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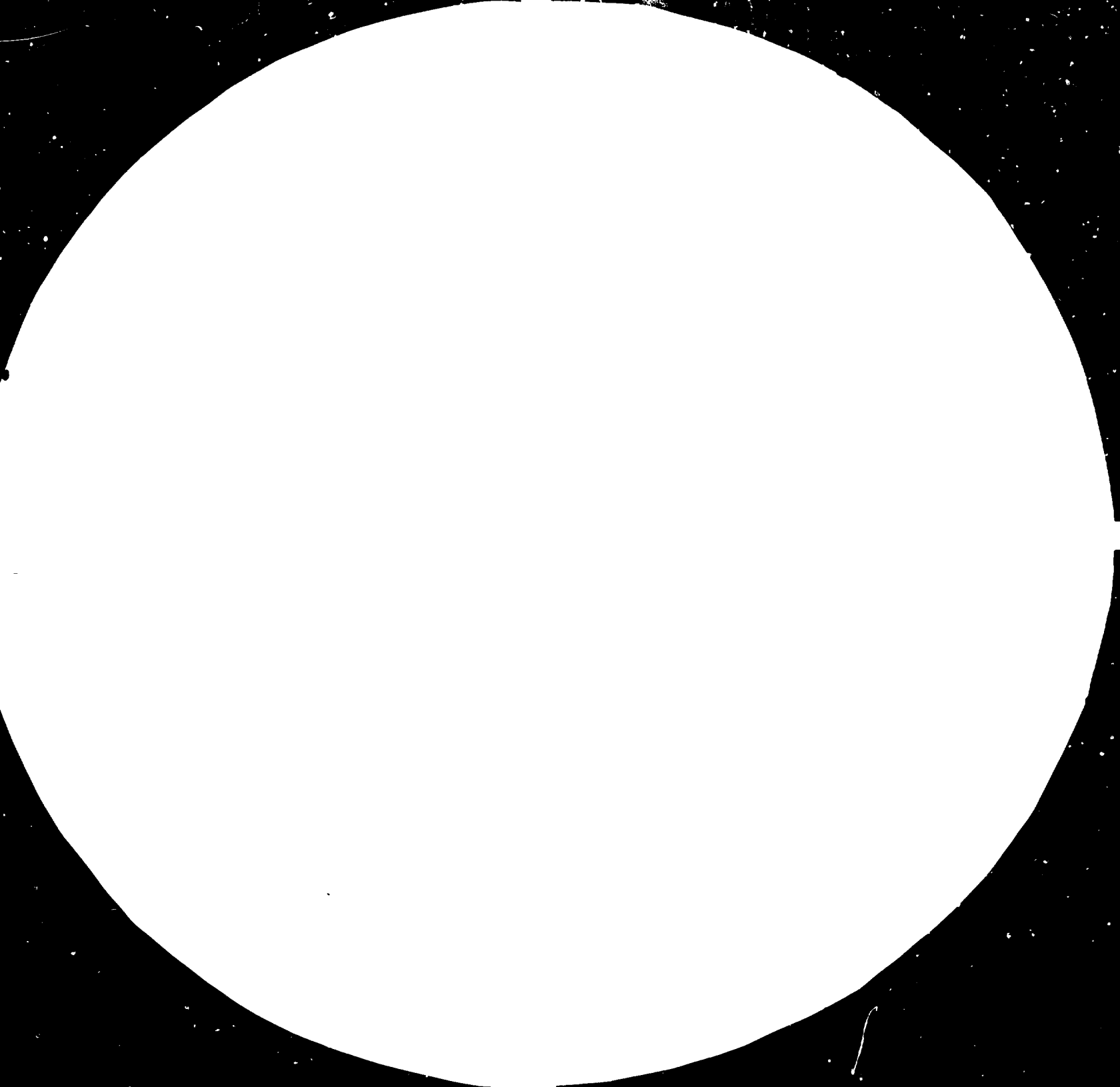
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MICROCOPY RESOLUTION TEST CHART

NATIONAL BUREAU OF STANDARDS
STANDARD REFERENCE MATERIAL 1010a
(ANSI and ISO TEST CHART No. 2)

RESTRICTED.

February
22nd, 1985.

14586

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

ASSISTANCE TO SMALL-SCALE INDUSTRIES

KENYA INDUSTRIAL ESTATES LIMITED

DP/ 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.

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

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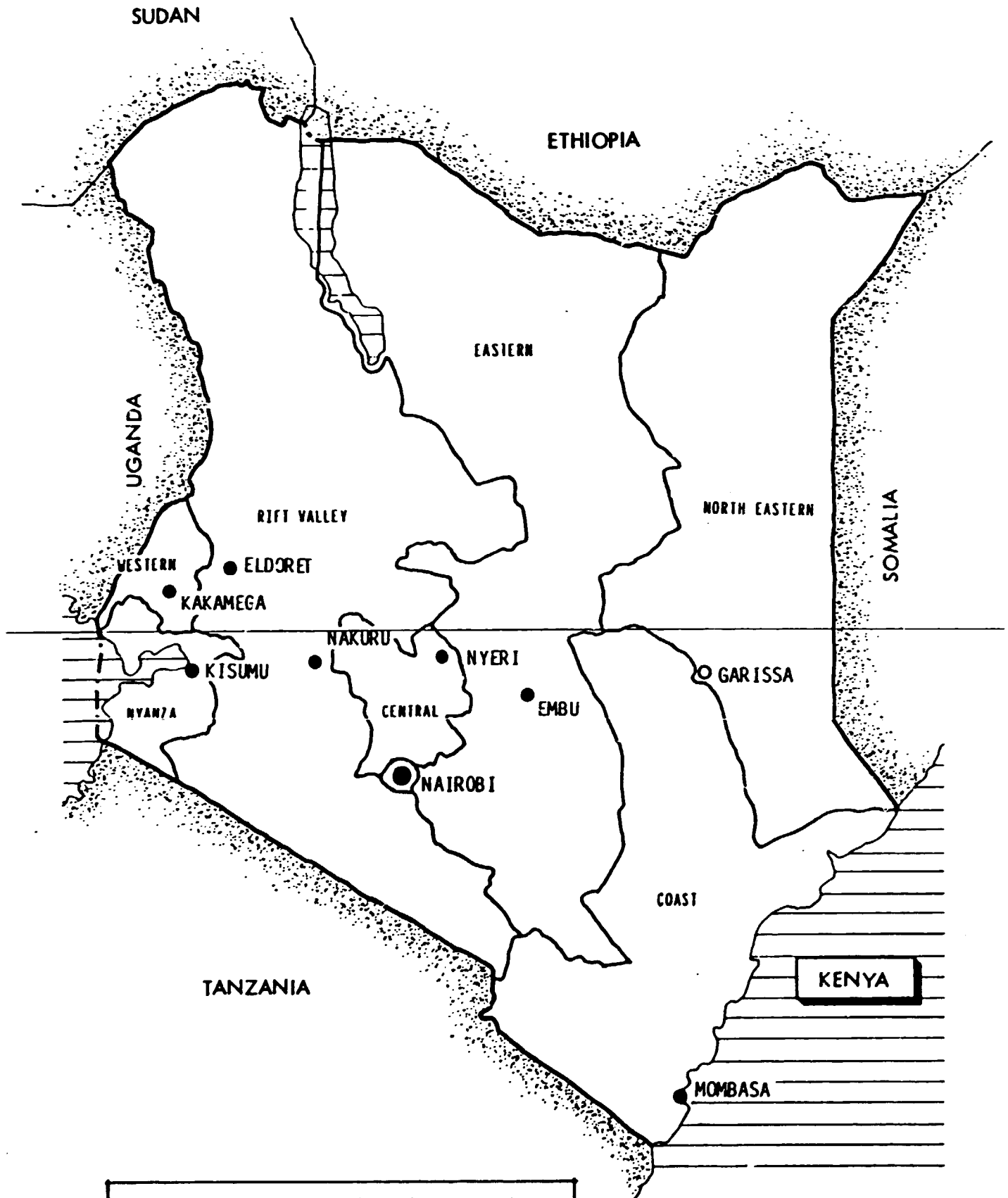
Appendix 2. Economic Indicators for projects under Eldoret Industrial Estate by District, 1983.

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.

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.13.10 to the U.S. Dollar.



Notes: 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 March 1985, whereas Part II from the Industrial Economist is mainly related to the project activities at the Eldoret and surrounding regions, up until the end of December 1984.

Attention is drawn to the fact that reference will be frequently made with regard to Phase 1 (KEN/77/006), this report being considered as complementary to that of Phase 1.

2. ABSTRACTS.

UNIDO PROJECT No. KEN/81/017.

TITLE : Assistance to Small-scale Industries
Kenya Industrial Estates Limited (KIE)
Phase 11.

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 1972, 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 from bilateral and other sources for the purpose of carrying out its task 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 :-

- 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 300 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 some 4,000.

To cope with the increasing challenge new departmental functions were recently created, i.e. 1) Project Preparation and Appraisal, 2) Projects Implementation and Technical Support, 3) Supervision, Review and Entrepreneur Training Department. Others were eliminated. See in Appendix 1 the new Organization Chart.

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 enough time in which to :-

- undertake a new design approach for an IPA at Narok with the primary objective of making the project more feasible.
- up-grade the data on the entire KIE construction programme.
- complete the design work for the RIDC at Muranga and,
- ensure that the design works for the extension programme at Kakamega 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 11 and the detailed schedule within the extended period. These two bar-charts show the continuity of the work undertaken since the beginning of Phase 11.

2. Industrial Economist.

- Prepare project appraisal for about 6 closed industrial units with a view to their revival
- Implement 7 - 10 new projects in Eldoret Estate for which potential entrepreneurs have been identified.
- Provide extension services to existing industries.
- Set-up a reporting system that will permit a performance assessment of the Eldoret Industrial Estate.

