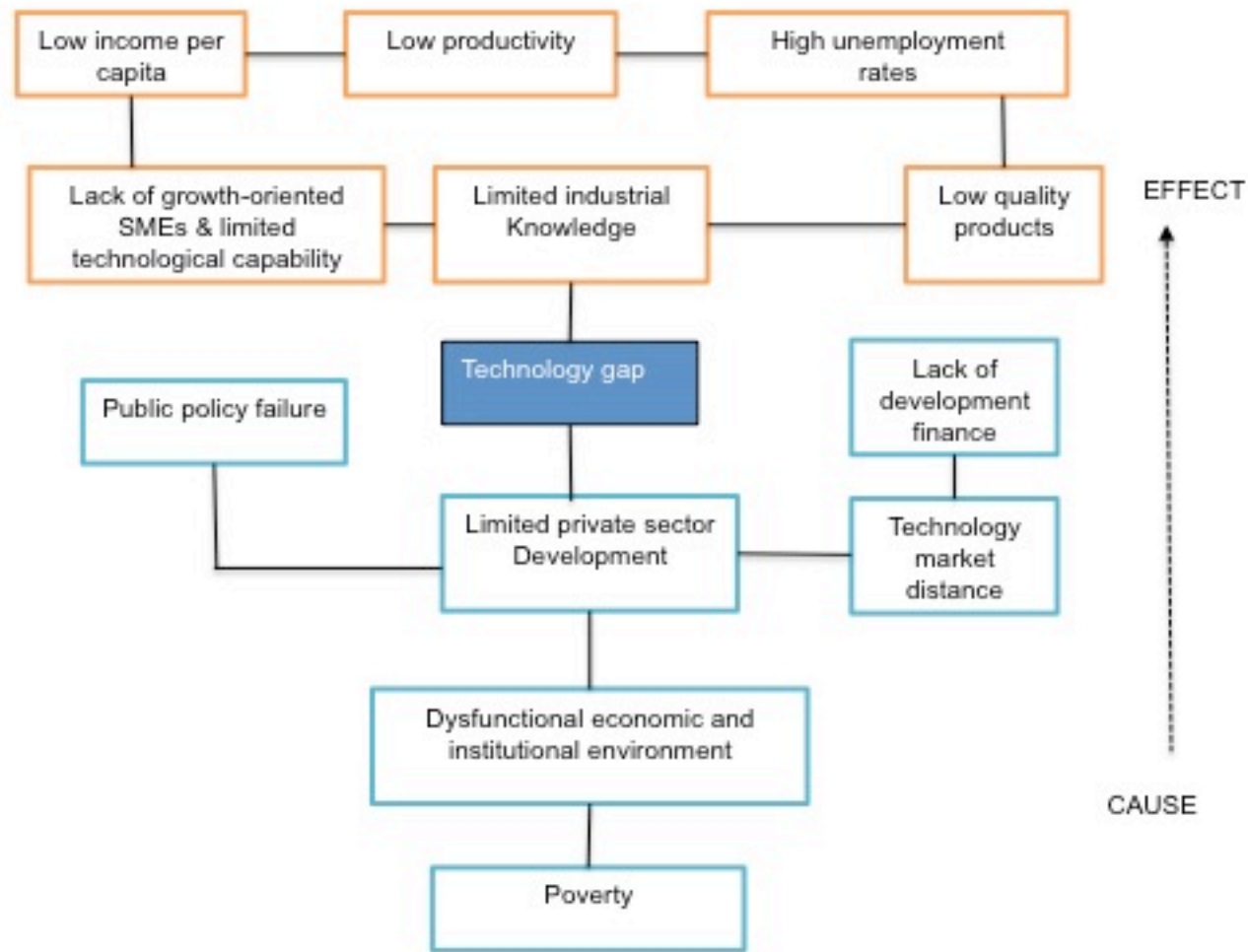




Kenya – Unlocking Technology and Business Opportunities

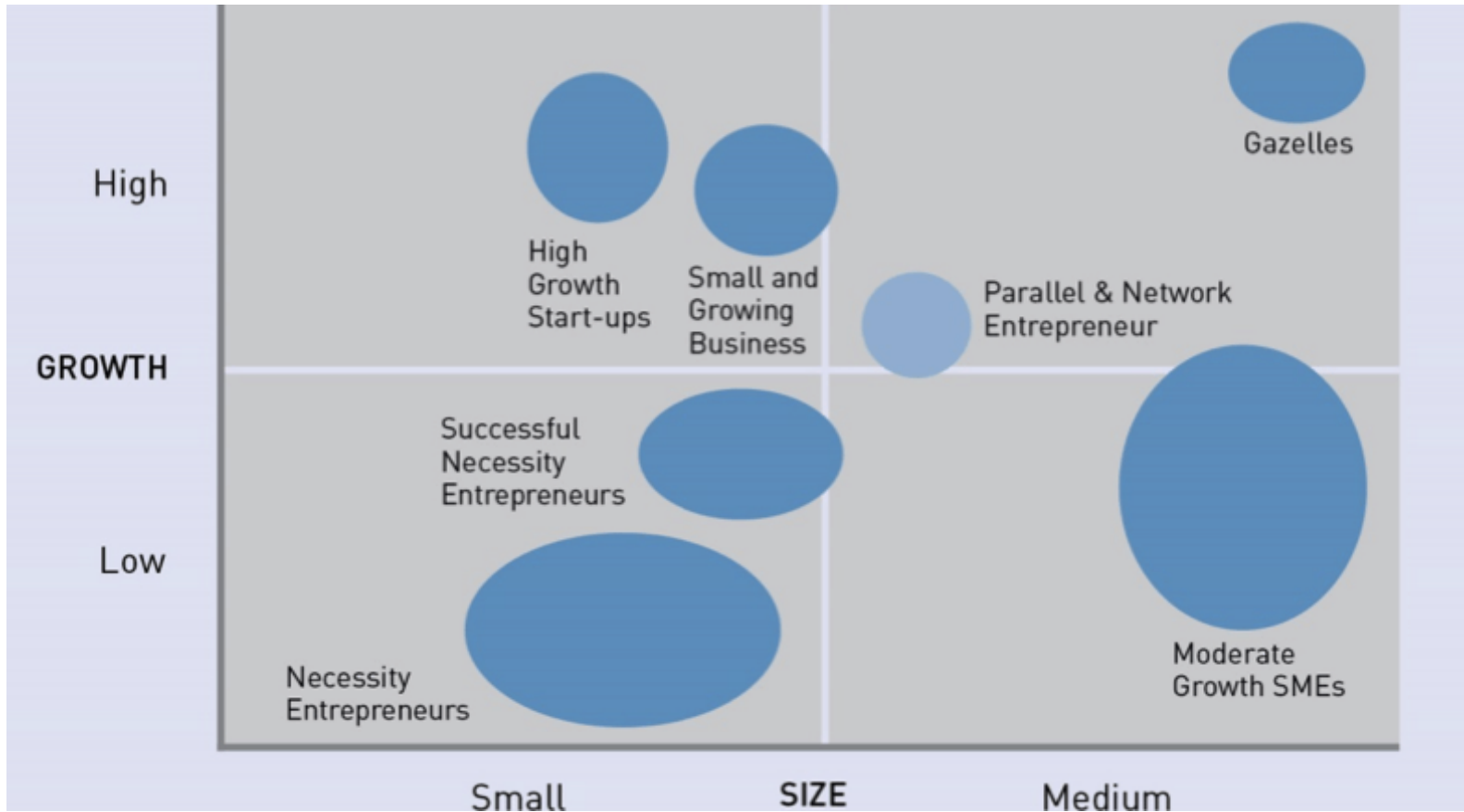
Prof. Nathaniel Agola

Figure 2.1 Sub-Sahara Africa's Technology Gap Problem Tree



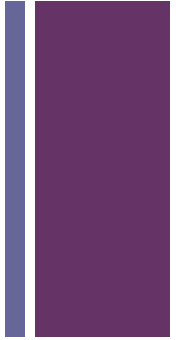


Business & Technology Opportunities – Serving MSMEs





Profile of MSMEs in Kenya

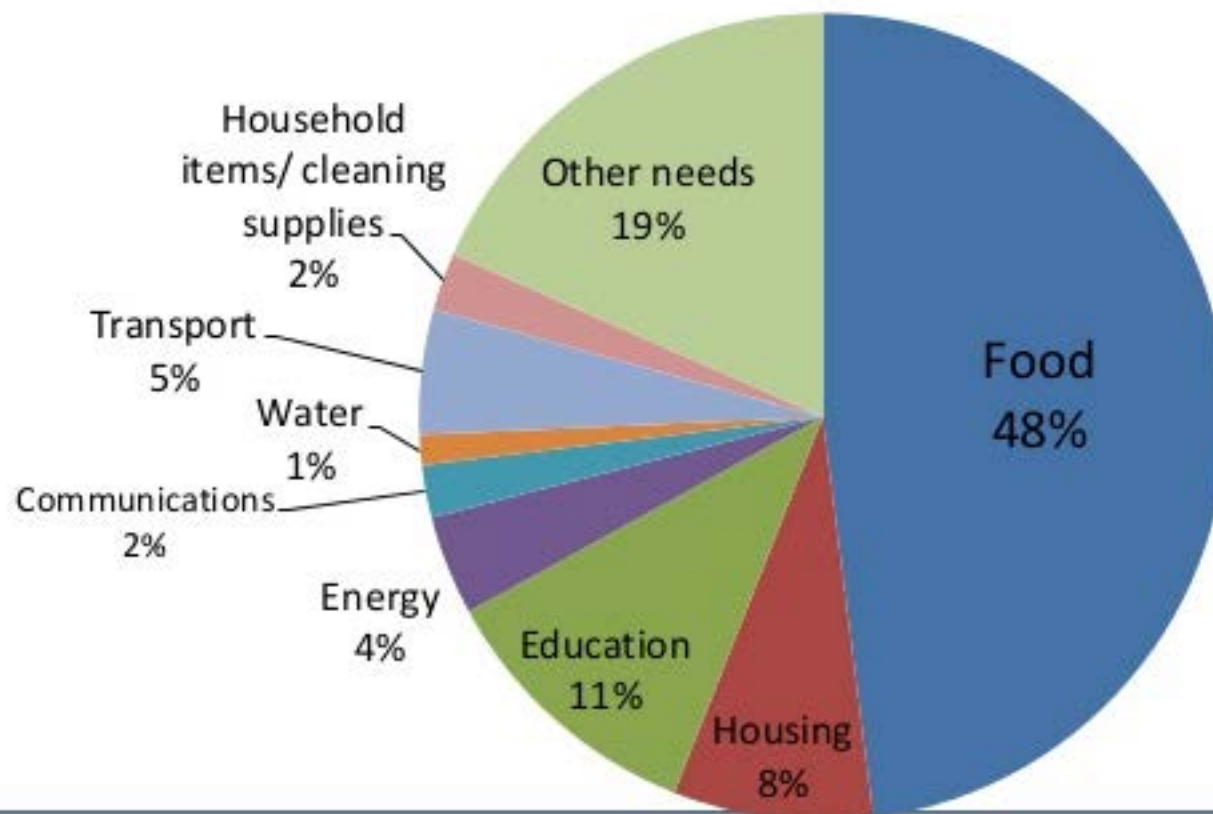


- SMEs offer employment to an estimated 7.5 million people, account for 80% of employment,
- contribute over 92% of the new jobs created annually
- SMEs contribute about 45 per cent to Kenya's GDP
- MSME account for 20% of manufacturing GDP
- Estimates - 87% are micro, 12% are small, and 1% are medium
- A micro enterprise is a business that has less than Ksh.5million invested in it, or has sales of less than Ksh.500,000 a year, or has 1 – 9 people working in it.
- A small enterprise is a business that has sales of between Ksh.500,000-Ksh.1million a year, or has 10–50 people working in it.
- Missing Middle (1%)

+ Opportunities in Consumer-Fueled Economic Growth



Median Share of Consumption (%)



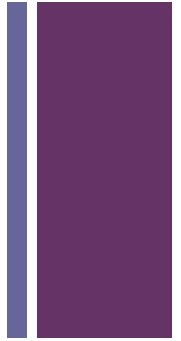
Opportunity Sectors - FDI & Technology Services



- Agriculture
- Food processing
- FMCG
- Recycling
- Packaging
- Educational – technical training
- Automobile
- Textile
- Building & Construction



