

## PRESS RELEASE

### UK-KENYA PARTNERSHIP REACHES FURTHER MILESTONE FOR LONG-TERM CLIMATE FINANCE SOLUTIONS IN KENYA

- *Investors back Dhamana Guarantee Company's work to transform East Africa's financial landscape.*
- *Tackling climate change given another boost in Kenya as, for second time in a week, a UK-Government backed investor in green finance solutions puts pen to paper.*

Monday 30 September 2024 – the Dhamana Guarantee Company Ltd (Dhamana) has reached a major milestone, marked at an event in Nairobi today.

Investors in the new company put pen to paper at a signing ceremony, which will allow the company to kick-start operations.

Dhamana aims to mobilise private sector finance to support the development of sustainable growth businesses. It will do so by issuing guarantees to commercially viable projects, businesses, and institutions that tackle the climate crisis and make progress towards the Sustainable Development Goals (SDGs).

The design and creation of the company was supported by the UK-Government backed investor the Private Infrastructure Development Group (PIDG) through InfraCo Africa. With its anchor investment, PIDG kick-started Dhamana, attracting further investment from the African Development Bank (AfDB) and County Pension Fund Financial Services (CPF), with support provided by Cardano Development and FSD Africa.

The project will target businesses that add value to people's lives, improving the day-to-day life of Kenyans. The increase in affordable finance for Kenyan businesses will mean projects will require less capital to get off the ground, make money, and generate growth. Dhamana will also enable investors to diversify their portfolios, acting as a catalyst to transform East Africa's financing landscape.

This is the second time in a week that an investor in climate solutions backed by the UK Government has achieved a milestone. Last week, MOBILIST signed a partnership with the Nairobi Securities Exchange, which aims to drive the listing of new investment products in the Kenyan market and increase the amount of private sector capital available for development and climate projects in Kenya and drive growth.

**Dhamana CEO, Christopher Olobo, said,** "With the support of our investors and supporters, the Private Infrastructure Development Group (PIDG), Cardano

Development, FSD Africa, CPF Financial Services, and the African Development Bank (AfDB), we have worked to develop Dhamana as an important catalyst for long-term sustainable finance in the region. Dhamana’s local currency guarantees will connect pools of untapped capital with East Africa’s real economy, making a tangible difference to people’s lives and offering local investors the opportunity to invest in Paris-aligned initiatives.”

**Speaking after the event, PIDG CEO, Philippe Valahu said,** “Building on the success of other PIDG-supported credit enhancement facilities in Nigeria and Pakistan, Dhamana will demonstrate the value of such a facility in the East African market, opening up opportunities for investors and clients alike. Crucially, Dhamana will engage new partners and investors in our efforts to urgently address the climate crisis and accelerate delivery of the UN sustainable development goals.”

## NOTES FOR EDITORS

### The UK-Kenya Strategic Partnership

The UK-Kenya strategic partnership [joint statement can be found here](#).

### About Dhamana

**Dhamana Guarantee Company (Dhamana):** Dhamana is working to catalyse the development of domestic capital markets in East Africa. It does this by connecting significant under-utilised sources of domestic institutional capital with the real economy, such as new green infrastructure, and providers of credit to businesses. This increases access and the affordability of local capital, providing new low-risk opportunities for local investors. Dhamana will also serve to provide a portfolio of businesses with access to the local currency capital needed to deliver bankable projects, meeting the high demand for new affordable housing, transportation, water, and energy infrastructure, and promoting long term economic development. [www.dhamana.com](http://www.dhamana.com)

### About PIDG

**The Private Infrastructure Development Group (PIDG)** is an innovative infrastructure project developer and investor which mobilises private investment in sustainable and inclusive infrastructure in sub-Saharan Africa and south and south-east Asia. PIDG investments promote socio-economic development within a just transition to net zero emissions, combat poverty and contribute to the Sustainable Development Goals (SDGs). PIDG delivers its ambition in line with its values of pioneering, partnership, safety, inclusivity and urgency. PIDG offers Technical Assistance for upstream, early-stage activities and concessional capital; its project development arm – which includes



British  
High Commission  
Nairobi



InfraCo Africa and InfraCo Asia – invests in early-stage project development and project and corporate equity. PIDG credit solutions include EAIF (the Emerging Africa Infrastructure Fund), one of the first and more successful blended debt funds in low-income markets; GuarantCo, its guarantee arm that provides credit enhancement and local currency solutions to de-risk projects; and a growing portfolio of local credit enhancement facilities, which unlocks domestic institutional capital for infrastructure financing. Since 2002, PIDG has supported 233 infrastructure projects to financial close, which provided an estimated 228 million people with access to new or improved infrastructure. PIDG is funded by the governments of the United Kingdom, the Netherlands, Switzerland, Australia, Sweden, Global Affairs Canada, Germany, and the IFC. [www.pidg.org](http://www.pidg.org)