NOTE: The above paragraph 2 is explained in detail in Part 11.

8. ACTIVITIES AND OUTPUTS.

8.1. The activities of the Architect were mainly concentrated on the guidelines in the above job description in Para. 7.1.

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 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,
- c.1. technical assistance to KIE from bi-lateral and other international agencies.

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

For construction and related activities the Table 3 in Appendix 8 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 9.

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 177 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 51 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 203 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	177	49,474
1978-1984	18	188	20,069
Sub-total.	26	365	69,543
1984-1986	4	52	3,195
GRAND TOTAL	30	417	72,738

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	8	205	57,923
RIDC's.	12	118	10,130
IPA's.	10	94	4,685
GRAND TOTAL	30	417	72,738

The Table 5 in Appendix 10 summarizes the positions according to the type of estate, i.e. I.E., RIDC's and IPA's.

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 II 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 I) 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 I 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 extension of the KIE facilities into the rural areas as designed by the operational plan has been fulfilled within expectations.

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 30, 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.

By mid-1986, after completion of all on-going projects the KIE rentable capacity will increase by over 400 workshop units.

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.

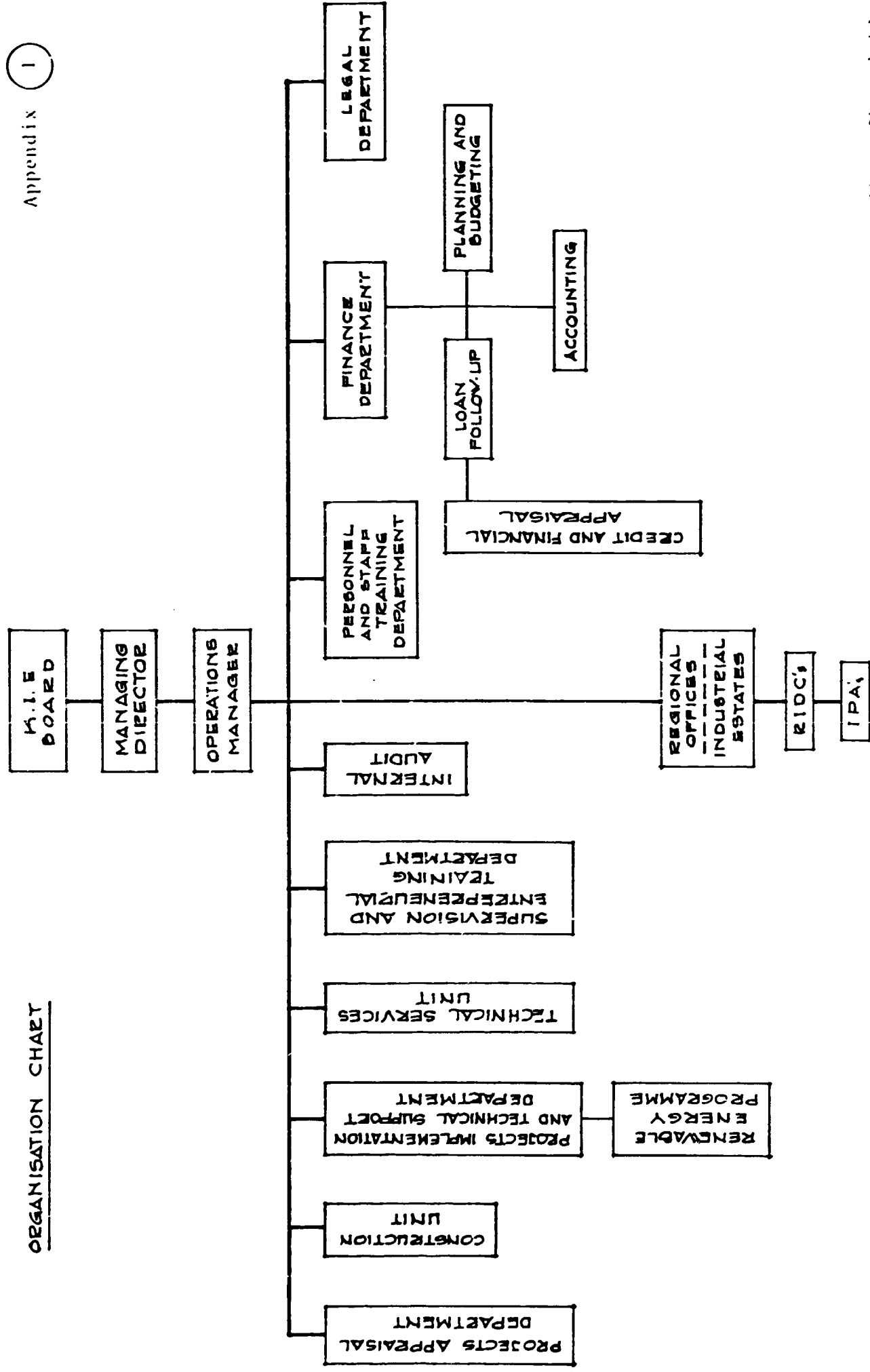
4. Having spent over the years more than Shs. 140 Million in construction of sheds with related services a programme of estate management is currently under consideration.

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

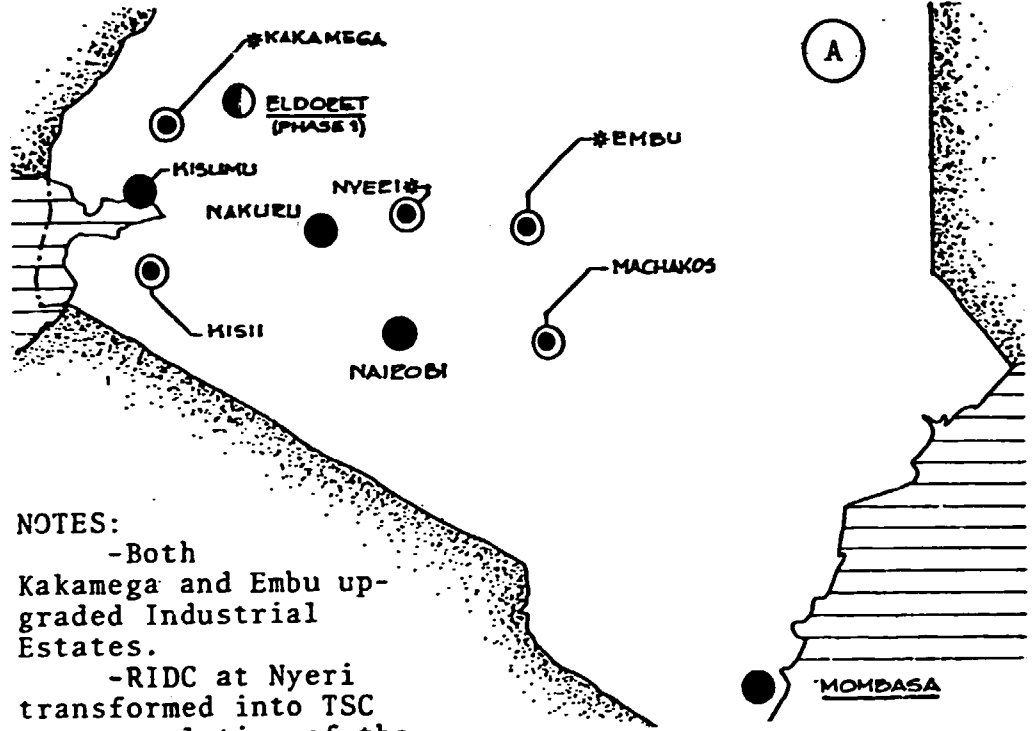


Appendix (1)

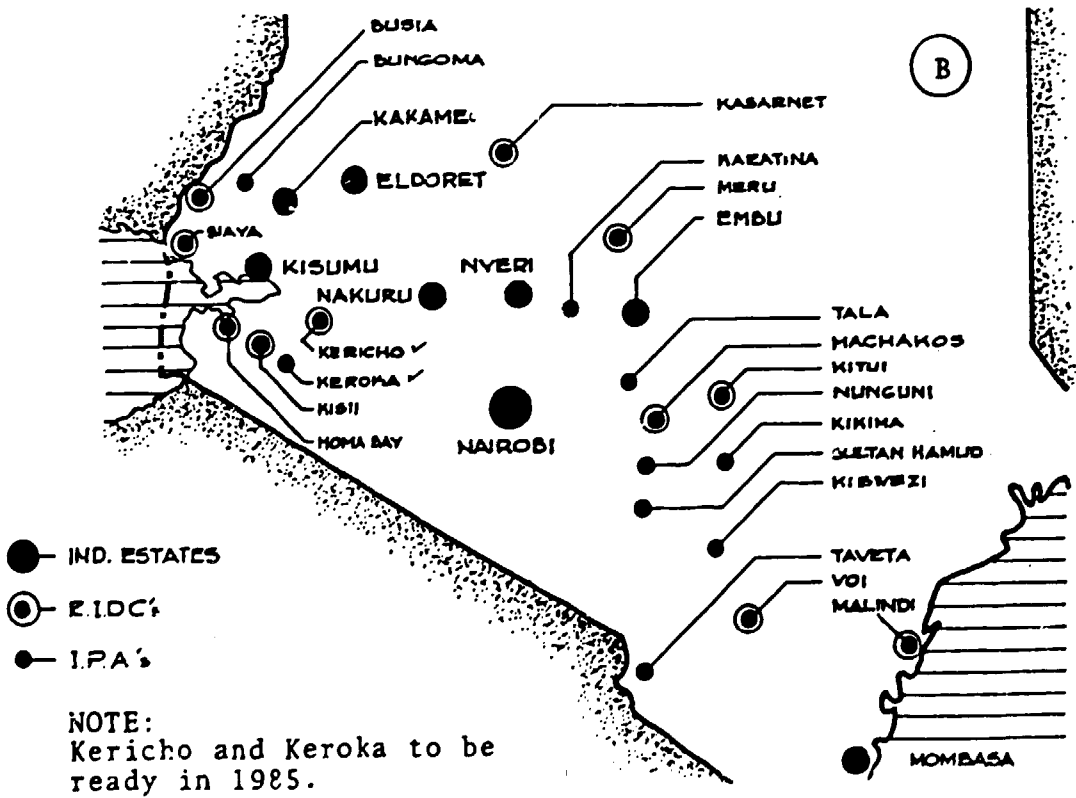
Note: See Appendices 2b and 10.

