Invest -iN- KENYA

Waste management and circular economy investment opportunity in Kenya

REPUBLIC OF KENYA
MINISTRY OF INVESTMENTS, TRADE AND INDUSTRY
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KENYA INVESTMENT AUTHORITY

ARISE
INTEGRATED INDUSTRIAL PLATFORMS

KENYA WORKS.

ARISE IIP KENYA DELIVERS.

Industrial Confidence at Scale.

At a defining moment in Kenya's industrial journey, ARISE IIP Kenya is delivering a new standard for industrial development — built on coordination, partnership, reliability, and long-term performance.

Kenya's industrial advantage rests on five structural strengths: a renewable-powered energy base, integrated logistics corridors linking ports, rail, and airports, a stable and investor-confident macroeconomic environment, a leading digital and innovation ecosystem, and growth-enabling industrial policy frameworks, including strategic incentives.

The ARISE IIP Kenya platform is anchored by a secured portfolio of industrial zones across Kenya's key economic corridors — including Vipingo Special Economic Zone on the northern coast, the port-adjacent Coast Integrated Industrial Park (CIIP) SEZ in Mombasa, Great Rift Industrial Park (GRIP) SEZ in the geothermal-rich Rift Valley, and the fiber-to-fashion Rivatex SEZ in Eldoret, western Kenya. Each zone plays a distinct role within the national industrial platform, enabling manufacturing, processing, and export activity to be deployed where location, infrastructure, and energy advantages perform best.

By aligning a secured multi-zone industrial portfolio under common standards, sector logic, and investor pathways, ARISE IIP Kenya delivers a single, coordinated industrial platform enabling investors to enter with clarity, operate with certainty, and scale across locations without restarting the investment journey.

The ARISE IIP Kenya industrial platform is not a collection of zones.

It is Kenya's industrial advantage system — designed for delivery.

Coordinated. Reliable. Low-Carbon. Globally-Connected.

Invest With Us :

+254 726 333 999
arisekenya@arisenet.com
www.ariseiip.com
23rd Floor, Global Trade Center (GTC) Office Tower, Nairobi

From National Ambition to Industrial Performance.

Acknowledgements

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Table of contents

Foreword by Invest Kenya

Kenya stands at a pivotal moment in how it views and values waste. What has long been framed as a growing waste challenge is, in reality, a gateway to a broader circular economy – one built on innovation, new business models, and smarter resource use. Waste is not simply a management issue, it is a catalyst for rethinking how products are designed, used, recovered, and regenerated.

Across our cities and counties, materials that are discarded every day hold significant value. With the right systems, policies, and investment frameworks, this sector can generate thousands of dignified jobs, stimulate small and medium-sized enterprises, attract private capital, and catalyze new industries in recycling, organics, circular manufacturing, and resource recovery. Structured effectively, waste can become a driver of inclusive growth, innovation, and industrial development.

This prospectus marks the start of that transition. Real impact will depend on what happens after the launch at the Kenya International Investment Conference – driven by coordinated action, strong partnerships, and a shared commitment to long-term value creation. By mobilising investment and enabling innovation, Kenya can position circularity not only as an environmental solution, but as a driver of competitiveness, resilience, and inclusive growth.

What this prospectus covers and its target audience

This prospectus sets out where and how private capital can accelerate Kenya's circular economy and waste transition over the next 3–7 years.
It identifies 4 investor archetypes across circular value chains, outlines the enabling policy landscape, and presents a pipeline of scalable opportunities – providing practical pathways for investor engagement and clarity on what needs to happen to move from ambition to implementation in building a more resource-efficient and inclusive economy.

This prospectus *is* an investment-focused, pipeline-building document anchored in existing and emerging policy frameworks, intended to clarify where private capital can play a role and mobilize capital and other actors. It is *not* a national policy strategy, donor program, advocacy paper, or comprehensive sector study.

The information in this document does not constitute investment advice, no due diligence has been conducted on the companies referenced.

Target actors and prospectus use

The document is aimed at actors who can **invest in, enable or deliver** Kenya's circular economy. Respective actors can leverage the document in the following ways:

Enterprises

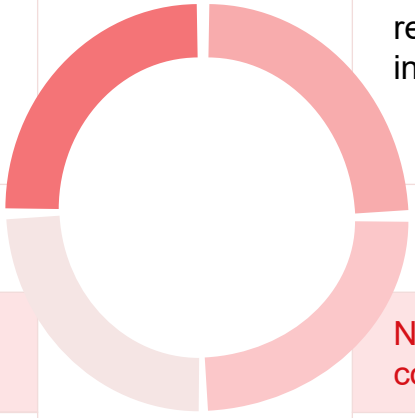
SMEs, innovators

Improve investment readiness, financial formalization, and develop a capital roadmap to scale beyond grants.

Public sector & regulators

Ministries, counties

Align policy, incentives, and regulatory reforms with investment needs.



Capital providers

DFIs, MDBs, investors, banks

Identify investment opportunities and priorities, and mobilise capital to unlock these opportunities.

Ecosystem enablers

NGOs/NPOs, informal waste collectors, associations

Coordinate technical assistance, partnerships, and other activities that strengthen enterprise readiness and market linkages across the circular value chain.

The circular economy drives innovation & new business models that keep materials in use & reduce waste

A circular economy is about maximizing resource efficiency and value through **new business models, innovative materials and product designs, and circular systems** for reuse, repair, and recycling.

Value in a circular economy is created through multiple levers by keeping products, components, and materials at their highest utility and economic value.

Reducing waste and **extending product life through circular design.**

Keeping products/components in circulation via repairable design, resilient material and sharing models

Repurposing resources within end-of-life products and using them in downstream products or processes

Capturing residual value through material innovation and optimized resource recovery.

For waste which cannot be reused, recycled, or recovered, it is treated safely and disposed.

The circular economy acts as a catalyst for innovation by integrating sustainable design, innovative products/ materials and new business models.

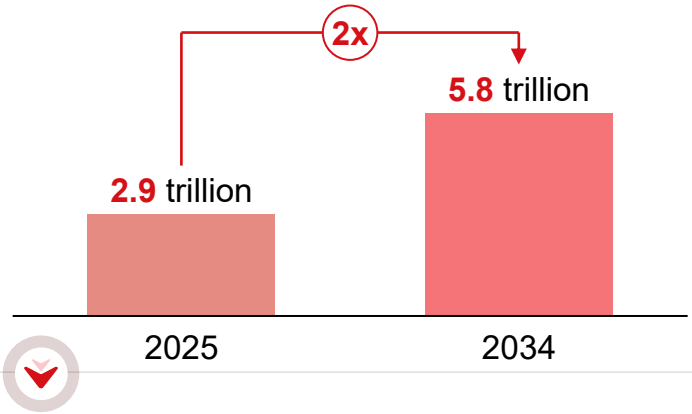
Circular economy principles apply across multiple sectors

Sector		Circularity example
	**Packaging**	Used plastic packaging converted to plastic pellets
	**Electronics**	Refurbishment of pre-owned IT devices
	**Textiles**	Digital product passports for traceability and recycling guidance
	**Construction**	Crushed concrete reused as aggregate
	**Wastewater**	Phosphorous recovered and converted into fertiliser
	**Municipal solid waste**	Non-recyclable materials converted to electricity
	**Organics**	Larvae used to convert organic waste into animal feed

Globally, the circular economy market is projected to double by 2034, with countries worldwide advancing policies to capture this potential

