







Climate change is causing significant fluctuations in water availability, resulting in more frequent occurrences of extreme rainfall and / or droughts. This is leading to an increase in water scarcity and affecting the cost profile of water intake, treatment, and distribution

In Kenya, the impacts of climate change on water resources have affected nearly all sectors including:

-  Agriculture, livestock and forestry through unpredictable rainfall patterns
-  Human health through water-borne diseases during flooding.
-  Trade through destruction of road and telecommunication infrastructure, and
-  Renewable Energy production through impact on hydropower generation

WATER- CLIMATE INVESTMENTS

Climate change projections suggest that many African countries, including Kenya, will experience water scarcity due to population growth, urbanization, and industrialization. Climate change is expected to exacerbate this problem, making it even more severe in the future.

Water access and use is at the core of climate adaptation - consequently, addressing water-linked challenges is a vital component in driving nearly all climate change adaptation and mitigation strategies, as well as achieving the Sustainable Development Goals (SDGs). Additionally, water can aid in mitigating climate change by sequestering carbon in biomass and soils, thereby helping to reduce the rate of climate change.

KIFFWA Profile

The Kenya Innovative Finance Facility for Water (KIFFWA) is a water-climate fund which was set up by the Netherlands Water Partnership (NWP) with funding and support from the Embassy of the Kingdom of the Netherlands (EKN) in Kenya in 2017. It is a one-of-a-kind finance facility specialized in structuring projects in such a way that they are more likely to reach financial close. It is a concept currently implemented in Kenya, but which could potentially also work in other contexts and countries.

KIFFWA invests in initiatives across all water sub-sectors; from drinking water, wastewater treatment and desalination, water infrastructure for irrigation, water transport solutions, energy and (green) port development. KIFFWA addresses the lack of available investment and bankable initiatives and provides the expertise to bridge the gap between the water, climate and finance sectors especially in the early stage where the risk is the highest.

Our Vision

To be the preferred investment partner for scalable water- sector initiatives that promote climate resilience.

Our Mission

To catalyze investments into climate resilient water initiatives by providing financial and technical support.

KCV Profile

Founded in 2016, Kenya Climate Ventures Limited (KCV) stands as a pioneering force in investment management, dedicated to accelerating the growth of climate-smart solutions. By accelerating access to transformative climate-smart solutions in Kenya, KCV is committed to unlocking the potential of businesses, fostering innovation, and creating positive change in underserved markets and communities.

Mission

Our mission is to be the most reputable commercial climate impact investor for private sector companies in their early and growth stage, with adaptive and unique investment criteria, partnership, and value creation through financial and technical assistance.

Vision

Our mission is to accelerate access to transformative climate smart solutions in Kenya.

WHY WE INVEST IN WATER-CLIMATE PROJECTS

Investing in water-climate projects is imperative as climate change intensifies, causing unpredictable fluctuations in water availability, with extreme rainfall and prolonged droughts becoming more frequent. Projections for African countries, including Kenya, underscore the pressing issue of water scarcity due to population growth, urbanization, and industrialization. This crisis affects diverse sectors, from agriculture to renewable energy, impacting communities and hindering sustainable development. Recognizing water's pivotal role in climate adaptation and mitigation strategies is crucial, with its significance extending to achieving Sustainable Development Goals (SDGs) and combating climate change. Moreover, water investment aligns with efforts to sequester carbon, contributing to a broader initiative to reduce the pace of climate change. Addressing water-linked challenges emerges as a vital component in building resilience and steering comprehensive climate action.

WATER-CLIMATE INVESTMENTS

OMITCO

Investee Company Objective

The primary goal of this portfolio client is to establish a Water Treatment and Distribution Plant in Mbooni West through a specialized entity, Mbooni Watermart Ltd ("MWL"). This investee company will be involved in sourcing water from identified locations, utilizing water pans, implementing a KWAT 50 treatment plant, installing storage tanks, and creating a supportive water distribution network. The concept revolves around capturing and storing rainwater for treatment and distribution during periods of water scarcity.