MAPS OF KIE EXPANSION.

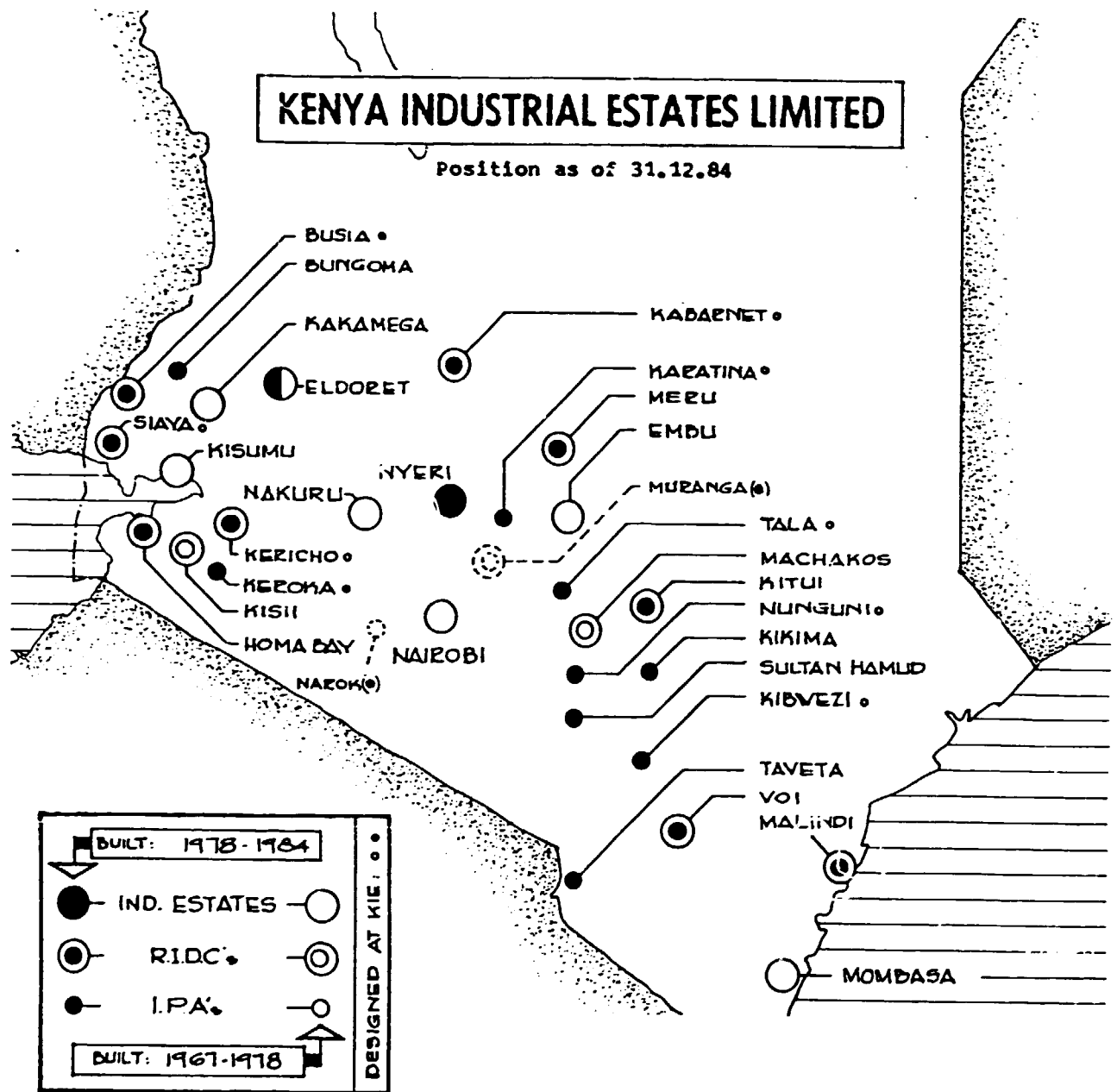
- (A) Stations as of 1978.
- (B) Stations as of 1984.



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

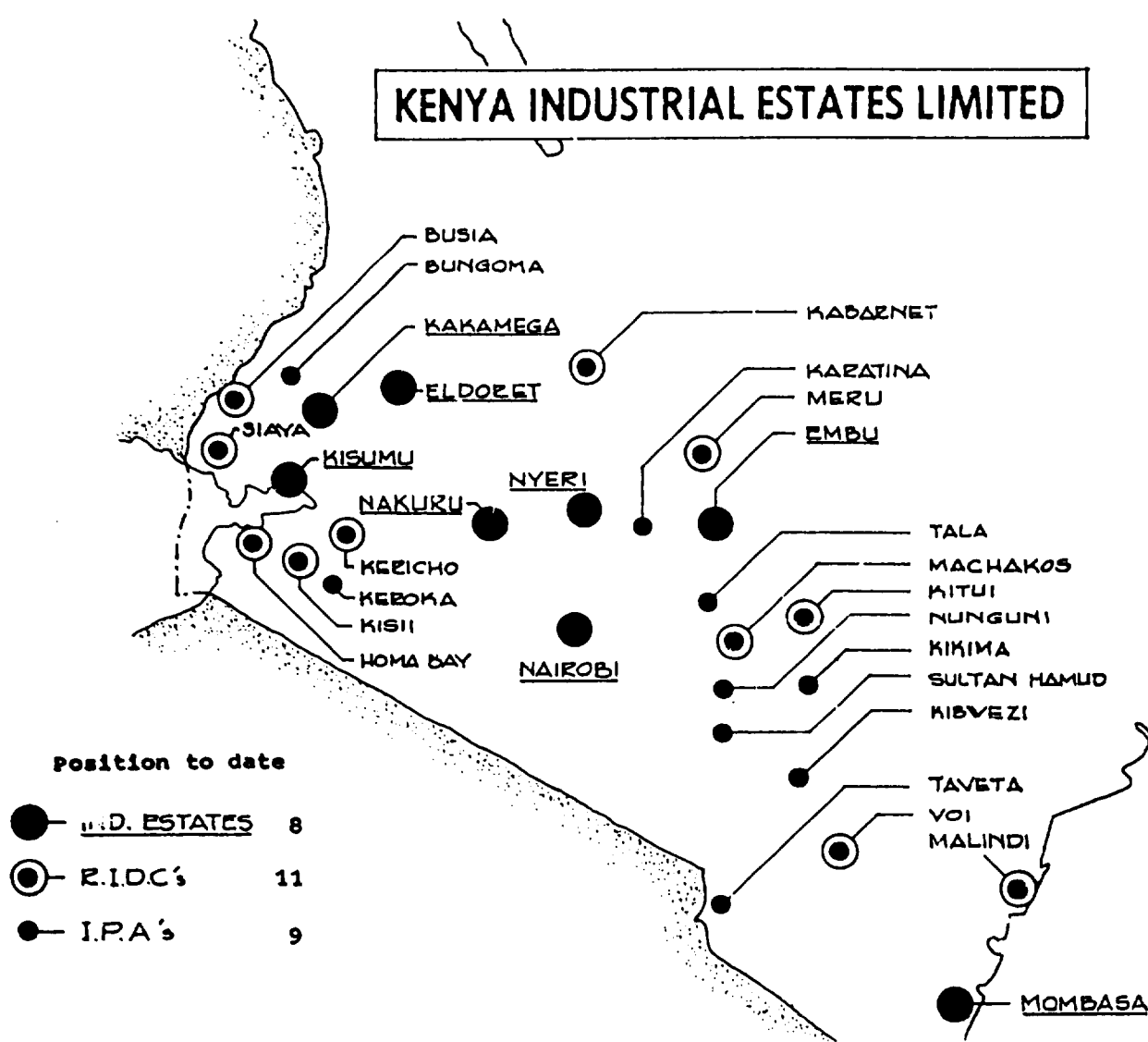
RIDCs

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 stage Estate to be operational in 1986.



Ind. 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

IPAs

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

NOTE: See Appendix 3 for stations as per KIE geographical divisions.

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 (3)

- 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.Arrival / DepartureJ.C. FORTUNEY.

Architect, Project
Co-ordinator.
(USA)

July 1983 / March 1985.

E. SIRAK.

Industrial Economist.
(Ethiopia).

July 1983 / December 1984.

B. NATIONAL COUNTERPART STAFF.Expert / Station.Counterpart.

J.C. FORTUNEY.
NAIROBI.

N.I. WAGACHA.
Civil Engineer.
From July 1983 to date.

E. SIRAK.
ELDORET.

J.O. OBEIRO.
Project Engineer.
From July 1983 to date.

NOTE. Both experts have attended KEN/77/006 (Phase I) from October 1978 until June 1983.

 EQUIPMENT PROVIDED BY UNIDO

Description.Remarks.

- Peugeot 504 Saloon.
Reg. No. 40 UN 424 K.

Delivered to Eldoret in mid-1979 (Phase I).
Purchasing cost US\$ 8,250.
A new vehicle would be needed for Phase III.

- Peugeot 305 Saloon.
Reg. No. 40 UN 489 K.

Delivered at end of November 1981.
Purchasing cost US\$ 7,260.