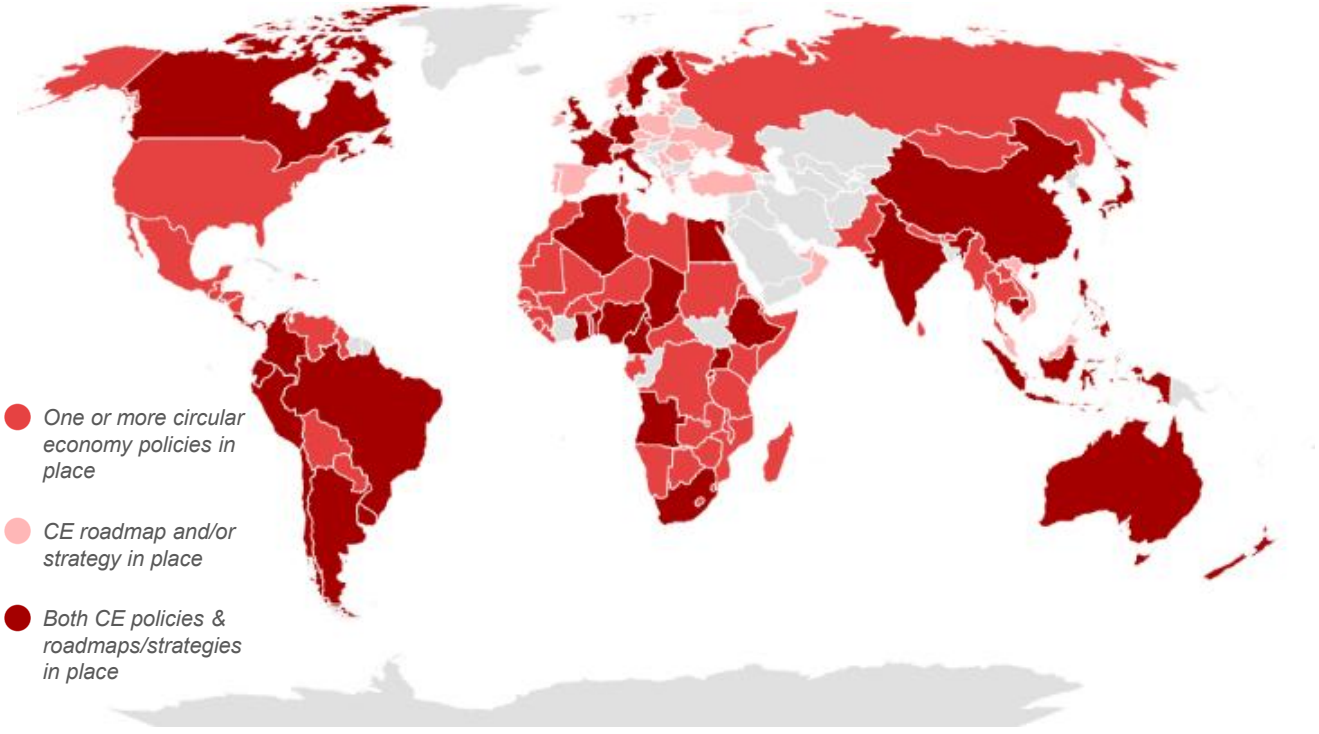
The global circular economy market is expected to increase to 5.8 trillion, driven in part by a rise in national action…

Circular economy global economic opportunity (USD, trillion)



… with ≈70% of countries having circular economy policies and/or roadmaps in place, in a move to strengthen waste management & capture financial opportunity

Map representing countries who have implemented circular economy policies and/or roadmaps to date



Source: GM Insight. (2025). "Circular Economy Solutions Market Size & Share 2025 – 2034"

Across Africa, circular economy policies are gathering place – turning waste into an engine for growth

By 2030, circular economy opportunities could drive socio-economic growth in Africa..

$66bn could be added to Africa's GDP

11 mn jobs could be created

Supported by a growing number of national waste management and circular economy strategies and action plans that improve policy clarity and attract investment

Morocco National Circular Economy Action Plan *(in development):* Improving industrial water reuse, increasing energy efficiency in manufacturing, strengthening resource efficiency across key industries.

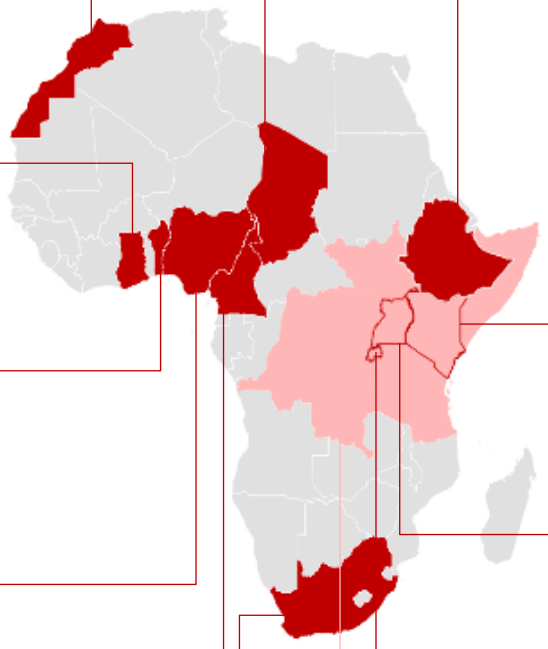
Ghana National Plastic Management Policy & Plastic Substitutes Policy Blueprint (with 2025–2030 Implementation Plan): Improve national waste collection and recycling systems while promoting bio-based packaging alternatives (e.g. coconut husk, pineapple fiber)

Benin Circular Economy Action Plan (2025–2035): Targets circular practices in the agri-food sector, sets a national recycling goal of 25% by 2035, and promotes water reprocessing and reuse in agriculture and industry.

Nigeria National Circular Economy Program *(implementation phase*): Strong waste management systems and mandates that beverage bottles contain at least 25% recycled PET by 2029.

Cameroon National Circular Economy Roadmap (2026): Sustainable manufacturing practices, convert organic waste into fertilizer, establishes systems for safe collection and recycling of e-waste.

South Africa National waste management strategy (2026)*:* Mandatory extended producer responsibility (EPR), targets zero waste to landfill and promotes circular industrial hubs to improve recycling and resource recovery.



Chad National Circular Economy Roadmap (*validated):* Aims to formalize waste pickers within the waste management system, expand plastics recycling, and develop resource recovery infrastructure.

Ethiopia National Circular Economy Roadmap (in development): Plan to expand textile recycling, produce biogas from agricultural waste, and scale eco-industrial parks.

Kenya National Circular Economy Strategy and Implementation Plan (CESIP) *(in development)***:** Priority sectors and policy actions to guide implementation and investment across plastics, agri, textiles, e-waste and construction)

Uganda National Circular Economy Roadmap *(in development):* Integrates circular economy principles into national development planning under Vision 2040, focusing on waste reduction, recycling, and sustainable resource use.

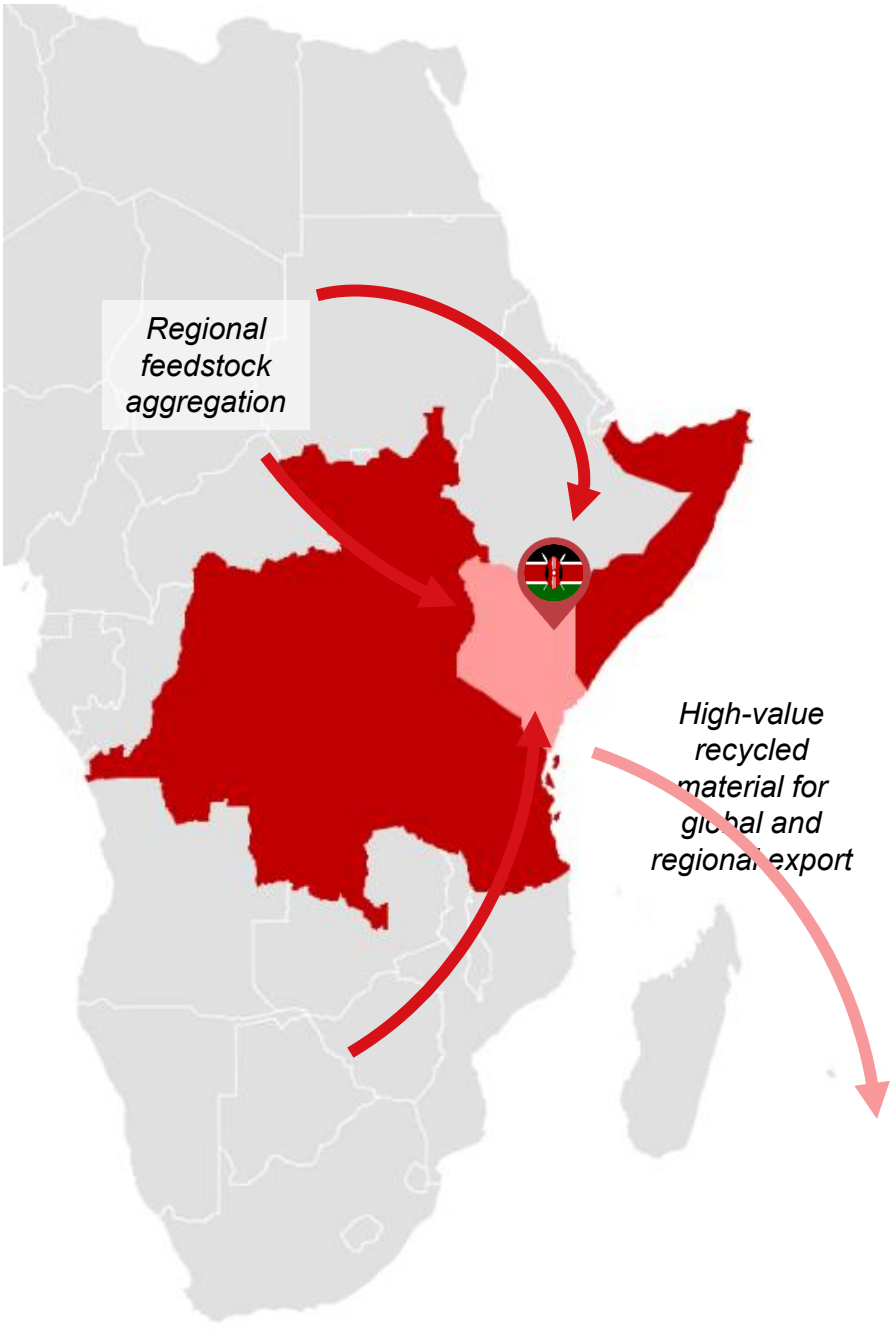
Rwanda National Circular Economy Action Plan & Roadmap (2023–2033): Strengthen e-waste collection and recycling systems, single-use plastic bans, introducing eco-modulated producer fees.