Project size:

USD 2.1 million(KES 298million)

KIFFWA support:

KIFFWA has supported this portfolio client with development financing of up to USD 105,000/- which has been deployed towards the following activities like Water Resources Assessment Study, Topographical Survey, Engineering Design including detailed Bill of Quantities, Environmental & Social Impact Assessment Study, Market Survey, Financial Modelling, Permits & Licenses from NEMA, KeRRA, WRA, County Government Approvals, Land Acquisition, Legal structuring and Fund-raising support.

Impact:



To increase access to affordable clean and safe water in the target area and during the dry period (July to September).



Improve the community's resilience to climate change effects through climate adaptation using improved water treatment, storage, and distribution infrastructure.



Reduce the distance to a water point: the water supply scheme will serve an estimated 92,000 people and reduce the distance to a water point from the current 5 to 8 km to about 3km.



Job Creation: The project is expected to create over 80 jobs during the construction and operational phases and other jobs in the agriculture, SME, and hospitality sector through the supply of clean and safe water.

The Project's impact will contribute to the following UN Sustainable Development Goals:



NAZAVA WATER FILTERS

Investee Company Objective

Nazava Water Filters Limited Nairobi is a company that designs, manufactures (outsourced) and distributes affordable and safe household water filters with the following objectives.

- Increasing access to Safe & affordable drinking water to everyone, everywhere.
- Empowering households to purify their well, rain, river or tap water without the need for boiling, targeted to low-income households in rural and peri urban markets.

Portfolio client size : USD 1,500,000

KCV support: Financial support in form of straight debt worth Kes 13,000,000 (Kenyan Shillings Thirteen million).

Impact:



Job creation – The company has 20 employees (6 men and 14 women) and aims to have 132 employees by 2025. This portfolio client is currently collaborating with 146 safe water experts and is targeting 246 by 2024. By 2027 Nazava aims to install 118,930 water



Number of customers- Currently Nazava has sold 3,105 water filter units to both individual and corporate customers like MFI's, Saccos & women groups, supermarkets.



Economic Impact - Increase in disposable income through cost savings arising from not boiling drinking water. By 2027, Nazava intends to accomplish USD 210,506 in household savings.



Gas emissions/Environmental impact- Reduced CO2 emissions arising from replacing the need to boil water using wood or fossil fuels. By 2027, Nazava intends to contribute to the reduction of 118,930 CO2 reduction emissions.



Fuel Efficiency- Through use of the water filters Nazava will enable households not to boil drinking water resulting to energy savings especially for the rural areas that rely on firewood as energy source.

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CLEAN WATER
AND SANITATION



8

DECENT WORK AND
ECONOMIC GROWTH



13

CLIMATE
ACTION



15

LIFE
ON LAND



PUREFRESH

Investee Company Objective

Founded in 2011, this portfolio company provides access to safe, clean and affordable drinking water to middle-income and low-income households. The vision of the founders is to ensure that all Kenyans have access to safe drinking water by expanding their model across Kenya with a presence in all major towns.

This portfolio client runs through a four-step business model that is designed as follows:



Portfolio client size USD 4.2 Million

KIFFWA Support

KIFFWA started supporting the company in 2019, injected early-stage growth capital into the business in 2020. Below is a summary of the company's transformation that has been supported by KIFFWA.

INITIAL PHASE (2011-2019)	CURRENT PHASE (2019-2023)
<ul style="list-style-type: none"> No. of counties : 1 No. of outlets : 44 No. of central purification centers : 1 Sales volume : 33,000 litres per day No. of households served : 11,000 No. of employees : 22 No. of independent directors : none Institutional investments : none 	<ul style="list-style-type: none"> No. of counties : 5 No. of outlets : 147 No. of central purification centers : 3 Sales volume : 120,000 litres per day No. of households served : 40,000 No. of employees : 100 No. of independent directors : 2 Institutional investments : USD 615k
WITHOUT KIFFWA SUPPORT	WITH KIFFWA SUPPORT