FELLOWSHIP POSTS / COURSES ATTENDED.

1983 - 1984.



POST NO.	FELLOWSHIP POST	DURATION (MOS)	NAME OF FELLOW AND COUNTRY OF STUDY	STARTED (MO/YR)		COMPLETED (MO/YR)	
				SCHED.	ACTUAL (EST.)	SCHED.	ACTUAL (EST.)
1.	Auditor. Course: Auditing for Internal Auditor.	1.5	H.N. DERO. Tanzania.	7/83	7/83	8/83	8/83
2.	Project Engineer. Course: Project Study Preparation.	1.5	A.P. ODUOR. Philippines.	7/83	7/83	9/83	9/83
3.	Assistant Chief Accountant. (Credit Control). Course: Financial Management.	5.	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 Management.	5.	B.K. MUTISYA. Tanzania.	9/83	5/84	6/84	6/84
6.	Project Officer. Course: Small Industrial Promotion in Developing Countries.	3	M.V. GOHIL. India.	9/84	9/84	12/84	12/84
7.	Regional Accountant. Course: Financial Accounting.	1.	J.L. NJERU. Tanzania.	10/84	10/84	11/84	11/84
8.	Center Manager. Course: Small Industry and Entrepreneur Development.	2.	D.O. NYAANGA. Ireland.	10/84	12/84	12/84	12/84
	Total m/m:	22.					

GENERAL WORK PLAN AND CONSTRUCTION SCHEDULE

PROJECT	TYPE	GRID AREA	SHDS No.	TENDR 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	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6
1 NUNGLINI	IPA	483	10	8/82	10/82	[Gantt bar: 10/82 to 12/82]																																															
2 MIDVEZI	.	G17	10	12/82	03/83	[Gantt bar: 12/82 to 03/83]																																															
3 KITUI	EIDC	G93	6	12/82	03/83	[Gantt bar: 12/82 to 03/83]																																															
4 MEICHO	.	874	9	10/83	04/84	[Gantt bar: 10/83 to 04/84]																																															
5 KEFOMA	IPA	830	8	07/84	11/84	[Gantt bar: 07/84 to 11/84]																																															
6 BUSIA	EIDC	492	7	09/83	04/84	[Gantt bar: 09/83 to 04/84]																																															
7 MURANGA	.	1000	10	-	-	[Hatched area: 07/83 to 12/84]																																															
8 NAEOM	IPA	600	10	-	-	[Hatched area: 07/83 to 12/84]																																															
9 KAKAMEGA EXT.	EXT.	330	16	-	-	[Hatched area: 07/83 to 12/84]																																															

LEGEND:
 CONST. PERIOD
 DELAYS
 TENDR. OPNG.

REMARKS:

COMPLETED IN SEP. 83
 SHORT DELAY: 16 WEEKS.
 NEW CONTRACTOR TO BE
 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. TNDR. EARLY 85
 TO BE DESIGNED.
 TNDR. DATE: MID. 1985.
 DESIGN BY CONS. COMPLET.
 BOQS 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 TN. DE' 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/BI/017 FROM: 01.85 TO 03.85 (REVISED SCHEDULE).

TABLE NO. 3

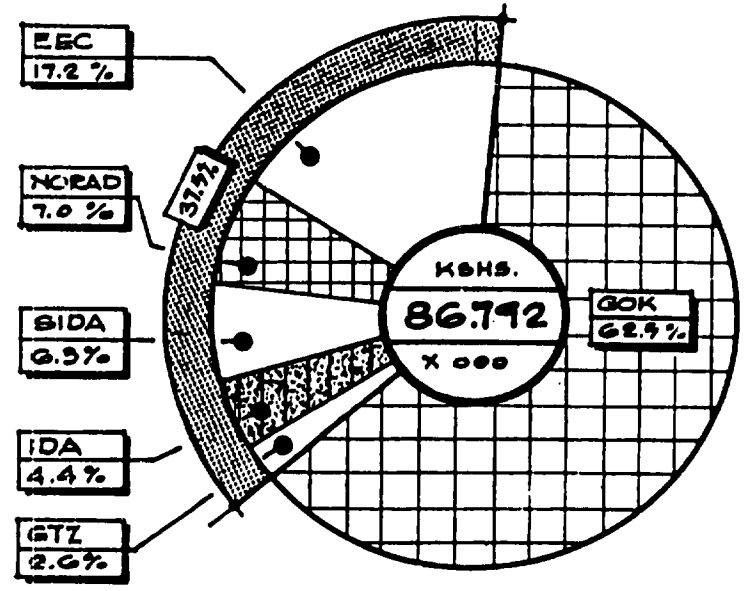
SURVEY OF KIE BUILT UP AREAS		STATION AT:	No of workshops No occupied	AREA OF WORKSHOP ONLY (m ²) RENTABLE	AREA OF T.S.C OR CFW ONLY (m ²)	TOTAL AREA OF ESTATE (m ²)	REMARKS	
1967-1977	1	NAIROBI	56	53	16754	● 760	1984 5	Canteen 737m ² off 233m ²
	2	MOMBASA	20	11	8820	● 300	9770	Canteen 350m ² off 300-
	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	
B Total					21439	1551	25280	
GRAND TOTAL					70.913	5131	84257	Areas m ²
Notes	• Projects designed at KIE		✗ In Construction					
	** Total area of estates shown includes office blocks, canteens, external toilet blocks and workshops.						Date: 16 1984	

NOTE: For projects to be implemented in 1985 see Appendix 9, Table 4.

TABLE 4.

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

1973-1986		M/T/DATE	A	B	C	SPONSOR	TO BE TENDERED
MIE	STATION AT						
1	MALINDI	10/79	• 1,940	970	8	600	GTZ
2	HOMA BAY	8/80	• 3,500	1,480	11	1026	SIDA GOK
3	VOI	10/81	• 3,212	1,213	10	800	GOK
4	MWEEU	11/81	• 3,800	1,490	11	1100	NORAD.GOK
5	NYERI	1/82	• 25,478	7,156	24	6,750	GOK
6	KARATINA	1/82	• 2,248	1,076	20	929	NORAD.GOK
7	KARAKENET	2/82	• 2,810	629	10	518	"
8	TALA	3/82	• 1,826	960	9	364	EEC
9	SIDYA	10/82	• 4,551	1,251	10	807	SIDA.GOK
10	SULTAN HAMUD	3/83	* 1,590	471	10	400	EEC
11	KIKIMA	3/83	* 1,950	450	10	400	"
12	ELDORET II	7/83	• 9,546	3,490	12	3,450	IDA.GOK
13	BUNGOMA	11/83	• 1,651	385	5	300	EEC.GOK
14	NUNGUNI	8/84	* 1,700	483	9	304	EEC
15	TAVETA	8/84	* 2,400	449	6	340	EEC.GOK
16	KITLI	12/84	* 3,180	673	6	600	"
17	KIBVEZI	12/84	* 2,040	617	10	539	EEC
18	MEEICHO	9/85	* 3,150	874	9	740	GOK
19	BUDIA	9/85	* 2,450	916	7	842	"
20	MEEOKA	7/84	* 2,400	770	6	691	"
TOT. 78-84:			30,542	25,315	308	21,500	
21	KAKAMEGA	2/89	750	330	16	310	GTZ
22	MURANGA	*	• 3,500	1,163	12	1,036	GOK
23	NAKURU	*	• 2,000	529	9	418	"
TOT. 84-86:			6,250	2,022	57	1,764	
TOTAL :			86,792	27,337	265	23,264	



CONTRIBUTION K. SHS. x000		
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

(A)

(B)

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
<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	200	-
	Total: (C)	79	3,576	284
	GRAND TOTAL:	365	69,543	5,131

NOTE: PROJECTS CURRENTLY BEING IMPLEMENTED.

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

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. HOHA 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.

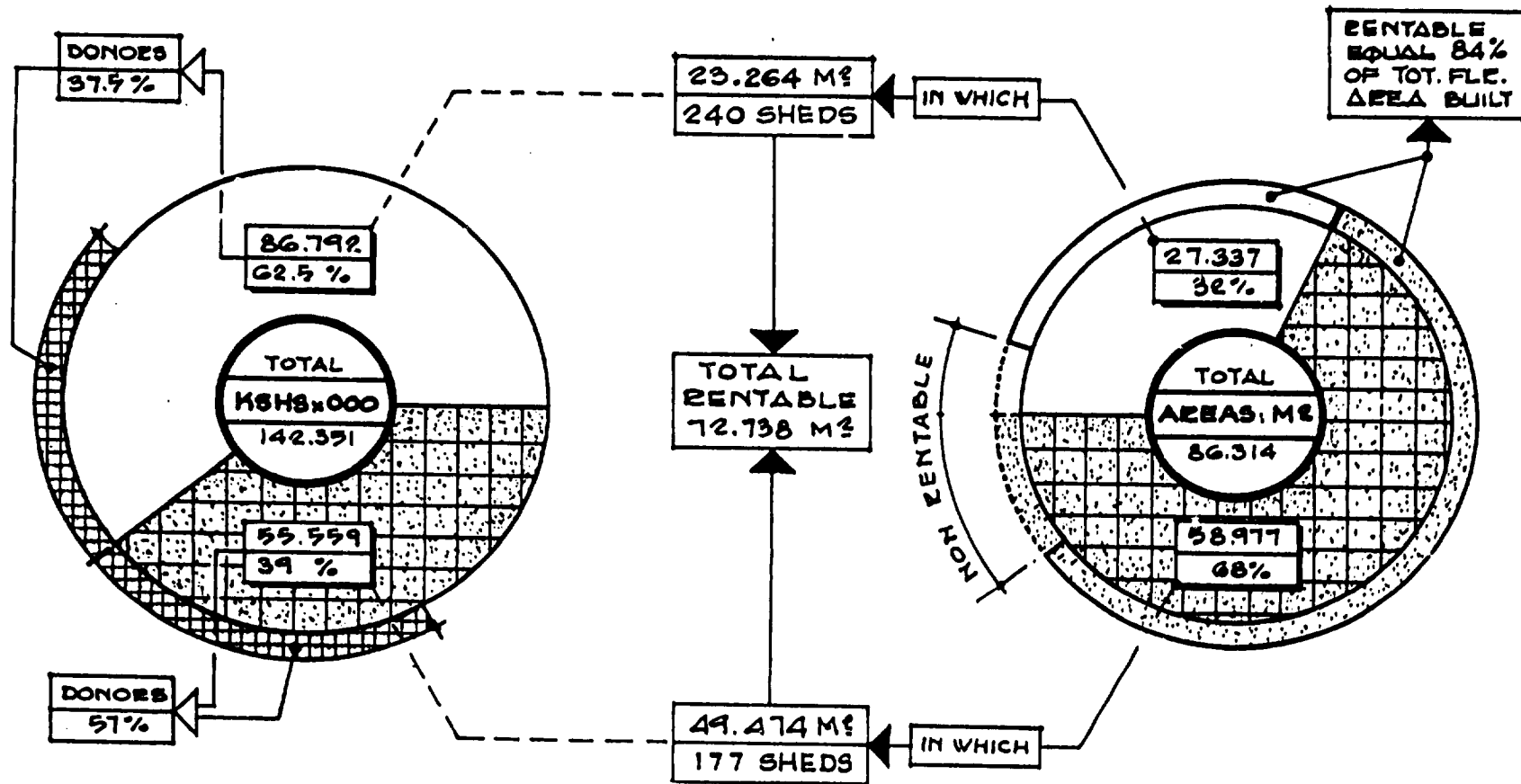
TABLE NO. 8.