East Africa Single-Use Plastic (SUP) Bill: Proposal of a region-wide ban on the manufacture, import, sale, and use of certain single-use plastics across East African Community countries (to reduce plastic pollution and harmonize environmental regulations.

1. AfDB. "The circular economy in Africa"

Kenya has the potential to position itself as the anchor of the circular economy in East Africa and the wider region

Kenya has several strategic advantages that position it as a regional hub:



Strong logistics

The Port of Mombasa and Northern Corridor create regional trade routes that enable both **regional feedstock aggregation and export of recycled materials**

Policy leadership

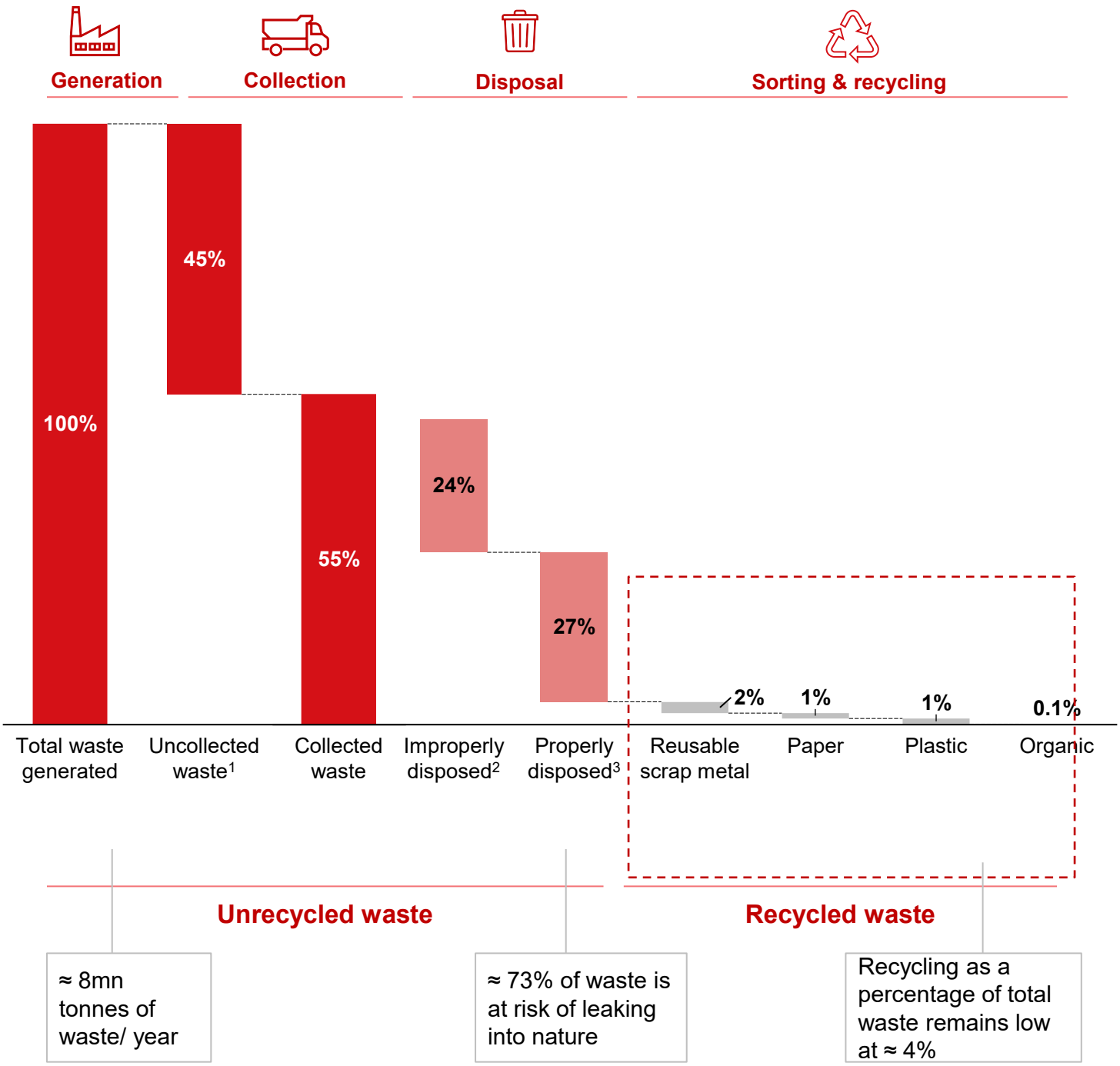
Kenya has introduced progressive circular economy regulations, including EPR, the Sustainable Waste Management Act, EA SUP bill and the National Sustainable Waste Management Policy, 2021

Emerging ecosystem

Active private sector involvement (PROs) and **strong innovation** and startup landscape developing innovative

In Kenya, over 95% of waste is unrecycled and ~70% risks leaking into nature

Overview of waste collection and recycling in Kenya, % of total waste generated



1. Uncollected waste due to lack of waste collection services, 2. Waste not disposed at designated disposal zone. 3. Waste disposed at the appropriate disposal location

Source: Adapted from Manufacturing Africa. (2021). Attracting investment into plastics recycling in Kenya

The Informal waste sector[1] plays a central role in recovering and aggregating recyclable materials across Kenya

≈45,000 waste pickers

operate across Kenya[2]

80% of plastic

is recovered by informal waste collectors[3]

While the informal waste sector plays a key role in collecting, sorting and aggregating recyclable materials, **challenges and formalisation barriers exist:**

Informal and fragmented operations: Most waste pickers operate individually without formal contracts, stable buyers, or organised aggregation structures.

Limited recognition in formal waste systems: Waste pickers are often excluded from and formal recycling value chains.

Low and unstable incomes: Earnings depend on fluctuating commodity prices and intermediaries, leading to unpredictable income streams.

Traceability and compliance challenges: Fragmented collection systems make it difficult to track materials and meet emerging reporting and EPR requirements.

Co-operative country examples demonstrate pathways to formalise and strengthen these value chains.

Brazil Green Exchange (Cambio Verde) Program

About: Waste picker cooperatives in Brazil are legally recognised, with this program strengthening this formalisation by enabling waste pickers to trade recyclables for food, bus tokens and school supplies through structured municipal exchange points.

Outcome: About 70% of Curitiba's waste is collected and recycled city-wide[4], boosting material recovery while improving food access, fairer income & social protection.

1. This includes collectors, pickers, traders, dump service providers, and recyclers operating without official registration.
2. Cheruiyot, N. (2025, May 21). *The hidden health crisis among Kenya's waste pickers.* HUBZ Media.
3. Nyabuti, B. (2025, November 8). *Empowering Kenya's informal waste pickers for a sustainable future.* Jijuze.

Kenya's waste streams represent a significant and untapped economic opportunity

Research by NEMA suggests that by 2030, Kenya could unlock major economic gains through circular economy interventions[1]..

$730 mn
from interventions across 6 value sectors[2]

