



From left to right: Kenyan President William Ruto, Nairobi's Central Business District, Mombassa Port. Photos: Shutterstock

Open for Business

With its status as East Africa's largest economy and one of Sub-Saharan Africa's fastest-growing, Kenya embodies a substantial investment opportunity for US stakeholders, fueled by its potent economic potential.

As the World Bank forecasts an average GDP growth of 5.2% for the next two years, Kenya is emerging as an influential economic, commercial, and financial hub, and a pivotal logistics gateway for East Africa. The country's pro-business president, William Ruto, recently articulated the appealing investment atmosphere, stating there is now a "compelling case to invest in Kenya."

The United States ranks among Kenya's most substantial trading associates, with Kenyan exports to the US amounting to US\$543.27 million in 2021, according to the United Nations COMTRADE. The US, during the fiscal year 2022, provided an additional US\$324 million in humanitarian assistance to Kenya, demonstrating its strong support for the nation.

Further evidence of the burgeoning economic relationship between the US and Africa was showcased at the US-African Leaders Summit, held in Washington D.C. in December 2022. Among the 49 African leaders present, including President Ruto, President Biden announced a US\$55-billion investment pledge

to Africa for the next three years. Private sector companies in attendance committed to an extra US\$15 billion in trade and investment agreements, signifying the expanding economic ties between the US and the African continent.

Highlighting the promising potential of the Kenyan market, Dr. Alfred Mutua, Kenya's Cabinet Secretary, spoke at the inaugural Kenya-US Business Roadshow at the Harvard Club in New York on April 26, 2023. This event, organized by the US Ambassador to Kenya, Meg Whitman, drew a large contingent of American investors and business leaders, curious to explore the investment opportunities in Kenya.

During his keynote speech, Dr. Mutua illustrated Kenya's position as the largest and most diverse economy in the East African Region, pitching Kenya as an attractive investment prospect for American businesses eager to access a vast market of over 500 million consumers. Additionally, investing in Kenya offers access to the massive 1.3 billion consumer market under the African Continental Free Trade Area (AfCFTA).

Reflecting the sentiment of Kenya's robust private sector, Dr. James Mwangi, CEO and MD of Equity Group, highlighted the importance of international partnerships. He stated: "Africa requires partnership with other nations such as the US and a debate on prosperity and resilience is key for both the African and American private sectors as they are the drivers of growth."

Underpinning this view, the USAID's Kenya Investment Mechanism and the Kenya Pension Funds Investment Consortium (KEPFIC) are teaming up to amalgamate funds to invest in alternative assets and infrastructure projects in the country. As Ngatia Kirungie, KEPFIC's Head of Secretariat, pointed out: "Kenya's annual infrastructure funding gap presents private investors with numerous opportunities in sectors including power, transportation, and urban development."

Anticipating the 2023 US-Africa Business Summit in Gaborone, Botswana this July 11 - 14, Kenya is further poised to showcase its attractive investment and business potential. ■

INSIGHTS



"Kenya aims to play a critical role in boosting intra-African trade and driving economic growth."

MOSES KURIA
INVESTMENT, TRADE AND
INDUSTRY CABINET SECRETARY



"Kenya is well placed in the African continent to be a hub for American investors."

DR. ALFRED MUTUA
CABINET SECRETARY



"The US-Kenya partnership is strong, built on sixty years of shared values and interests."

MEG WHITTMAN
US AMBASSADOR TO KENYA

Abyssinia Group: Turning Steel into East African Success

The Abyssinia Group's journey to the top of East Africa's steel production sector is a tale of visionary leadership and innovation.



Photo: Abyssinia Group of Industries

For two decades, Abyssinia has been transforming East Africa's industrial sector. Under the helm of CEO Jateen Patel, the company has grown to become East Africa's largest steel producer with an annual capacity of over 700,000 metric tons. With manufacturing and mining operations spread in East Africa, namely Kenya, Uganda, Ethiopia and Rwanda, AGI meets the export market demand in the entire East African region and beyond.

Pioneering in product diversification, Abyssinia has penetrated international markets, specifically the European and American markets with a supply of quality steel products for different sectors such as Engineering, Automobile, Wire Products and Construction. But it is particularly interested in US investment and supplying to US manufacturers. "Our diverse product range includes special grade wire rods, welding electrodes, quality nails, and bedding springs, just to name a few." said Patel. "We are the only African company supplying nails to the US."

Much of Abyssinia's success lies in its focus on innovation and commitment to its people.