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. KIBWERI.	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. HAROK. (*)	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:
 TBC's / CFV'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.

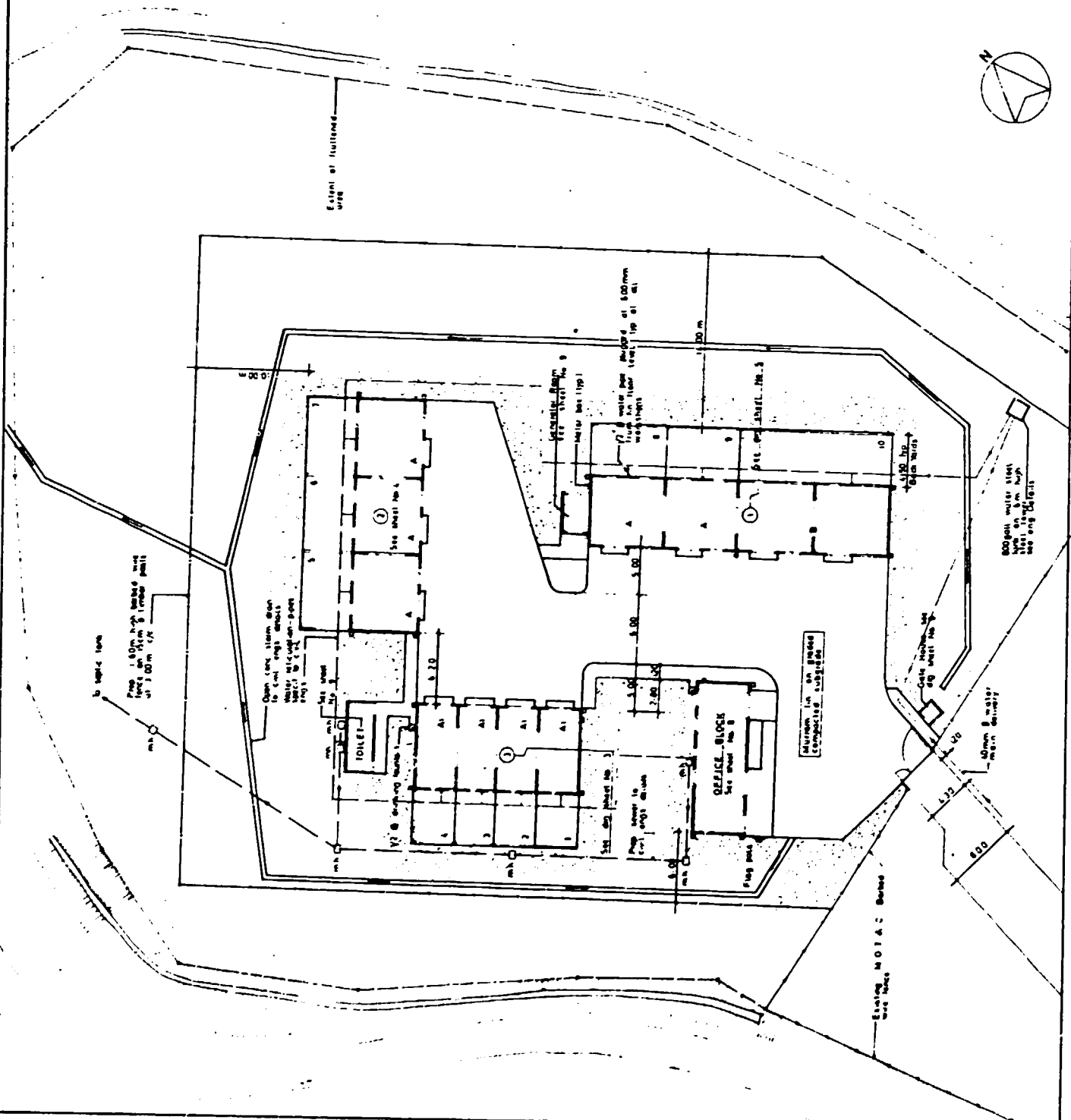
- Notes.
1. All design works at KIE by:
-JCF/UNIDO : Nunguni, Kibwezi, Kericho,
Muranga, Narok.
-JKR/FINNIDA : Busia, Keroka.
 2. KITUI RIDC the last KIE project commissioned to a private consultant was also built during Phase II.
 3. Design works for Kakamega supervised by KIE.
- (*) Tendered during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