0.5%
growth in GDP

$335 mn
in value created by on-shoring (secondary) material sourcing

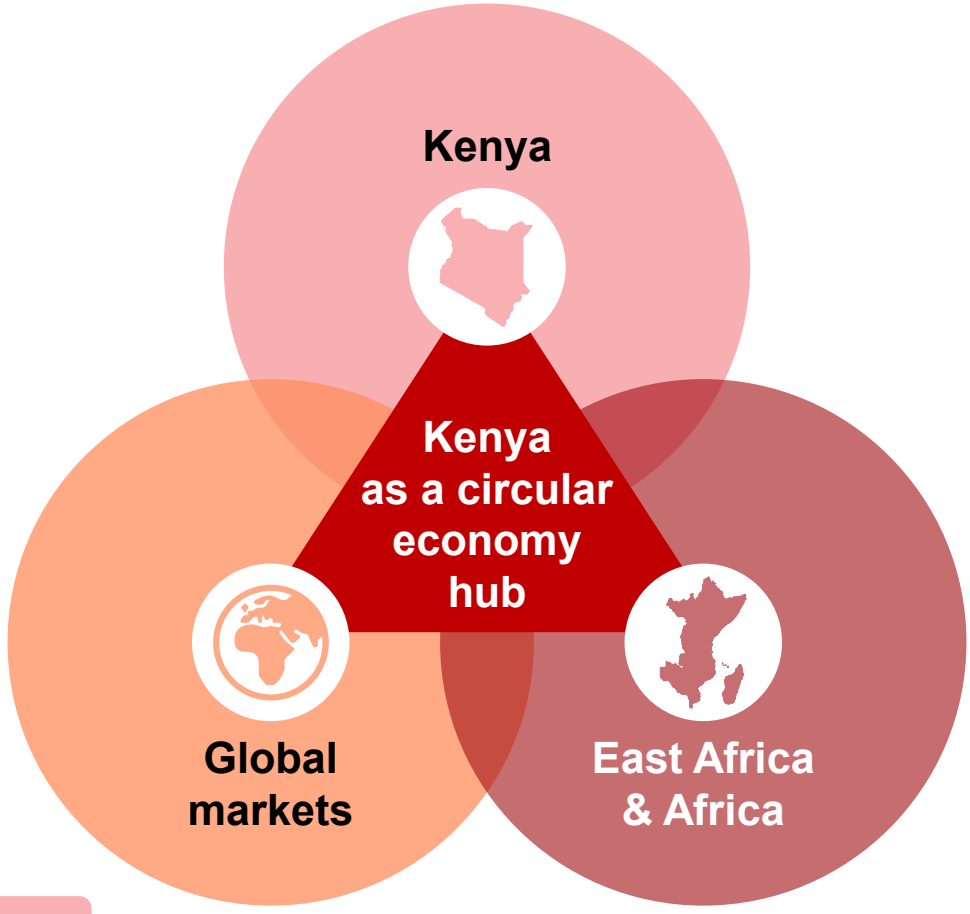
$40 mn
increase in exports

1. These values show an increase or decreased compared to a business-as-usual approach. The original values were in Euros and converted to USD using the exchange rate of 1,18 EUR/USD
2. Agri-food, plastics, construction, electrical and electronic equipment (EEE) and e-waste, and general waste

Source: Adapted from Manufacturing Africa. (2021). Attracting investment into plastics recycling in Kenya ; NEMA Kenya, "Circular Economy"

Kenya sits at the centre of a global, regional and domestic circular economy opportunity

Global demand, regional connectivity, and domestic policy momentum reinforce Kenya's circular economy opportunity



Kenya

Domestic opportunity: Kenya's supportive policy environment, active private sector, and growing material streams create the foundations for circular economy growth.

East Africa & Africa

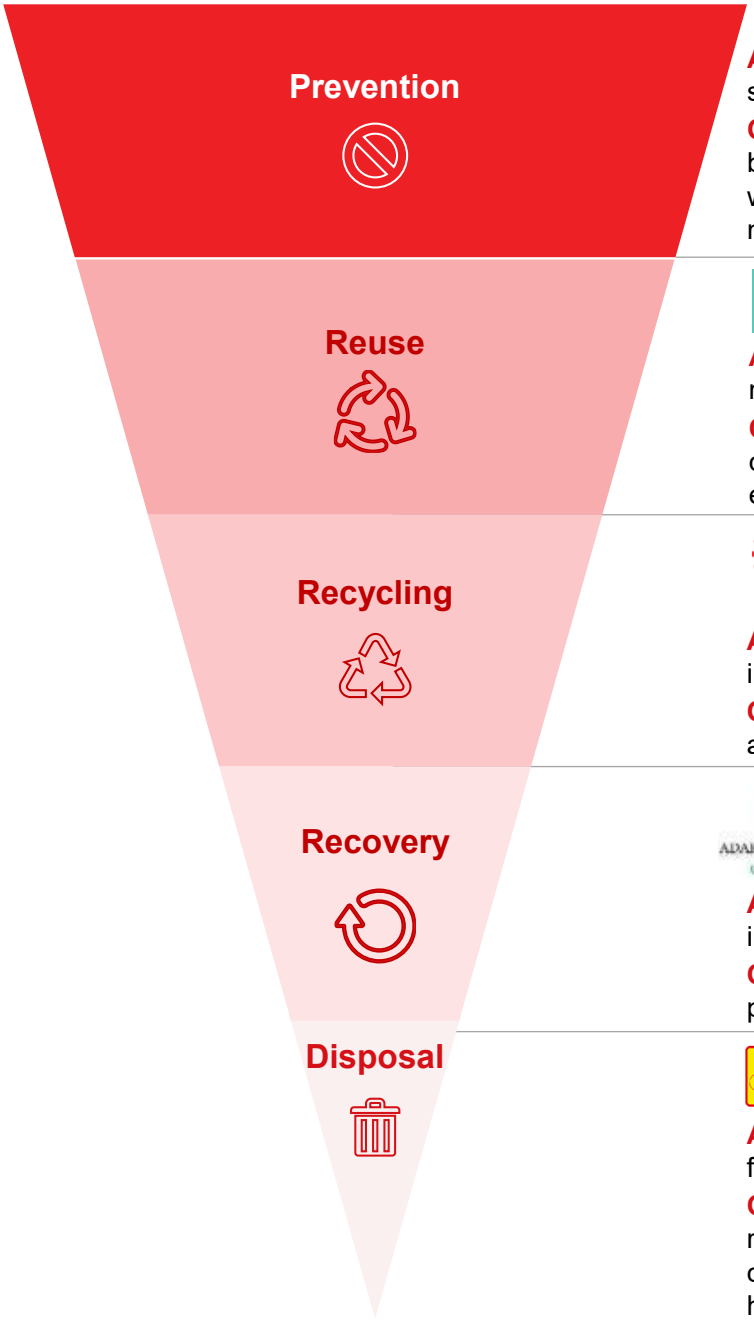
Regional aggregation and processing hub: Logistics infrastructure and trade links position it to aggregate, process, and trade circular materials across the wider Africa and East African region.

Global markets

International market supplier: Growing global demand for recycled content and circular products creates opportunities for Kenya to supply international markets as a reliable, standards-compliant producer.

A growing number of Kenyan firms are already capturing value through circular business models

Kenyan Company Examples



Activity: Battery as a service model which leases swappable EV batteries to motorcycle riders

Outcome: Supports efficiency through 20 000+ battery swaps/ day and extended asset lifecycle, with 99% of batteries lasting longer than 18 months.

Activity: Re-commerce company that collects, repairs and resells previously used smartphones.

Outcome: Products are more affordable for local consumers and have 70-90% lower lifecycle CO_2 emissions.

Activity: Aggregates and processes plastic waste into durable construction bricks

Outcome: Recycled over 200,000 kg of plastic and created 600+ green jobs.

Activity: Uses pyrolysis to thermally convert plastic into fuel and briquettes.

Outcome: Process and reduces ~15 tonnes of plastic/day, yielding around 9,000 litres of fuel daily.

Activity: Provides waste management services for hazardous waste

Outcome: Contributes to safe handling and regulatory compliance via regular scheduled collection routes in 22 counties in Kenya, reducing health and environmental risks.

Non-exhaustive, illustrative list

Beyond direct economic value, circular economy strengthens climate resilience, industrial growth, and trade competitiveness

	Environmental	Socio-economic	Regional leadership	Industrial competitiveness	Export positioning
Overarching benefit	Waste management **reduces landfill methane, pollution, and pressure** on natural ecosystems.	**Job creation** across collection, processing and secondary manufacturing value chains.	**Strengthens regional value chains** and attracts investment.	Recovering materials from waste **reduces reliance on virgin raw materials.**	Compliance **with tightening global sustainability and trade regulations.**
What this means for Kenya	Unmanaged waste **threatens environmental assets that underpin the tourism sector** (8.2% of GDP)[1], while methane from landfills threatens Kenya's commitment to 30% GHG reduction by 2030.	**>120 circularity-focused companies[2] are already operating in Kenya, and scaling the sector could create ~46,000 additional jobs[3] –** offering a meaningful opportunity to tackle high youth unemployment.	As East Africa's economic and logistics hub, Kenya can **anchor regional offtake, enable cross-border recycling, and serve as a processing hub** for high-quality recycled materials.	**Kenya produces ~8.0 million tonnes of waste annually[4]**, representing a domestic resource base that can lower import dependence and reduce FX pressure.	Exports to the **EU were valued at ~€1.96 billion in 2024[5] (≈1% of GDP)**, with continued access increasingly depending on meeting circularity standards e.g. EU food-safe recycled plastic regulation.

Sources: 1) Kenyan Broadcasting Corporation (2024) *Opinion: Rethinking Q1 in Kenya's tourism and hospitality sector*. 2) Aspen Network of Development Entrepreneurs (2024) Integrated Waste Management Guide: Business Mapping. 3) NEMA Kenya, "Circular Economy" accessed via https://nema.go.ke/circular-economy/. 4) Aspen Network of Development Entrepreneurs (2024) *Investing in the Waste and Circularity Sector in Kenya: Executive Summary*. 5) European Commission (2025) Trade in goods with Kenya 2024.