Impact:



SDG 6: Clean Water and Sanitation

Purefresh currently provides an annual volume of more than 45 million litres of safe and affordable drinking water



SDG 3: Good Health and Well-Being

By providing access to safe drinking water, the company has contributed to the reduction in the prevalence of water-borne illnesses



SDG 8: Decent Work and Economic Growth

Purefresh currently has 100 employees. 52% of the current work force comprises female employees





SDG 13: Climate Action

Purchase of Purefresh's water reduces reliance on charcoal by eliminating the need to boil water. The reduction in carbon emissions is estimated to be 1,500 tons annually



Investee Company Objective

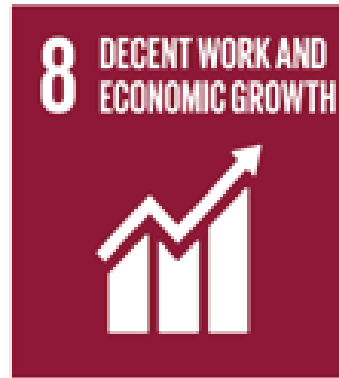
The project is the development and implementation of a National Advanced Metering Infrastructure (AMI) for Online Capture Of Abstraction And Telemetry Data (the "Project") being implemented in two(2) phases as follows: -

-  **Phase I(Complete):** the development of back-end systems within WRA which will support the AMI and enhance WRA's institutional capacity, facilitate logistics and equipment for Project Implementation, and facilitate field exercises for capacity building for WRA staff on the systems; and
-  **Phase II:** support water abstractors and other water users through the provision of financing for the acquisition of or conversion/upgrade of existing 15,182 meters to smart meters. The Sponsors propose to kick-off this phase with the supply, installation and integration of an initial 1,354 bulk smart meters.

Portfolio client size: USD 2.4 million

KIFFWA support: Approximately USD 538,485 (EUR 500,0000)

Impact:



Increase access to clean and safe water: using the WMDMS and E-Permitting system developed by the Sponsors, the WRA will effectively analyze, plan, project, and manage the available ground and surface water resources in the entire country using the online data from a centralized server.



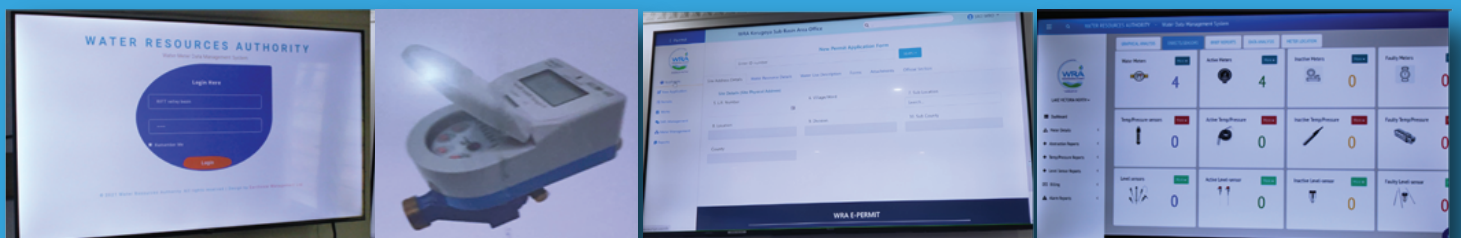
The systems will enable the WRA to **accurately regulate and approve new permits** for water abstraction and improve monitoring of water abstraction points to ensure the permit holders comply with abstraction thresholds.



The project will **create direct employment** for metersuppliers, installers, and software and system developers. Indirect employment will also be created through increased demand for associated services (e.g., mobile telephony and internet capacity).



Permit holders (e.g., WSPs, hydropower producers, large commercial farms, e.t.c) will also be able to **effectively monitor and manage their daily water abstraction volumes and costs.**





KENYA
CLIMATE
VENTURES



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