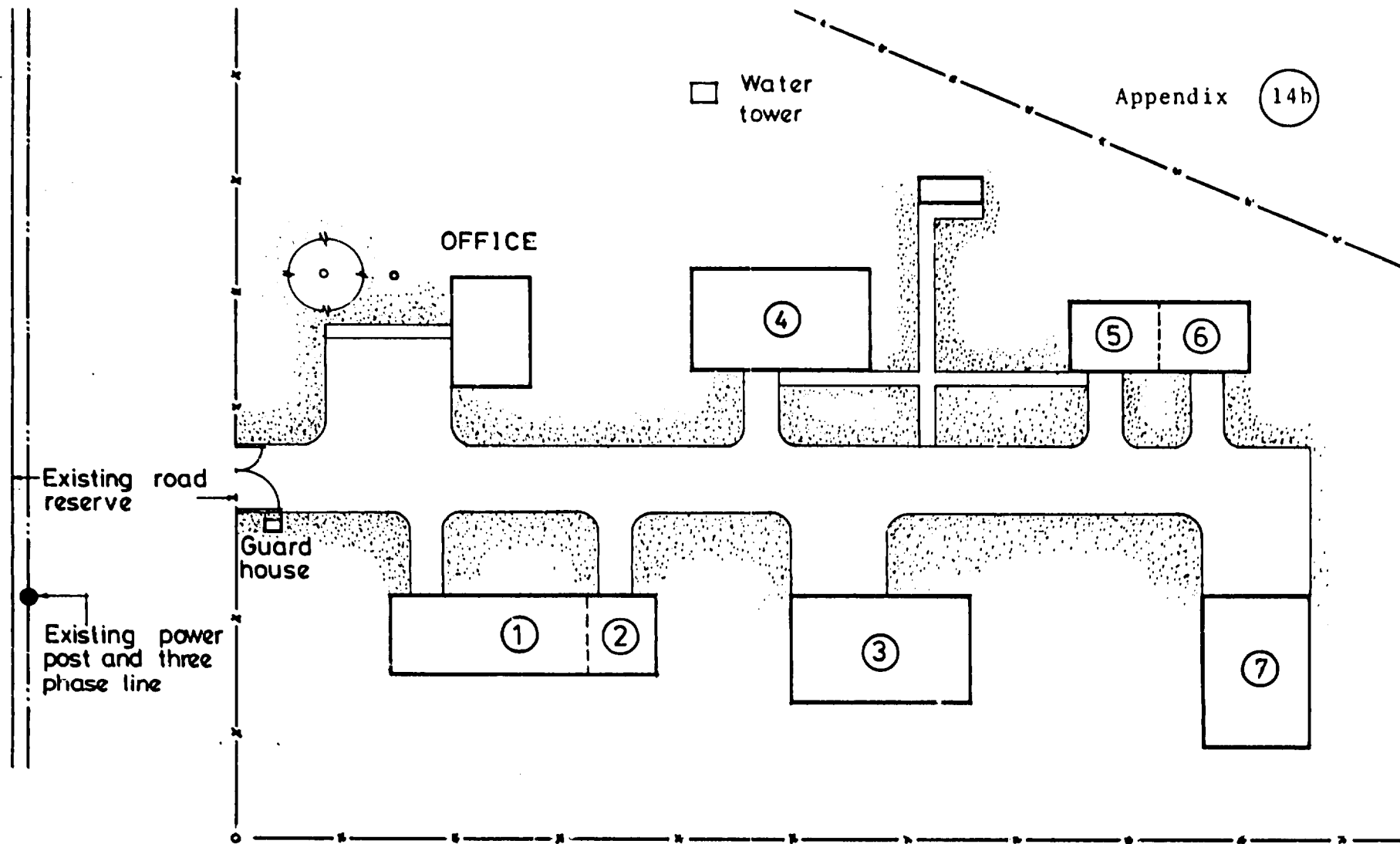
NOTES

ALL DIMENSIONS TO BE CHECKED ON SITE
 IF DRINKING WATER FOUND ON SITE
 FOR GATE SEE SHEET No. 11

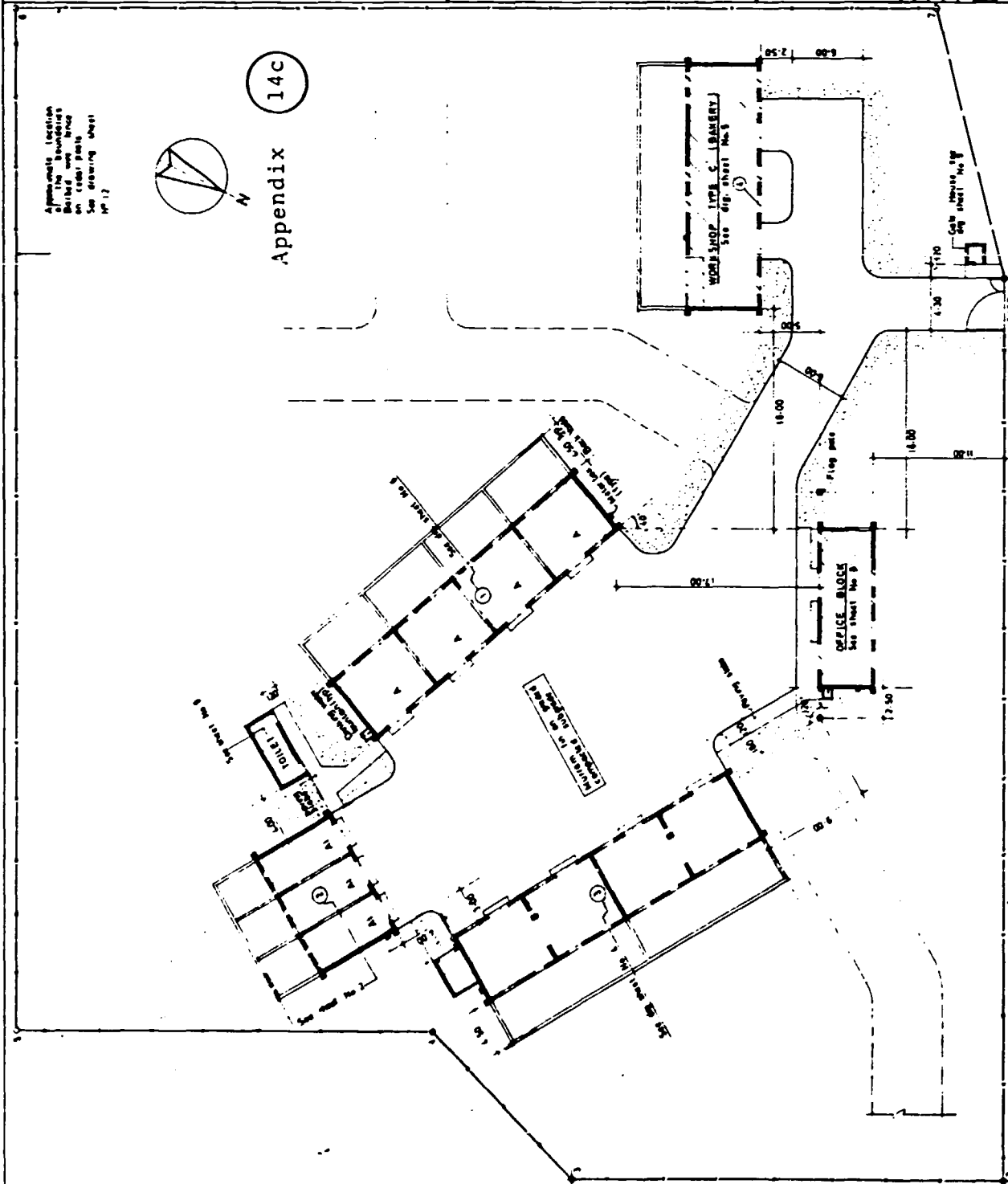
Appendix **14a**

Rev.	Date	Rev.	Date	By	Sheet No.
					2
KENYA INDUSTRIAL ESTATES LTD					
INDUSTRIAL PROMOTION AREA					
NUNGUNI					
INDUSTRIAL PROMOTION AREA					
SITE PLAN					
Prep. By	Checked	Drawn	Scale	Date	Sheet No.
			1:200	NOV. 1987	2





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

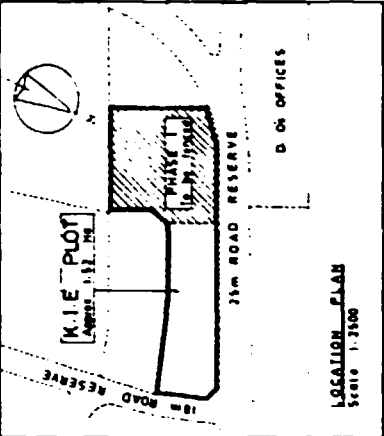


Approved location
for buildings
on color plans
See drawing sheet
No 12

Appendix
14C

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 A Gate B	9
Door details	10
Window details	11
Miscellaneous details	12



COVERED AREA

Shed No	Area (sq. m)
Shed No 1	1663
Shed No 2	614
Shed No 3	1063
Shed No 4	516
Office Block	319
External toilets	-
Total Area	3575

Rev	Date	Rev. Ints.	By

KENYA INDUSTRIAL ESTATES LTD.

Approved by _____

INDUSTRIAL PROMOTION AREA

KIBWEZI

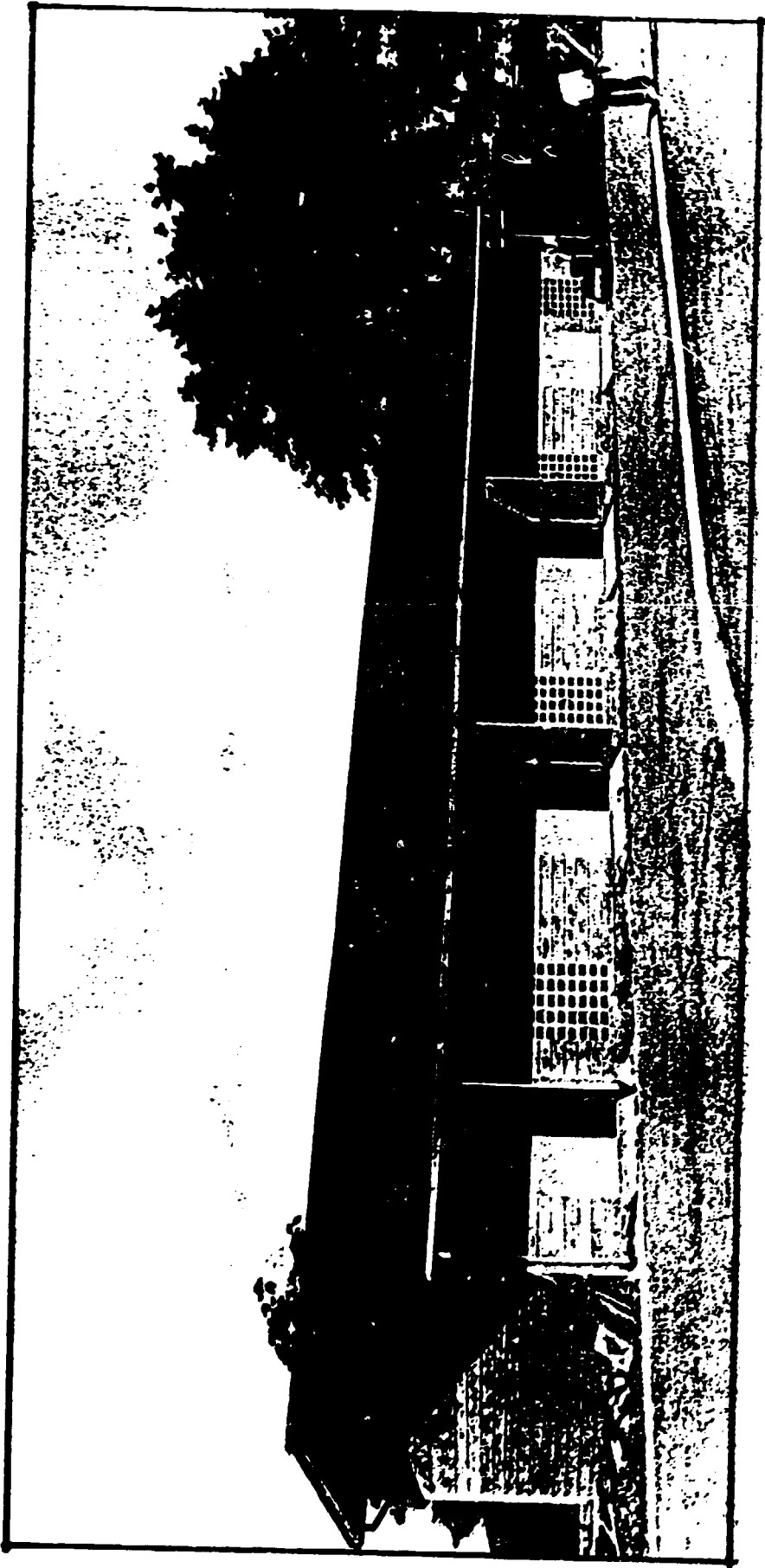
SITE AND LOCATION PLANS

Rev.	Date	By	Checked	Date	Sheet No.
02.01	J.P.P.	U.S.			
Drawn by	Scale	Date			
P.M.M.	1:250	July 1963			