Global perspective | Why now? Circularity is rapidly becoming a global investment opportunity

Key shifts	FROM Circularity has shifted *from* a niche concept...	TO …*to* a core driver of competitiveness, resilience, and compliance.
Demand for circular solutions	Circularity viewed as an **optional / voluntary** initiative	**Consumer attention and ambitious regulations driving circularity into mainstream** including Extended Producer Responsibility, recycled content, design rules, disposal fees
Supply chain resilience	Reliance on **global supply chains** based on primary resource extraction and trading	Greater focus on **resilience and risk reduction** through local sourcing, secondary materials, and diversification, that reduce exposure to price volatility and disruptions.
Investor attention	**Limited and inconsistent** coverage of circularity in finance	**Growing attention from finance sector** via taxonomies, disclosure rules, and conditional finance, making circular business models more investable
Circularity requirements	Mostly **voluntary guidance** and patchwork rules	**Global circular economy regulations are increasing demand for recycled materials** and expanding international markets for standards-compliant suppliers.
Technology	**Analog, linear systems** focused purely on waste management	**Digital technologies, and AI** enable real-time asset tracking, predictive maintenance and lifecycle management allowing materials and products to stay in use longer

Kenya perspective | Kenya's policy leadership and industrial base position it to capture circular investment

Key shifts	What gives Kenya a competitive advantage to unlock circular economy opportunities?
Demand for circular solutions	As a regional manufacturing and trade hub, early adoption of circularity and transparency measures will **help safeguard market and customer access** as sustainability expectations rise, with over 90% of adults willing to act on environmental issues.[1]
Supply chain resilience	With over 8 million tons of domestic waste generated annually, a growing green industrial base, and strong regional connectivity, **Kenya has the opportunity to transform local material streams into strategic assets** and become a regional leader in circular manufacturing.
Investor attention	As Sub-Saharan Africa's third-largest economy and one of the region's strongest startup fundraising markets in 2025 ($984 million raised)[2], **Kenya is a frontrunner in attracting climate finance and is emergingas a preferred destination for circular, and technology-driven investment.**
Circularity requirements	Through progressive legislation – including the Sustainable Waste Management Act (2022), the East African Single-Use Plastics Bill (2023), National Sustainable Waste Management Policy (2021) and EPR regulations – **Kenya is aligning with global circular economy standards and creating an enabling environment for circular business growth.**
Technology	Kenya's strong digital ecosystem – with mobile penetration exceeding 120%[2] - combined with its National AI Strategy (2025–2030), reflects **national ambition to harness AI and advanced technologies** to drive sustainable growth and next-generation circular solutions.

1. Mastercard, (2021)." 92% of adults in Kenya willing to take personal action on sustainability issues" accessed via https://www.mastercard.com/news/eemea/en/newsroom/press-releases/en/2021/april/92-of-adults-in-kenya-willing-to-take-personal-action-on-sustainability-issues
2. All4Africa. (2026). "Kenyan Startups Raise Sh126bn in 2025, Outpace Egypt and Nigeria" accessed via https://allafrica.com/stories/202601140101.ht
3. GSMA (2025) Mobile Money in Kenya

Circular economy investments fall into four distinct investor archetypes

Investor archetype	1 Process and product innovation	2 Asset heavy SME growth	3 Circular services and platforms	4 Infrastructure and industrial assets
	Early-stage innovation	**Asset-heavy SMEs scaling**	**Asset-light tech. or service models**	**Long-term, infrastructure projects**
Description	• **Early-stage concepts, pilots, or breakthrough technologies** that are not yet revenue-generating. • **Risk-return trade-off,** where investors accept high technical and market risk in exchange for potential outsized impact and long-term value creation.	• **Proven, revenue-generating businesses that require capital to** expand physical assets, production capacity, or geographic reach. • **Returns are driven by scaling established models** rather than testing new ones.	• **Technology-enabled, service-led, or platform-based models** that facilitate circularity • **Typically generate revenue and scale through digital infrastructure**, recurring services, and network effects rather than heavy physical assets	• **Mature companies or large-scale infrastructure projects**, often structured as public–private partnerships. • **Investors prioritize stable, long-term, contracted cash flows** and lower risk over high-growth potential.
Examples	• **New materials or products** innovated from waste streams • **Digital platforms or services** (e.g. traceability, online marketplaces) • **Alternative circular business models** (e.g., product-as-a-service, leasing)	• **Refurbishment and resale** of consumer goods at scale • **Aggregation of waste streams** inc. packaging, textiles, bio-waste • **Expansion of secondary material processing** and waste-to-product manufacturing	• **Digital traceability** platforms • **Tech enabler to digitise** waste management • **Online circular marketplaces** connecting waste to secondary buyers • **Asset-sharing** or reverse logistics platforms	• **Large-scale material** recovery facilities (MRFs) under long-term contracts • **Integrated waste-to-energy** or advanced treatment infrastructure (e.g. waste-water or recovery of organic waste)

Scaling the circular economy requires coordinated investment across all four archetypes

1 Process & product innovation

Develop new products, processes, and business models that **redesign systems to prevent, reuse, or reduce waste at the source.**

Aggregation and feedstock security de-risks infrastructure investment

2 Asset heavy SME growth

Asset-heavy SMEs focused on the transformation, aggregation and collection of waste.

4 Infrastructure & industrial assets

Provide the physical capacity to process, transform, and reintegrate materials back into productive use at scale.

Infrastructure investment and guaranteed offtake de-risk aggregation.

3 Circular services & platforms

Enable coordination, transparency, and efficiency across the ecosystem through data, platforms, and system optimization.

1 Process and product innovation offers high-risk, high-return opportunities

Investor archetype	
Description	• Early-stage concepts, pilots, or breakthrough technologies that are not yet revenue-generating.
Examples	Early-stage seed funding and grant capital into innovations or businesses e.g.: • New products innovated from waste streams • Digital traceability platforms for EPR compliance/ ESG reporting • Online circular marketplace or innovative business model (e.g. leasing)
Capital	
Return profile	• High variance, asymmetric returns • Value driven by successful commercialisation and scale • Limited downside protection at early stages
Risk drivers	• Technology and product–market fit • Regulatory uptake and enforcement • Execution and scaling capability
Investor lens	• Grant funding • Venture-style or catalytic capital • Returns realised through growth, strategic acquisition, or platform scale
Revenue model	• IP-protected product sales supported by long term offtake agreements • Platform fees for data/compliance services (from producers/ regulators)

Examples

	HyaPak	MANANASI	ECO NASI
About	Turns *water hyacinth* (invasive weed) into biodegradable packaging	Transforms discarded pineapple leaves into textile-grade fibres, nutrient-rich compost and soil-enhancing products	Upcycles pineapple pulp waste into premium vegan leather
Funding overview	Received $120k via competition prizes, and university seed funding.	Grants via SMEP Programme.	Grants via competitions and accelerator programs

Please provide any additional examples which you feel are relevant

> ***Innovation is essential to unlock circular economy solutions that can create new markets, reduce waste, and generate significant economic value***
>
> *Ellen MacArthur Foundation*
> *Completing the Picture: How the Circular Economy Tackles Climate Change*

2 Asset heavy SMEs requires growth capital to scale proven business models

Investor archetype	
Description	• Proven, revenue-generating businesses that require capital to expand physical assets, production capacity, or geographic reach.
Examples	• Refurbishment and resale of consumer goods at scale • Aggregators of waste inc. packaging, textiles, bio-waste • Expansion of secondary material processing (e.g., pelletizing, flaking, fibre regeneration) • Conversion of waste into value-added products
Capital	
Return profile	• Moderate growth returns • Cash-flow positive at scale, but margins often operationally driven • Returns linked to volume growth and efficiency gains
Risk drivers	• Working capital constraints • Market access and aggregation • Management and operational execution
Investor lens	• Growth equity, mezzanine, revenue-based finance • Returns realised through steady expansion rather than step-change exits
Revenue model	• Revenue and volume expansion from sale of second-life products (inc. regulated export markets) • Service contracts with municipalities/ corporates meeting voluntary targets for circularity

Examples

	SISTEMA.bio	KUBIK	deed
About	Transforms agricultural waste into bioenergy and organic fertiliser	Turns plastic waste into low-carbon building materials	Recovers legacy and written off computers, remanufacturing them for deployment to EMDEs
Funding overview	Secured >$30 mn in cumulative financing via equity, seed, series A and B, and debt	Seed funding of > $3mn	Raising $1 mn in equity

Please provide any additional examples which you feel are relevant

> ***SMEs will play a central role in delivering Africa's circular economy transition, but scaling will require access to growth finance***
>
> *African Development Bank, African Circular Economy Facility (ACEF)*

