

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The **Overall Objective** of this action is to support Kenya to advance towards climate neutrality, conservation of biodiversity, reduced pollution, resilience, and sustainable economic growth⁵.

The **Specific Objectives** of this action are:

1. The electricity system is more resilient and green
Outputs:
 - 1.1 Electricity grid stability and efficiency is strengthened
 - 1.2 Increased power generation capacity from renewable sources
 - 1.3 Improved capacities of electric utilities
2. A more climate resilient watershed around lake Baringo is established
Output:
 - 2.1 Improved sustainable management practices for watersheds, primarily around Lake Baringo
3. The Government of Kenya increasingly applies a measurement, reporting and verification (MRV) system to implement the National Determined Contribution
Output:
 - 3.1 The Climate Change Directorate at the Ministry of Environment, Climate Change and Forestry has increased capacity to implement and monitor the NDC
4. Sustainable and circular businesses are developed
Outputs:
 - 4.1 Improved business, managerial and technical capacities (including in green, circular, sustainable and inclusive economy) of MSMEs, out of which at least 40% benefit gender equality by complying to the 2XChallenge criteria⁶
 - 4.2 Increased access to finance for selected MSME's promoting eco-innovation and social inclusion

3.2 Indicative Activities

Output 1.1 Electricity grid stability and efficiency is strengthened

Activities: Procurement, construction, supervision, and operationalization of the interventions foreseen: refurbishment, upgrading, and reinforcing the capacity of substations, mobile substations as well as various related accompanied investment measures to improve the grid operations and stability, dispatch automation, improved metering and communication systems of the Kenyan electrical transmission network, to promote a greater integration of variable renewables. The pre-assessed list of interventions is still indicative and subject to final appraisal.

Output 1.2 Increased power generation capacity from renewable sources

Activities: Procurement, construction, supervision, and operationalization of the intervention foreseen: construction, upgrading, and boosting the capacity of renewable power generation capacities. The concrete investments will encompass approximately three power plants based on geothermal, wind, solar or hydro energy. The integration of load control and energy storage solutions will also be evaluated, to increase the flexibility and the balancing service capacities of the national Kenyan power system. The existing and pre-assessed project pipeline is still indicative and subject to final appraisal.

⁵ Same as in the Green Deal Team Europe Initiative in Kenya

⁶ The 2X Challenge was launched at the G7 Summit 2018 as a commitment to inspire DFIs/IFIs and the broader private sector to invest in the world's women