE HALF INCH
PROBLEMS AND WHILE MORE FUNDS FOR DEVELOPMENT ARE NEEDED
WITHIN THE NEAR FUTURE. THE PRESENT REMITTANCE OF FUNDS
OF FUNDS SHOULD NOT THEREFORE BE DISCONTINUED. HOWEVER,
NIE SHOULD ENDEAVOR TO CREATE BETTER MANAGEMENT OF
EIGORAT. WITH A STRONG AND PROVED MANAGEMENT OF
PROJECTS CAN BE IMPLEMENTED. NEEDLESS TO SAY, EFFICIENT
EFFICIENT MANAGEMENT, THE CONTRIBUTION OF EXPERTS AND
EXPERTS WILL BE ALMOST NIL. SINCE EIGORAT IS AN
IMPORTANT REGION, IT IS REQUESTED THAT THE NUMBER OF
NUMBER OF COMPETENT PERSONNEL, INCLUDING IN PARTICULAR
MORE ECONOMISTS AND BUSINESS MANAGEMENT EXPERTS ARE
REQUIRED MORE URGENTLY THAN PERTAINING ENGINEERS. THE
TERMINAL REPORT FOR PHASE I FOR MORE INFORMATION ON THIS
POINT.

KINVA INDUSTRIAL ESTATES LTD

TABLE 1

PROPERTY INDUSTRIAL ESTATES

STATUS OF PROJECTS PREPARED FROM AUGUST 1973 TO DECEMBER 1980 BY DISTRICTS

| DISTRICT | APPROVED PROJECTS | | PENDING PROJECTS | | NOT APPROVED | TOTAL | PERCENT OF TOTAL |
|-------------------------|-------------------|--------|----------------------|----------|--------------|-------|------------------|
| | OPERATING | CLOSED | UNDER IMPLEMENTATION | SUBVISED | | | |
| DAVIN GLEDD | 1 | 1 | 5 | 10 | 1 | 30 | 19 |
| 10 Inside the Estate. | | | 2 | 0 | 5 | 15 | 10 |
| 100 Outside the Estate. | | | 3 | 12 | 4 | 51 | 32 |
| AFRICHU. | 6 | 7 | 0 | 12 | 4 | 34 | 15 |
| ELIYO MARAMBEI. | 11 | 1 | 1 | 2 | 1 | 35 | 10 |
| NASBE. | 4 | 1 | 3 | 2 | 1 | 10 | 7 |
| FRANC NEDIA. | 5 | 1 | 4 | 1 | 1 | 9 | 6 |
| KABARNET** | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| WAVE POKOL. | | | | | | | |
| TOTAL | 55 | 10 | 41 | 44 | 9 | 155 | 100 |
| PERCENT OF TOTAL | 35 | 7 | 26 | 28 | 5 | 100 | |

* Closed down due to losses arising from mismanagement.
 ** New projects under the control of Nakuru Industrial Estate.

Table 2.

| INDUSTRIAL EXTENSION SERVICES GIVEN BY TYPE OF SERVICE AND PROJECT, JULY 1983 TO DECEMBER 1984. | | | | | | |
|---|----------------------------------|----------------------------|---------------------------------|------------------------------|--|-------------------------------|
| Serial No. | Name of Project. | TYPE OF EXTENSION SERVICE | | | | |
| | | Costing (No. of times). | Book-Keeping (No. of times). | Marketing (No. of times). | Financial appraisal (No. of times). | Management (No. of times). |
| 1. | Nafli Automotive Components. | 1 | 1 | - | 2 | 1 |
| 2. | Eldoret Livestock Feeds Ltd. | - | - | - | - | 1 |
| 3. | Em-Gwen Printing Press. | - | - | 3 | 1 | 1 |
| 4. | Watch Assembly. | - | 1 | - | 1 | 2 |
| 5. | Elseo Shoes Ltd. | - | - | 1 | 1 | 1 |
| 6. | Raki Investments (Tyre Retread). | - | - | - | 2 | 1 |
| 7. | Garage. | 1 | 1 | - | - | 1 |
| 8. | Bicycle Assembly. | - | - | - | 1 | - |
| 9. | Fashion Knit-wear. | - | 1 | - | 1 | 1 |
| 10. | Samluy Photo Frames. | 1 | 1 | 1 | 1 | 1 |
| 11. | Yasulwe Uniforms. | - | - | - | 2 | 1 |
| TOTAL. | | 3 | 5 | 5 | 12 | 11 |