The group's proactive approach extends to social, environmental, and community initiatives. "We are committed to community development and giving something back," Patel explained. "Examples include the construction of housing units for over 200 refugees from the Oromo community in Ethiopia displaced from Somalia, and we also chipped in during the COVID-19 pandemic with financial donations as well as oxygen tanks and PPE to various hospitals in both Kenya and Ethiopia."

Additionally, Abyssinia Group is committed to sustainable energy usage by adapting solar as an alternative source of energy.

Plans are underway to commission both roof mounted solar panels and solar farms amongst their plants in Kenya. The company has also embraced waste heat recovery systems in their plant in Jinja, Uganda.

"Everyone should share the responsibility of building the economy and making it sustainable," said Patel. ■



Abyssinia Group Of Industries
<https://abyssiniagroup.com>



JATEEN PATEL,
CEO, ABYSSINIA GROUP
OF INDUSTRIES

Jateen Patel is CEO of Abyssinia Group of Industries, the largest steel producer in East Africa. He shares the company's success story, ambitions, social responsibility, and role in Africa's rapidly developing steel industry.

Q: As East Africa's largest steel producer, what gives your company a competitive edge?

Our passion and investment in quality equipment and people. We believe in training locals to operate advanced machinery. We are self-reliant and believe in skill transfer to further strengthen our team. Furthermore, we have installed 18 megawatts of solar power for our plant operations, to further our drive for green steel initiative.

Q: How is Abyssinia balancing growth with its CSR responsibilities?

We place great emphasis on our employees and surrounding communities, establishing dispensaries, clinics, and water holes. We've also built a school called Kileges Primary School in Muhoroni, which is located in the same county as our

plant in Awasi, Kenya. We went further and donated learning desks for the same school. In Uganda, we made a donation to the Indian Women Association towards one of their ongoing community development projects where they are building two blocks at Salaama School for the blind in Mukono which recently caught fire.

Q: How does Abyssinia plan to innovate its product offerings?

Our aim is to move towards more specialized industries and add value to our products. We're looking into opportunities in areas like cable making, and we're working towards removing duties and tariffs through the African Growth and Opportunity Act (AGOA).

Q: Kenya's Vision 2030 initiatives and US trade relationships present potential growth opportunities for Abyssinia. How do you perceive the US as a target market?

We dominate the nail market in East Africa and are the only African company supplying nails to the US. We believe in creating strong relationships with partners. Additionally, our product diversification and innovation have already positioned us as suppliers to European companies.

Q: What is Abyssinia's vision for future growth?

As East Africa is the gateway to Africa, we are the gateway to quality steel. We're part of significant infrastructure projects and manufacture specialized steel for seismic faults. Our vision is to build a sustainable economy, create employment, and spur growth in the region.

FOCUS ON KEVIAN LIMITED

The Innovative Company Leading Pioneering Growth in Kenya's Food and Beverage Industry

As East Africa's largest beverage producer, Kevian boasts a portfolio of high-quality brands that reflect freshness and innovation, with revenue exceeding US\$20 million yearly.

CEO Dr. Richard Kimani Rugendo has built Kevian into a pioneering figure in Africa's food and beverage industry. He says its achievements are testament to embracing risks, innovating, and succeeding – as well as having a robust distribution network, talented workforce, and a steadfast commitment to quality. “I believe that fear of failure can hold people back from achieving their full potential,” he said. “I have always been a risk-taker, and I believe that taking risks is essential for success.”

With eyes on further growth, Kevian continues to enhance its product range, amplify marketing, and reach new markets. The company's ambitions extend beyond Africa, with plans to grow new markets in the Middle East and Asia. Dr. Rugendo said: “We believe that international

markets offer significant growth potential and provide sought after foreign currency. That's why we are committed to expanding our presence in these markets and beyond.”

Kevian's latest triumph is in energy drinks – part of its drive for innovation and market growth. The company is also heavily committed to sustainability and recycling projects, for example by working together with the University of Nairobi to develop low-cost houses utilizing boards made from recycled Tetra Briks.

Dr. Rugendo's leadership and management style reflect his journey and values, emphasizing integrity and delivering quality on time. “I ensure everyone at Kevian subscribes to a powerful motto,” he said. “We shall not lower our goals to the level of our current abilities but raise our abilities to the height of our goals.” ■



Eco Board Mansion built from recycled Tetra Pak boards



DR. RICHARD KIMANI RUGENDO
FOUNDER AND MANAGING DIRECTOR,
KEVIAN LIMITED

Promoting a Corruption-Free Business Environment in East Africa

Founded by Jubilee Insurance chairman Nizar Juma, The Blue Company Project advocates for anti-corruption and ethical business practice among private sector companies in East Africa.