3 Circular service platforms offer medium-risk returns through contracted service revenues

Investor archetype	
Description	• **Technology-enabled, service-led, or platform-based models** that facilitate circularity
Examples	• Digital traceability platforms • Online circular marketplaces connecting waste to secondary buyers • Asset-sharing or reverse logistics platforms
Capital	
Return profile	• Medium-risk, infrastructure-like growth returns • Stable revenues once scale and contracts are secured • Upside from network effects and service expansion
Risk drivers	• Feedstock security and utilisation rates • Contract stability with municipalities, producers, or PROs • Execution at scale
Investor lens	• Blended capital, growth equity, later-stage debt • Returns realised through contracted services and scale efficiencies
Revenue model	• Extended Producer Responsibility scheme fees for collected material • Product sale, from integrated players managing collection, recycling/ refurbishment, and sale • Commission on recovered or resold materials

Examples

	M-taka (Educate. Connect. Empower)	REVIVO	BAUS TAKA
About	Tech-enabled platform that connects households, waste collectors, recyclers and institutions to optimise waste collection and resource recover	Online marketplace for refurbished smartphone, refurbished computers, electronics spare parts, tools & accessories	Tech-focused platform used to coordinate collection and recycling
Funding overview	Funded through grants, accelerator programs, and partnerships	Received >$600k in pre-seed funding, but now grows operations through income from direct sales	Received >$300k in grant and seed funding

> ***The success of a circular economy depends not only on recycling capacity, but on effective collection, sorting, and reverse logistics systems.***
>
> *World Bank, What a Waste 2.0: A Global Snapshot of Solid Waste Management*

4 Infrastructure and industrial assets require long-term, stable infrastructure returns linked to contracted revenues

Investor archetype	
Description	• Mature companies or large-scale infrastructure projects, often structured as public–private partnerships.
Examples	• Large-scale material recovery facilities (MRFs) under long-term contracts • Integrated waste-to-energy or advanced treatment infrastructure (e.g. waste-water or recovery of organic waste)
Capital	
Return profile	• Stable, long-term infrastructure returns • Lower upside, higher capital intensity • Predictable cash flows once operational
Risk drivers	• Construction and commissioning risk • Policy, tariff, and offtake certainty • Long-term contract enforcement
Investor lens	• Infrastructure equity and senior debt • Returns realised through long-dated contracted revenues • Public-private partnerships
Revenue model	• Long-term municipal/ corporate contracts • Sale of recovered materials/ energy

Examples

		Kabira Waste-to-Energy (WtE) Plant	Dandora Waste-to-Energy Power Station
About	40-45 MW waste-to-energy plant converting waste from landfill into electricity	A proposed 10–12 MW capacity project aimed at converting municipal solid waste into energy in Nairobi, Kenya	~45 MW waste-to-energy plant converting waste from landfill into electricity
Funding overview	Public-Private Partnership (PPP) between Swiss company and Kenyan government	Structured as a Build-Own-Operate (BOO) facility	Public-Private Partnership (PPP) between China National Electric Engineering Company and Kenyan government

> ***Africa's waste management and recycling infrastructure represents a significant investment opportunity, with strong potential for stable long-term returns***
>
> *International Finance Corporation (IFC), Circular Economy and Waste Infrastructure Insights*

Scaling requires tailored capital and enabling support across archetypes

Investor archetype	1 Process and product innovation	2 Asset heavy SME growth	3 Circular services and platforms	4 Infrastructure and industrial assets
Non-financial support	**Partnerships and network development** (Investor, technology, supplier, customer, government)			
	Technical assistance, including supporting professionalisation & financial formalisation			
Financing required	**Grants** (incl. non-dilutive grants)	**Growth equity** (Series A/B)	**Growth equity** (Series A/B/C)	**Project development capital** (early-stage)
	Catalytic/patient equity (angel, pre-seed)	**Asset-backed / working capital lending**	**Blended capital** (where revenue stability is emerging)	**Long tenor debt** / project finance
		Capex loans		**Green / sustainability-linked bonds**
		Minority growth/ mezzanine financing		**Subordinated/ concessional capital**
Revenue-enhancement & policy linked de-risking		**Carbon credits** through national carbon registry		
		Policy-linked incentives, e.g. feed-in tariffs, tac credits		

Supportive revenue streams that enhance viability and reduce risk, but should not substitute for core commercial cash flows

Summary: Kenya has strong circularity potential and supportive investment environment – coordinated execution is now needed to unlock this potential

Kenya has a strong circular economy potential…

$730 mn[1]
value creation potential from just 6 sectors

0.5%
growth in GDP against a BAU scenario

Significant circularity opportunity
Kenya generates 22,000 tonnes of waste/ day and **96% of it is not recycled[2]**

Growing base of circular enterprises
>120 circularity companies[3] across the entire value chain

Supportive policy and regulations
Supportive policy direction (e.g. Waste Management Act 2022, the East African Single-Use Plastics Bill (2023),) **and green growth agenda** (Industrialization Policy, Circularity Roadmap)

…and relatively mature investment landscape

Largest economy in East Africa
Kenya is the largest economy in East Africa with a real GDP growth of ~4.7% in 2024[4]

Leading African investment destination
Kenyan startups raised $984 million in 2025 (approx. one-third of all African startup funding)[5]

High ease of doing business
Kenya is ranked 3rd in Africa against the Ease of Doing Business index, and 56th out of 190 countries globally[6]

Regional hub
Kenya acts as a major hub for East and Central Africa, offering access to the EAC and COMESA markets.

Yet circular economy investments in Kenya remains limited
Despite strong fundamentals and significant potential, circular investment in Kenya remains below its potential, requiring targeted coordination to mobilise capital and scale implementation.

Source: 1) NEMA Kenya, “Circular Economy” , 2) Manufacturing Africa. (2021). Attracting investment into plastics recycling in Kenya. 3) Aspen Network of Development Entrepreneurs (2024) Investing in the Waste and Circularity Sector in Kenya: Executive Summary. 4) SECO (2025). Economic Report 2025 Kenya. 5) All4Africa. (2026). “Kenyan Startups Raise Sh126bn in 2025, Outpace Egypt and Nigeria” . 6) World Bank, Ease of Doing Business

Stakeholder interviews identify six enabling conditions to unlock the full potential of the circular economy in Kenya

Government led Private sector led

1.

Enabling policy & regulatory environment

E.g. Align national, municipal, and sector-specific **policies to increase the cost of waste and incentivize offtake**, with clear action plans including clarity on the role of private vs public capital

2.

Accelerate national & regional development

E.g. Boost circular manufacturing investment by leveraging Special Economic Zones (SEZs) and targeted incentives (e.g. pre-zoned land, streamlined permitting, tax incentives) to attract investment

3.

Financial mechanisms to upgrade infrastructure

E.g. Establish blended finance platform to install or upgrade waste management systems and infrastructure by pairing concessional funding with private capital to reduce risk and modernise assets such as advanced recycling or waste-to-energy plants.

REQUIRED CROSS-VALUE CHAIN CO-ORDINATION

6.

Digital solution for data, coordination & decision-making

E.g. Reporting and educational tools for Extended Producer Responsibility to improve compliance and provide data to inform decision making (e.g. for fee setting)

5.

Platforms to support SME aggregation & growth

E.g. Launch at-scale tools to create pipeline visibility and verify performance, enabling SMEs to demonstrate credentials and improve access to finance.

4.

Improved coordination & skills building

E.g. Expand access to circular economy hubs to build SME skills for investment sourcing (e.g. network and pitchbook building), and specialized technical training.

Examples are illustrative and highlight how each enabling condition could be operationalised.

Call to action

This prospectus marks a change in Kenya's circular economy momentum, with real impact depending on coordinated action, strong partnerships, and sustained investment.

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Appendix

Investment opportunities cluster around a small number of commonly observed system needs

Value chain	Packaging , E-waste & batteries, Textiles, Construction	Municipal solid waste & organics, Commercial waste, Waste-water
Design and manufacturing	**Greater access to appropriate finance** for SMEs and circular innovators	
Distribution and use	**Incentives and standards that embed circular design** and local recycled content into production	
Collection, recovery, processing	**Clear, consistent demand signals** (e.g., EPR enforcement, public procurement, recycled content mandates) that create predictable markets for circular products and materials.	
Recycle, reprocess, repair, reuse	**Coordinated, inclusive waste collection systems** that integrate informal actors, enable source segregation, and ensure reliable feedstock flows to processors.	**Sufficient, fit-for-purpose recycling infrastructure** integrating modern technologies
	Stable offtake markets to scale recycling, refurbishment, and reuse operations efficiently.	
Enablers	**Strong data, traceability, and compliance systems** to track material flows, enforce standards, de-risk investment, and measure impact.	
	Policy coherence between national ministries and counties.	