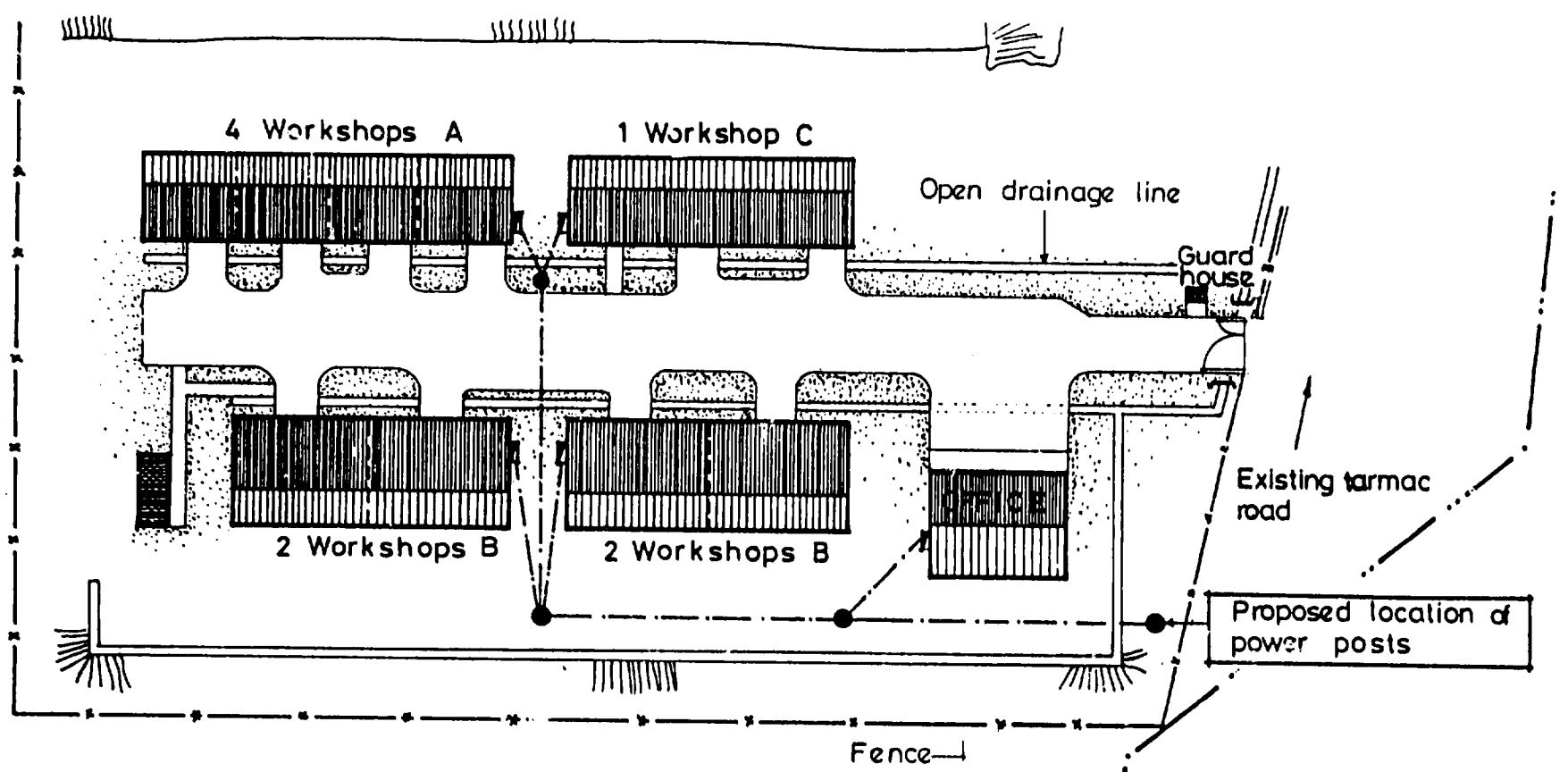
NOTES

- All dimensions to be checked on site
- Site not surveyed
- For drawing under foundation see sheet No 9
- For gate details see sheet No 12

Appendix 14c.1

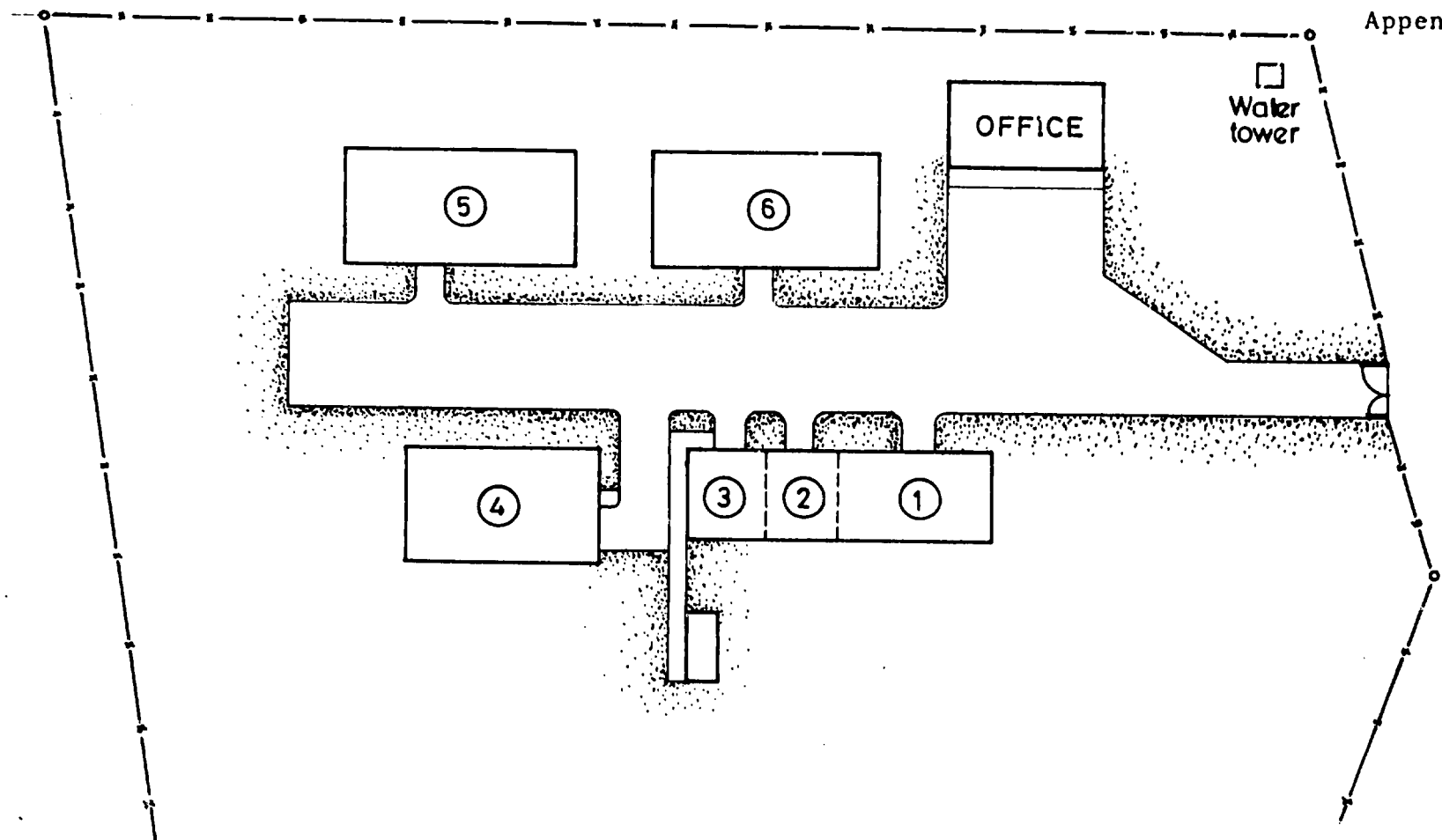


KIBWEZI I.P.A.