“Ethical private sector companies must come together to build an ecosystem that challenges corruption while demonstrating that ethical business pays.”

NIZAR JUMA,
CHAIRMAN, JUBILEE HOLDINGS LTD
AND FOUNDER, THE BLUE
COMPANY PROJECT

Jubilee Insurance is celebrating 85 years of business success and legacy.

The company's trusted reputation is tied to its unwavering commitment to integrity. Jubilee Insurance is a proud member of The Blue Company Project.

The prevalence of corruption across the world is alarming. Private sector corruption is an enabler of the rampant public sector corruption. The Blue Company raises awareness on the effects of corruption on the economy.

Businesses worry that they will go broke if they do not give in to the pressure of corruption. The success of Blue Company members, such as Jubilee Insurance, is challenging the notion that a business cannot succeed without being corrupt.

Blue Company has introduced initiatives like Group

Purchasing to encourage member companies to give business preference and discounted rates to like-minded companies. Member companies are leveraging on this to rally other companies to become ‘Blue’.

Member companies have gone the extra mile to prioritize trading with each other. For instance, Jubilee Insurance is widening the trading network for Blue Company members through the Aga Khan Development Network Group Purchasing Program, while giving them an opportunity to interact with trusted vendors across all sectors.

Blue Company is growing in Uganda and Tanzania. United Nations Office on Drugs and Crime has granted The Blue

Company US\$ 500,000 to support its member companies to establish formal mechanisms that detect and prevent corruption and other malpractice.

The initiative has agreed a Memorandum of Understanding with the British Chamber of Commerce to match British companies coming to work in Kenya with ‘Blue’ companies. Over and above supporting private companies to shun corruption, the initiative is conducting educational campaigns to ensure people strongly oppose dishonesty in action not just mere words. ■



<https://jubileeinsurance.com/ke>

Putting Africa on the FDI Map

The African Trade Insurance Agency (ATI) has an ambitious vision – to transform Africa into a prime trade and investment destination while providing consistency and assurance to its clients.

Investment in Africa is growing thanks to ATI, which provides political risk insurance to companies, investors, and lenders interested in doing business in Africa. Its CEO Manuel Moses has been at the helm since 2020, navigating the continent through tough times post-pandemic.

But recent successes, including an ‘A/stable’ rating from S&P and ‘A3/Positive’ rating from Moody’s, have bolstered ATI’s commitment to bringing investment to the community. Mr. Moses said: “We want to make Africa robust to prepare for the future and show how resilient the continent is. We have innovated our practice to make



H.E. Alhaji Dr. Mahamudu Bawumia, Vice-President of the Republic of Ghana, during ATI's Annual General Meeting in Accra, Ghana, in June 2022.

our work more efficient, nimble, and agile.”

The United States is an important part of both Africa and ATI’s success. The organization’s most recent achievement is partnering with American investor Chubb Insurance as a

shareholder. Mr. Moses said: “Chubb Insurance is the US’ second-largest insurance company. They expressed that they saw the same opportunities Presidents Biden and Ruto are seeing in Africa – that the continent is ripe for investments.”

Another achievement for ATI is its focus on social responsibility, which includes environmental governance structures. Mr. Moses said that while Africa is not a significant contributor to greenhouse emissions, it faces the highest impacts of climate change. “We want to develop the continent through cleaner technology and with key lessons learnt from the Industrial Revolution,” he said. “Kenya, one of ATI’s seven founding member states and our headquarters, is a key beneficiary of our renewable energy products.” ■



African Trade Insurance Agency
Agence pour l'Assurance du Commerce en Afrique
www.ati-aca.org

INTERVIEW



MANUEL MOSES
CEO, AFRICAN TRADE
INSURANCE AGENCY (ATI)

Opportunities in Africa are growing. ATI boss Manuel Moses is strategizing a market for the continent that he says can compete with China and India for FDI.

Q: How has ATI helped to transform investment opportunities in Africa?

The objective of ATI is to get foreign direct investment (FDI) into the continent because there wasn't enough coming in. We realized this problem after speaking with the African governments when they said they welcome investors warmly when investors say otherwise. ATI was created to deal with this dilemma, become an honest broker between the investors and the governments, and ensure both parties keep their end of the bargain.

Q: How does ATI position itself to the rest of the world?

We want to market Africa as an investment destination that is low on risk with high

returns. We have the same rating as municipal bonds in the US, but the margins are higher here. We are the epitome of the public-private partnership (PPP) model.

Q: Why should investors look to Africa?