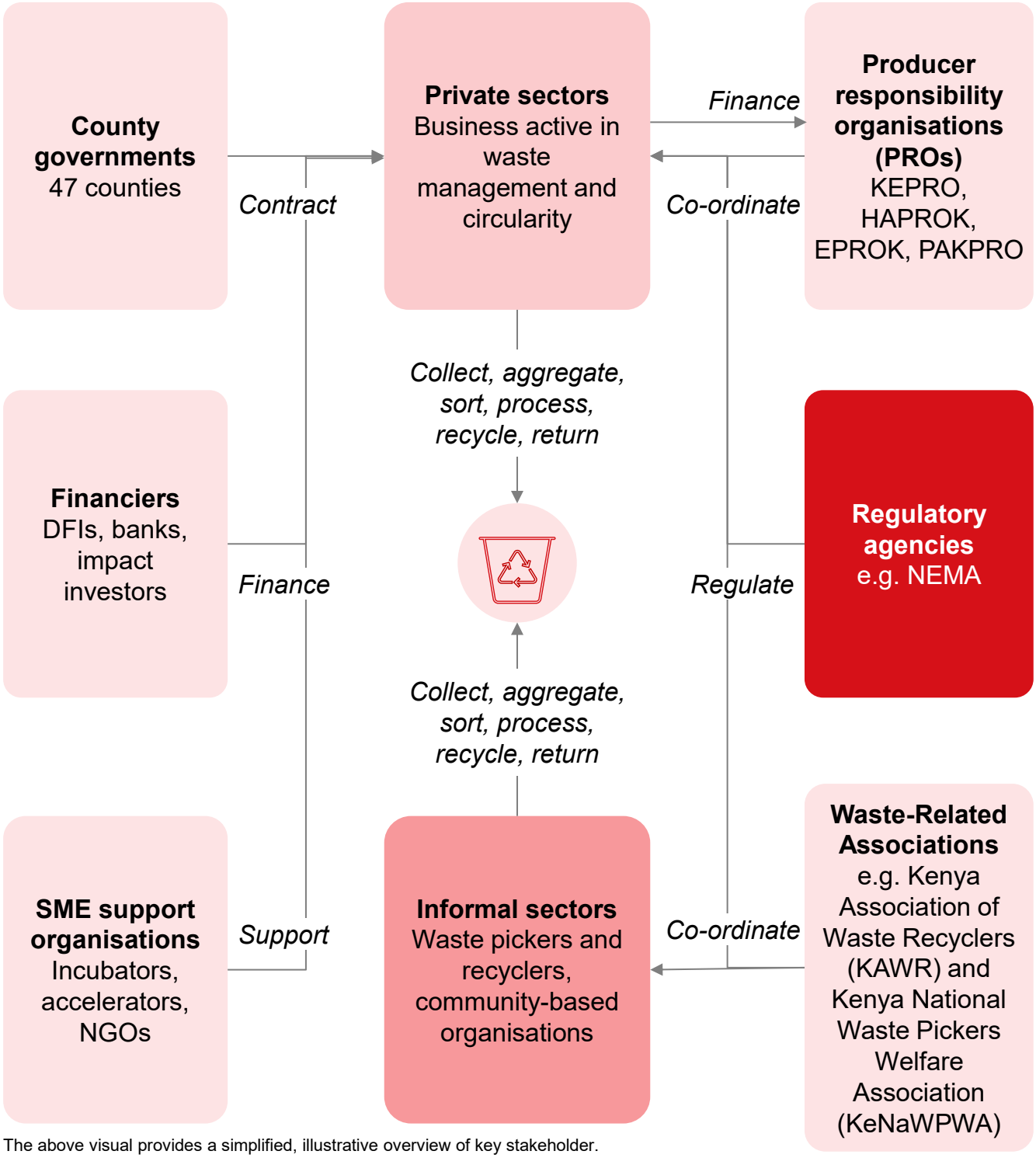
Examples from other countries demonstrate the economic opportunity at stake and the "value chain orchestration" that is required

Collaboration and integration required to unlock circular economy opportunities

	Country examples	
1 **Public-private collaboration**	**India's Viability Gap Funding Scheme** 	**About:** Flagship initiative designed to provide financial support to PPP projects that are economically justified but financially unviable. **Outcome:** 67[1] infrastructure projects have been approved, and de-risked, making it viable for private firms to finance, design, build, and operate infrastructure facilities that would otherwise struggle to reach financial close.
2 **Collaboration across firms and sectors**	**South Africa Petco** 	**About**: A long-running (est. 2004), industry-led producer responsibility organisation (PRO) for PET plastics with high cross-sector engagement from ~30 brands, retailers, manufacturers. **Outcome**: Uses stable, ring-fenced funding, clear roadmaps, and cross value-chain buy-in to deliver measurable collection and recycling outcomes through partnerships with recyclers and informal waste pickers. This has reduced landfill packaging by ~76 000 m³ in 2024[2],
3 **Cross-value chain integration**	**Amandina Bumi Nusantara rPET Plant in Indonesia** 	**About:** Closed-loop recycling collaboration between Coca-Cola, Dynapack Asia, and Mahija Parahita Nusantara Foundation – integrating a formalized collection network, recycler, packaging producer, and offtaker for beverage bottles **Outcome:** Producing 36,000 tons of recycled PET per year[3] while improving collection systems, safeguarding standards in the waste supply chain, supporting waste picker livelihoods, and advancing PET recyclability.
4 **Inclusion of informal workers**	**Brazil Green Exchange (Cambio Verde) Program** 	**About:** Waste picker cooperatives in Brazil are legally recognised, with this program strengthening this formalisation by enabling waste pickers to trade recyclables for food, bus tokens and school supplies through structured municipal exchange points. **Outcome**: About 70% of Curitiba's waste is collected and recycled city-wide[4], boosting material recovery while improving food access, fairer income & social protection.

Sources: 1. Government of India. Viability Gap Funding 2) Petco. (2025). "Petco's annual results indicate good news" 3) Ecolab. (2024). "Ecolab Introduces Innovative Solutions to the Recyclable PET (RPET) Industry to Optimize Water Usage In Operations with the Highest Cleaning Standards" 4) World Future Energy Summit. "Curitiba, Brazil: Waste management pioneer"

There is an ecosystem of organisations in Kenya already in place to provide and coordinate financing, policy guidance, and project delivery



The above visual provides a simplified, illustrative overview of key stakeholder.
Source: Adapted from Badenoch, C., Le Blay, H., & De Greef, M. (2024). Investing in the waste and circularity sector in Kenya: An introductory guide. Aspen Network of Development Entrepreneurs.

Enabling conditions examples illustrate how potential circular interventions can unlock Kenya's circular economy potential

Examples

Government led Private sector led

1.

Enabling policy & regulatory environment

- Implement **landfill taxes or disposal levies** to shift economics toward recovery.
- **Supporting standards** for domestic & international markets
- **Dedicated land-use zoning for recycling and remanufacturing**, including fast-track permitting.
- **Policy packages to phase down plastic burning** (e.g. progressive caps on incineration capacity)

2.

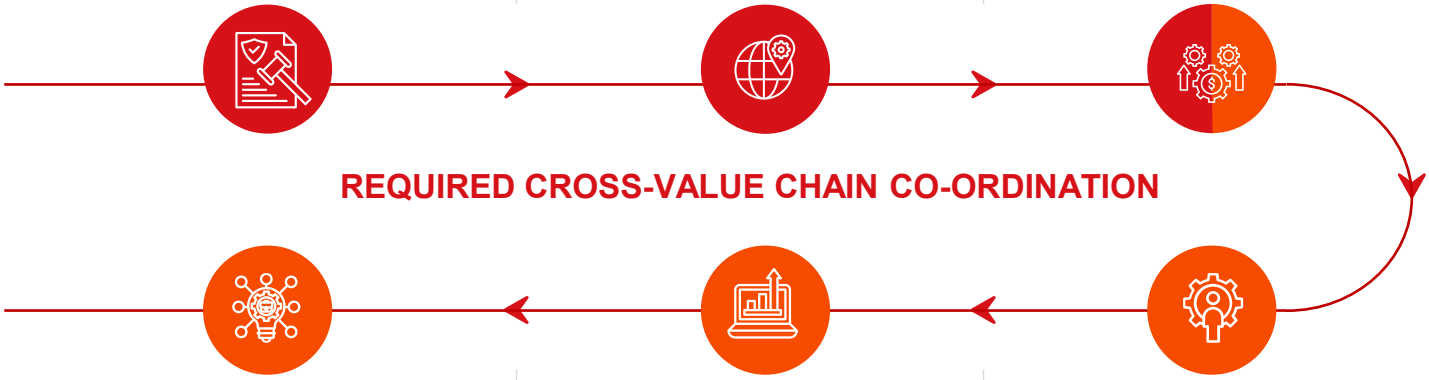
Accelerate national & regional development

- Integrate circular economy targets into **national industrial strategies** and sector roadmaps (e.g., textiles, electronics).
- **Industrial cluster zoning** for circular manufacturing near recycling hubs.
- Launch **export readiness programs** for secondary materials (quality certification, testing labs).

3.

Financial mechanisms to upgrade infrastructure

- Offer **credit guarantees** to de-risk lending to recycling SMEs.
- Create **green bonds** earmarked for circular infrastructure.
- **Special economic zones** (e.g. pre-zoned land for infrastructure development)



REQUIRED CROSS-VALUE CHAIN CO-ORDINATION

6.