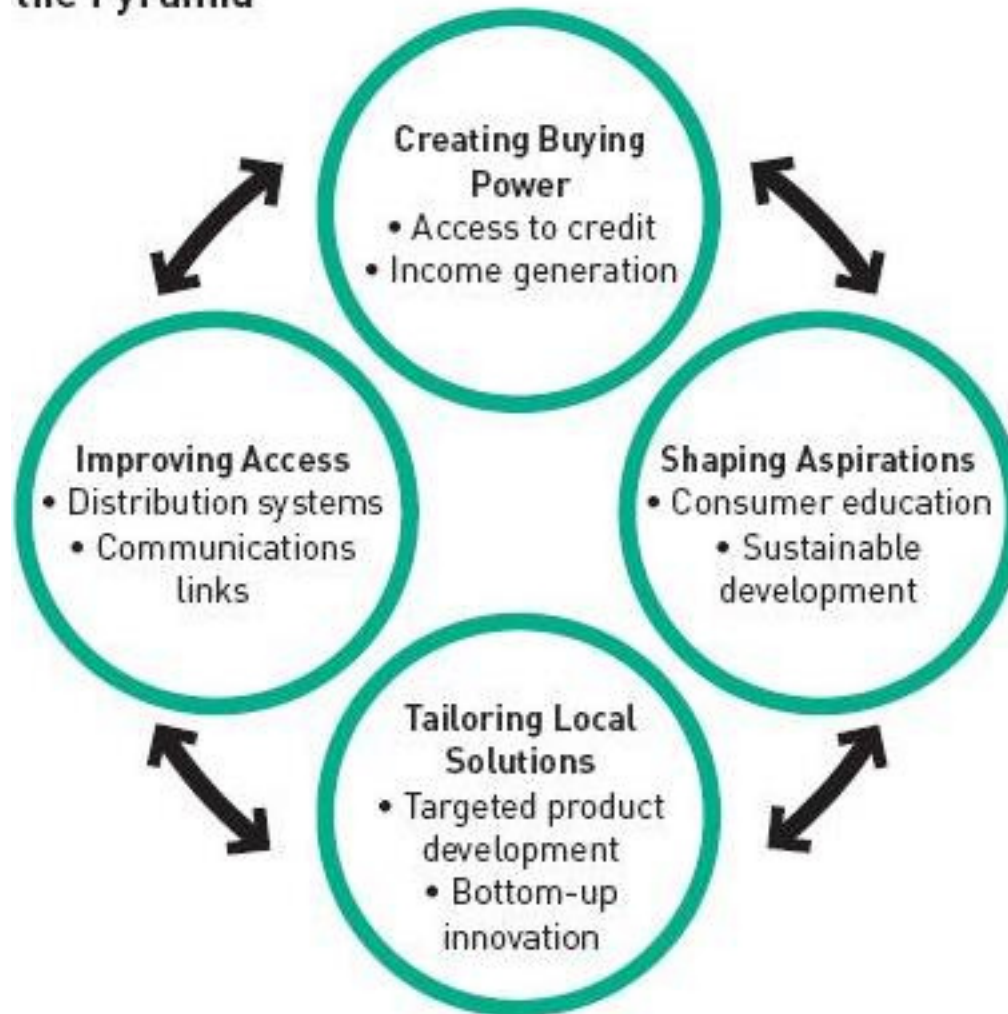
Japanese SMEs - Market Entry Question



- 1. Bottom of the Pyramid (BOP) as a concept upon which policy, and investment decisions targeting Kenyan market are based
 - Is BOP the only way to do business in Kenya?
- 2. Value-Co-generation & Shared-Value business model/Innovation-Quest Model
 - This is an attractive & promising model, but requires cultural and institutional competence

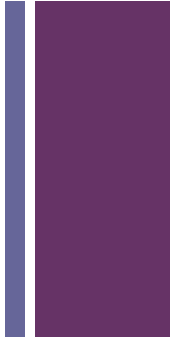


The Commercial Infrastructure at the Bottom of the Pyramid





Kenya as A Gateway to the Fast Growing African Market & Beyond



- Locating in Kenya and its advantages in export markets
- Tariff-free access to diverse markets
- Example: Africa Growth Opportunity Act (with U.S.A)
 - Currently, Kenya industries have only been able to supply 10 items out of the 5,000 items



Action Plan – First Step



- Please visit Kenya for a business fact finding mission

- Thank you!