While trade flows in Africa remain steady despite the current economic challenges, there is room for further progress. The African Continental Free Trade Area (AfCFTA) will contribute to the development of trade. What’s more, Africa is confronted with a significant infrastructure deficit and the private sector is going to play an increasingly important role in addressing this. Ultimately, there will be great opportunities for our organization as the

region is engaged in a double transition, both digital and environmental, which ATI is ready and able to support.

Q: How has your previous business and leadership experience informed your vision for ATI?

I have worked with all, and the skillset is the same with different vantage points, and I can therefore give financiers more confidence to do more. ATI's focus is on promoting and unlocking financing for investment and trade. I continue to apply my work experience within ATI as a means of contributing to the growth of trade and commerce in Africa and, more broadly, to the economic and social development of the continent.

Stanbic Bank: The Pan-African Banking Experts

Drawing on over 100 years of experience, Stanbic is one of Africa's most trusted banks and a member of Standard Bank Group – the continent's leading bank and financial services group, operating in 20 countries.



“Investors should take a piece of the cake before the opportunity is gone.”

DR. JOSHUA OIGARA,
CEO, STANBIC BANK KENYA AND SOUTH SUDAN

Stanbic Bank Kenya, under the leadership of CEO Dr. Joshua

Oigara, has successfully positioned itself as a beacon of growth and sustainability. Through a steadfast commitment to customer excellence, strategic technological investments, and shared value creation, Stanbic has marked a significant profit increase of 84% YOY for Q1 2023, amounting to US\$28 million.

Stanbic Bank is instrumental in fostering economic diversification in Kenya, for example by empowering SMEs through financial literacy training and loan facilitation. Furthermore, Stanbic's devotion to ESG practices and sustainable business models aligns seamlessly with the Kenyan government's climate change objectives, un-

derscoring a pledge to financial inclusivity. “We prioritize sustainability, publish our milestones, and are ready to walk away from transactions that contradict our ESG policies,” said Dr. Oigara.

Discussing Stanbic's growth and innovation, Dr. Oigara pointed to the company's digital initiatives - such as the borderless banking platform that enables seamless cross-border transactions across countries, the Chama app for collective schemes, and online trading platform for securities - as central to their growth. “They embody our commitment to customer-centric services,” he said.

Speaking of Kenya's low-cost, efficient, and appealing

investment environment, Dr. Oigara highlighted the continent's impressive access to a market of over 400m people from the East Africa Region. He also underlined Stanbic Bank's long-standing history, inclusive business model, and focus on sustainability, which together makes the company “an ideal partner.”

In addition, the blend of Stanbic Bank's rich history and focus on global strategies positions the company as a premier choice for those wishing to contribute to Kenya's and Africa's growth. “Investors should take a piece of the cake before the opportunity is gone,” said Dr. Oigara. ■

Kenyan Paint Powerhouse Skyrockets into Tech-Savvy Future

Crown Paints employs over 1,200 staff and produces in excess of 4 million liters of paint per month.

As the head of Kenya's leading paint manufacturers, CEO Dr. Rakesh Rao has overseen an increase in average yearly profits from \$0.3 million to \$6 million since 2005, with the company raising its domestic market share from 48% to 65% in the premium segment.

Crown Paints Kenya has been in existence for over 65 years and gives back to communities through CSR projects such as supporting school painting initiatives, raising funds through golf tournaments, and supporting local communities in harsh conditions.

Dr. Rao, who has been with the company for over 18 years, was also tasked with bringing the company up to modern standards, exemplified by continuous innovations such as the



HUSSEIN RAMJI
VICE CHAIRMAN,
CROWN PAINTS KENYA

launch of Crown Paint's mobile app. “They wanted results, so I delivered and pushed the company to grow by 30% with the presence of an empowered team and modern systems,” he said.

But the hard work has been worth it for Dr. Rao. “The journey was challenging, and I had to pull operational ideas from my learnings,” he said. “I am very aggressive with my approach to drive for results.” ■



RAKESH RAO, GROUP CEO,
CROWN PAINTS KENYA

Q: How have you personally made the company more competitive?

I always have a growth-focused, positive mindset. We have brought in the right people to ensure the company has a culture of growth and a forward-thinking mindset.

Q: What role does technology play in Crown Paints' growth strategy?

Crown Paints has been voted one

of the fastest growing brands in Kenya, due to consistently embracing technological advancements based on market needs. We have also offered convenience through an e-commerce platform, online delivery services and a color visualizer. Ease of accessibility of product and services for our customers are key growth drivers.

Q: What opportunities exist in your business for US partners and investors?

We are open to any partnerships with US investors based on relevant opportunities and technological advancements. We are market leaders with a presence in East Africa, and we are the trendsetters due to our existing infrastructure and high-performing teams.