Digital solution for data, coordination & decision-making

- **Databases to act as a broker** between investors and fragmented start-ups/ SMEs
- Create **digital product passports** to improve traceability and recycled content verification.
- Deploy **MRV (monitoring, reporting, verification) systems** for carbon and material circularity metrics.

5.

Platforms to support SME aggregation & growth

- Build **digital marketplaces for secondary materials** connecting SMEs to buyers.
- Create **shared-service platforms** (compliance, accounting, quality testing) for small recyclers.
- Establish **SME aggregation platform** to bundle supply and negotiate better offtake contracts.

4.

Improved coordination and skills building

- **Joint procurement platforms** for municipalities to aggregate demand.
- Launch **peer-learning networks** among cities to share operational best practices.
- **National circular economy taskforces** with public–private representation.

Examples are illustrative and highlight how each enabling condition could be operationalised.

Across all investment archetypes we see potential pipeline for all sectors – with weighting towards innovation or SME opportunities

1. **Process and product innovation**
2. **SME growth and scaling**
3. **Circular economy services and platforms**
4. **Infrastructure and industrial assets**

Projects in development phase

Kabira Waste-to-Energy (WtE) Plant	**Dandora Waste-to-Energy Power Station**

While not a formally recognised businesses, informal waste collectors play a critical yet often overlooked role by aggregating, sorting, and supplying the materials that underpin recycling value chains and enable these listed circular businesses to operate.

This list is non-exhaustive

Scaling circular economy investment requires alignment across the capital stack

Concessional

Capital maturity gradient

Market rate

Investee	Typical capital instruments	Examples funders in Kenya	Relevant investment archetypes
Non-profit & research	• Grants • Recoverable / repayable grants	Foreign & Commonwealth Office; NETFUND; Kenya Climate Innovation Centre	**Process & product innovation**
Public sector program	• Concessional loans • PPP contracts • Results-based financing • Guarantees	JICA	**Infra & industrial assets**
Early-stage & venture building	• Grants • Seed/ early-stage equity • Technical Assistance • Blended capital	dwb equity; KENYA CLIMATE VENTURES KCV	**Process & product innovation** **Asset heavy SME growth**
Scale-up/ Growth company	• Equity/ quasi-equity, • Guarantees/de risking • Loan/ Working capital	Triodos Investment Management; FMO; access Bank	**CE services & platforms**
Mature stage	• Loan (commercial, revenue-based, green)	KCB; Standard Bank	**Infra & industrial assets**

Non-exhaustive, illustrative list of funder examples

Kenya offers multiple public SEZs, EPZs and industrial parks

Example parks[1]

1 **Konza Technopolis**
Machakos
5,000 *acres*

Borders 3 counties (Makueni, Machakos and Kajiado)
60 KM from Nairobi

2 **Dongo Kundu SEZ**
Mombasa
3,000 *acres*

Adjacent to the Mombasa Port in Likoni

3 **Naivasha SEZ**
Naivasha
1,000 *acres*

Located in Maai Mahiu along the Nairobi-Naivasha SGR line

Competitive power tariffs

Planned 5,000 acre expansion

4 **Olkaria SEZ**
Nakuru
8,292 *acres*

Leverages geothermal power and hosts KenGen's Green Energy Park

5 **Riwa SEZ**
Homa Bay
530 *acres*

13 KM from the CBD

8 industrial, sector-based zones planned

18,000 acres of public SEZ and industrial park land
47 CAIPs in development

1. At different stages of development (e.g., Konza Technopolis is operational, Dongo and Naivasha are under construction)

Source: SEZA, EPZA

Private SEZs and industrial parks are also available in Kenya

Example parks[1]

1 **Vipingo SEZ**
Kilifi
2,000 *acres*

Plug-and-play industrial park in Kilifi County focused on green energy solutions

2 **Two Rivers Financial Center**
Nairobi
64 *acres*

Access to international markets for global, regional, and Kenyan service-oriented business enterprises

3 **Tatu City**
Kiambu
5,000 *acres*

Mixed-use special economic zone

4 **Northlands SEZ**
Kiambu
528 *acres*

Private SEZ located in Ruiru, Kiambu County

5 **Infinity IP**
Nairobi
200 *acres*

Private IP for SMEs located 10 km from Jomo Kenyatta International Airport and 20 km from Nairobi's City Center

6 **Mount Kipipiri Golf and Resort**
Nyandarua
1.478 *acres*

Megaproject in Kipipiri, Nyandarua

Source: SEZA, EPZA

Get started today!

Meet our sector expert…

Pius Rotich

pius.rotich@investkenya.go.ke

+254 730 104 200

+254 726 863 905

Old Mutual Tower,
15th Floor, Upper Hill Road. P.O. Box 55704 - 00200 City Square, Nairobi, Kenya

… and meet the rest of our management team

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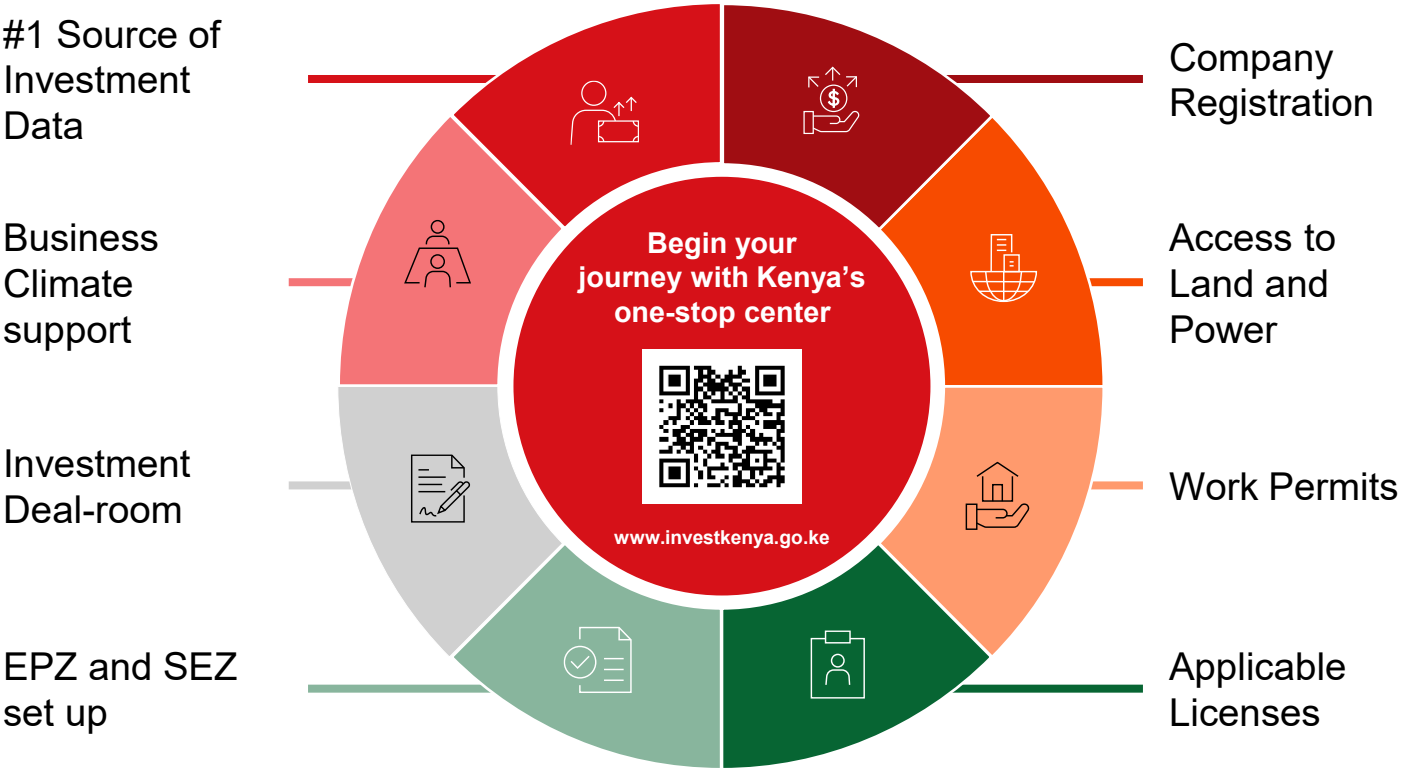

Kenya Investment Authority
15th floor, Old Mutual Tower, Upper Hill Road
P.O. Box 55704-00200, Nairobi

Telephone: +254 (0) 730 104 200
Email: info@investkenya.go.ke

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Kenya Investment Authority
15th floor, Old Mutual Tower, Upper Hill Road
P.O. Box 55704-00200, Nairobi

Telephone: +254 (0) 730 104 200
Email: info@investkenya.go.ke
Website: www.investkenya.go.ke

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