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

▣ Position of external meter box
Existing power line

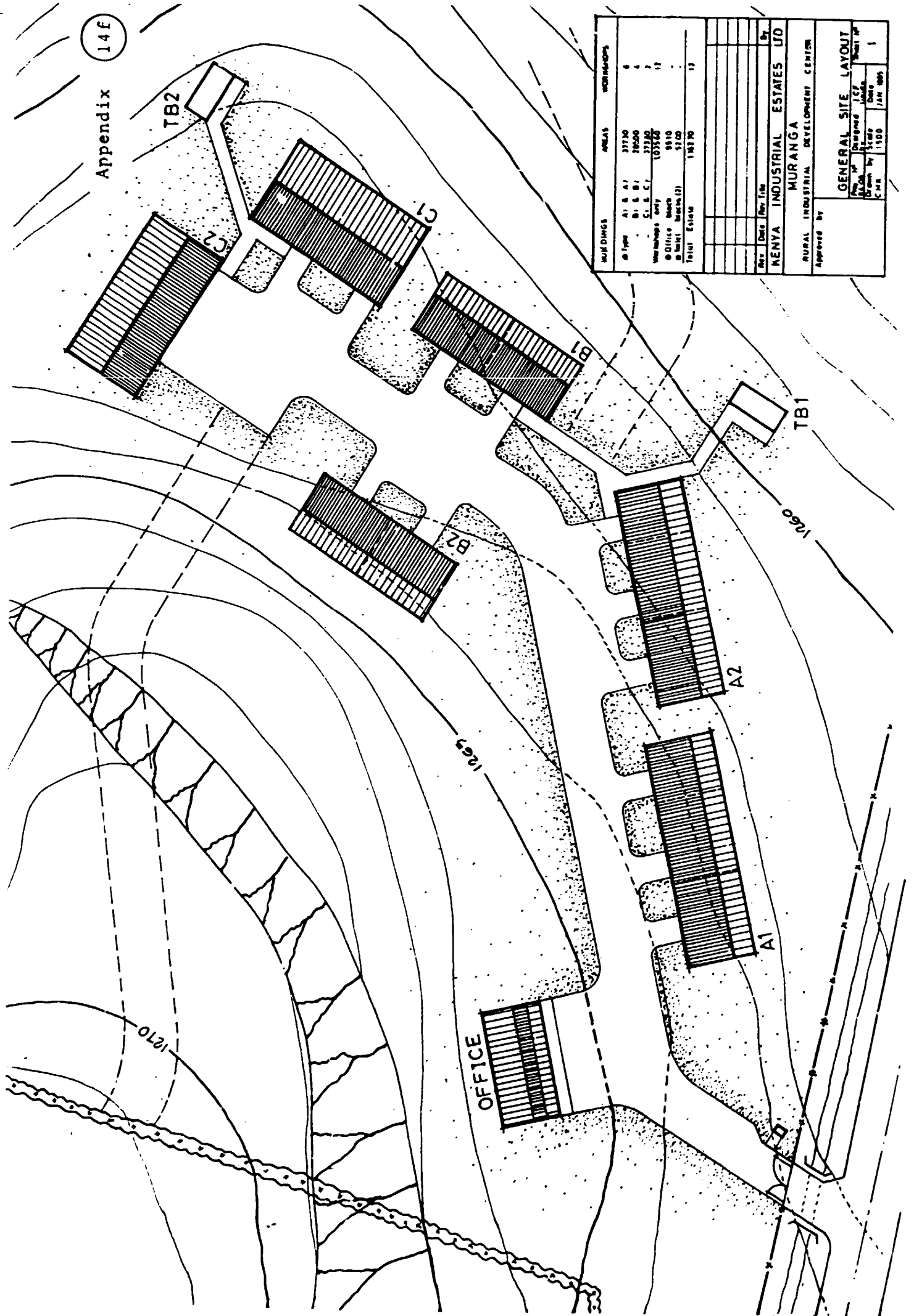


KENYA INDUSTRIAL ESTATES LTD

KEROK A

INDUSTRIAL PROMOTION AREA (IPA)

Scale 1:500



MAJ DINGS	AREAS	WORKSHOPS
① Type A1 & A2	37720	6
② Type B1 & B2	26500	4
③ Type C1 & C2	37720	2
Workshops Only	(37720)	17
④ Office Blocks	9810	-
⑤ Toilet Blocks (2)	5100	-
Total Estimate	146370	17

Rev.	Date	Rev. File	By

KENYA INDUSTRIAL ESTATES LTD
MURANGA
RURAL INDUSTRIAL DEVELOPMENT CENTER
Approved by _____

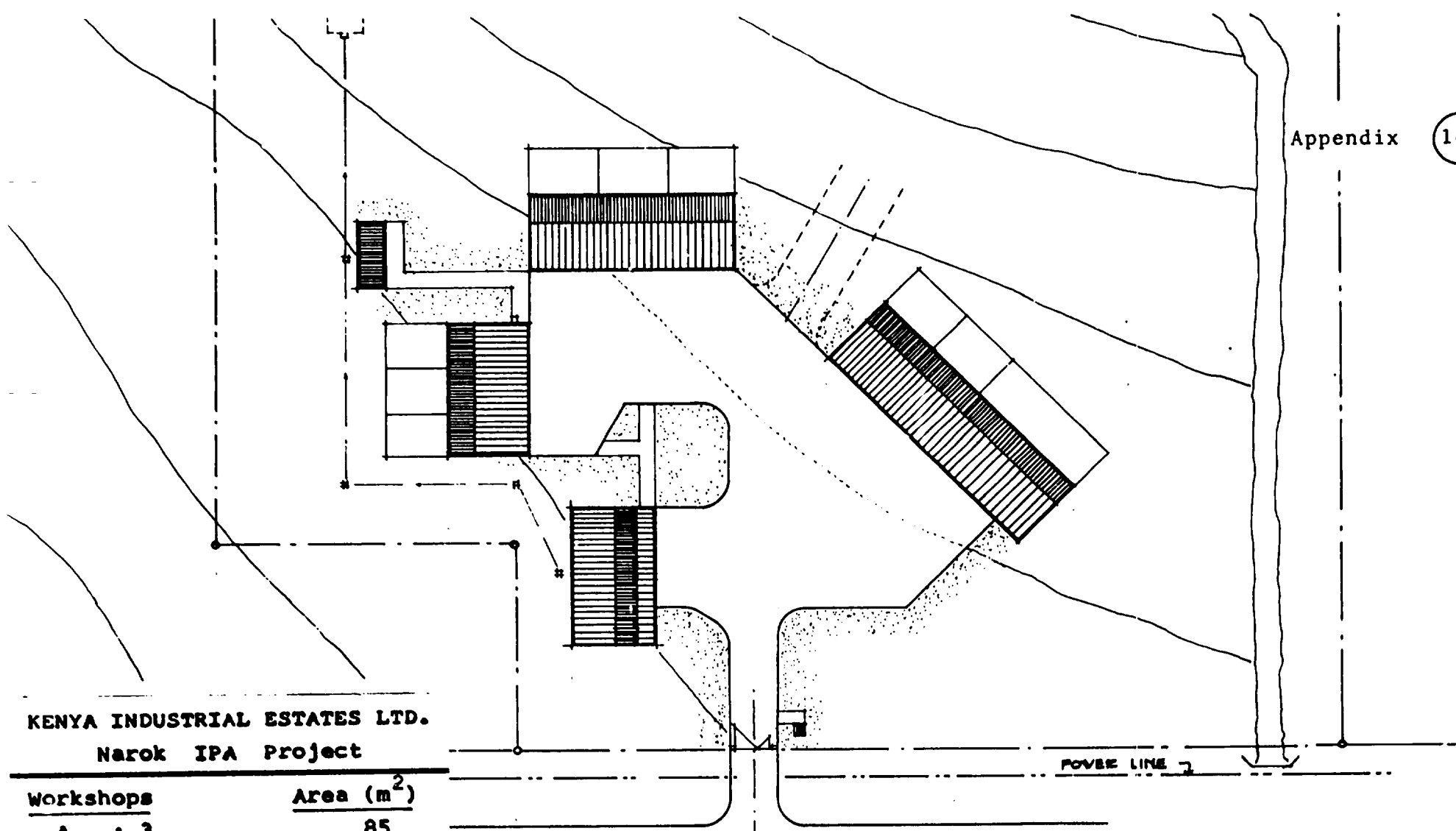
GENERAL SITE LAYOUT			
Drawn by	Checked by	Scale	Date
C.M.R.		1:500	JAN 1969
Sheet No.			

KENYA INDUSTRIAL ESTATES LTD.
Narok IPA Project

<u>Workshops</u>	<u>Area (m²)</u>
- A : 3	85
- A : 5	238
- B : 1	95
Workshops only	418
- Office	95
- Ext. toilet block	16
Total Estate:	529

POVER LINE

GENERAL SITE LAYOUT
SCALE 1: 500'



PART II *

	<u>Page</u>
1. Major Activities carried out and outputs produced.	1
1) Project Preparation and Implementation.	1
A. In the Whole Region.	1
B. Inside the Estate.	1
11) Industrial Extension Service.	2
111) Training of Counterpart personnel.	2
2. Achievement of Objectives.	2
3. Utilization of Project results.	3
a) Institution Building.	3
b) Contribution to Development.	3
4. Particular Problems Encountered.	4
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.

Appendix 1. Operational and Arrears Status of Projects within Eldoret Estate as at November 1984.

Appendix 2. Economic Indicators for projects under Eldoret Industrial Estate by District, 1983.

* By E. Sirak.

1. 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.

(*) See Appendix 2 for comparison.

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 (see Appendices 1 and 2).

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 KIE authorities 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 56% 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 26% 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 28% 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. (see Appendix 1). 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. (see Appendix 1).

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 in the future, it is recommended that the project be consolidated as follows :-

It is believed that KIE can sort out its financial problems and make more funds for development available within the near future. The present temporary shortage of funds should not therefore cause any disquiet. However, KIE should endeavour to create better management in Eldoret. With a strong and experienced management all projects can be implemented. Needless to say, without efficient management, the contribution of international experts will be almost nil. Since Eldoret is an important region, it is suggested that KIE increase the number of counterpart personnel, bearing in mind that more economists and business management experts are required more urgently than mechanical engineers. (see Terminal Report for Phase I for more information on this point).

KENYA INDUSTRIAL ESTATES LTD

Table 1.

ELDORET INDUSTRIAL ESTATES

STATUS OF PROJECTS PREPARED FROM OCTOBER 1973 TO DECEMBER 1984 BY DISTRICT.

D I S T R I C T	A P P R O V E D P R O J E C T S				N O T A P P R O V E D	T O T A L	P E R C E N T O F T O T A L
	I M P L E M E N T E D		U N D E R I M P L E M E N - T A T I O N	S H E L V E D			
	O p e r a t i n g	C l o s e d *					
<u>UASIN GISHU</u>							
i) Inside the Estate.	12	4	3	10	1	30	19
ii) Outside the Estate.	2	-	2	6	5	15	10
KERICHO.	12	4	23	12	-	51	32
ELGEYO MARAKWET.	6	-	6	12	-	24	15
NANDI.	11	1	-	2	1	15	10
TRANS NZOIA.	4	1	3	2	-	10	7
KABARNET**	5	-	4	-	-	9	6
WEST POKOT.	1	-	-	-	-	1	1
TOTAL	53	10	41	44	7	155	100
PERCENT OF TOTAL	34	7	26	28	5	100	

* Closed down due to losses arising from mismanagement.

** Now 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.	Nufil 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.	Elsco 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

