

REMARKS BY ELIUD OWALO, FIHRM, FESK, EGH, DEPUTY CHIEF OF STAFF, IN THE EXECUTIVE OFFICE OF THE PRESIDENT DURING THE OPENING CEREMONY OF THE NYANZA INTERNATIONAL INVESTMENT CONFERENCE ON 7TH FEBRUARY, 2025 AT CIALA RESORT, KISUMU.

SALUTATIONS

Your Excellency the Deputy President of the Republic of Kenya, Professor Kithure Kindiki, Distinguished Guests, Esteemed Investors, Development Partners, the People of Nyanza and the world.

1. It is both an honour and a privilege to stand before you today at the Nyanza International Investment Conference 2025, here in the heart of Kisumu. As we gather today, we are not just participants in this forum - **we are architects of a new future** for Nyanza, for Kenya, and indeed for the entire African continent.
2. **Nyanza, a region blessed with abundant natural resources, vibrant cultures, and resilient people, has long been a place of untapped potential.** For decades, this region has been sidelined, left behind in the shadows of political exclusion and economic neglect.
3. However, today, **we stand at the precipice of a new dawn**, a moment in time where the winds of change are blowing through Nyanza, ready to propel it to the greatness it so rightly deserves.
4. It is true, we have a problem. Nyanza we have a problem. A problem that has lingered far too long. **For over 60 years, we have been talking - talking about what is wrong with this region.** Talking about what we plan to do, how we will do it, and when we will do it.
5. And yet, here we are sixty-one years after independence, **where nearly half of our people still live in poverty**, struggling to meet food and other most basic needs.

6. Allow me to enumerate the challenges that have long bedeviled this region.
7. One of the most pressing concerns which we all share is **youth unemployment**. Youth are the backbone of any society, and they represent the future of this region. But how can we expect them to thrive when the opportunities to develop their potential are so scarce? **When we look at the youth in our towns, villages, and cities, we see brilliant minds, energetic hands, and hopeful hearts, but they are often left idle**. Without adequate access to employment, skills development, or investment in business ventures, their talents remain untapped.
8. Today, 61 years after independence, **40% of the population in Nyanza lives in abject poverty**, unable to meet even the most basic food needs. **This is not just a statistic – it's the reality that we must change. We must not allow another generation to be left behind**. The poverty levels are a stark reminder of how much we still need to do, and how much potential lies within our reach if we can leverage the resources and opportunities at our disposal.
9. The region's economic contribution paints a grim picture: **Nyanza counties contribute just 9.3% to Kenya's manufacturing sector compared to Nairobi County which accounts for 27.5% contribution to GDP. On average in the 6 counties of Nyanza, agriculture is at 2.3% compared to other areas whose contribution is 7.6%**.
10. **These numbers are more than statistics - they represent lives, they represent potential untapped, and they represent a future delayed.**
11. The disparities extend beyond economics. **Nyanza has the highest under-5 mortality rate in the country - 54 deaths per 1,000 live births, compared to the national average of 41 deaths per 1,000 live births**. According to the Demographic and Health Survey Report 2022, Migori had the highest, 73 deaths per 1,000 live births, Siaya 63 deaths and Homa Bay 61 deaths.

12. Health infrastructure in Nyanza is woefully inadequate: **Kiambu alone boasts 13 level 4 hospitals, while the entire six counties of Nyanza have just five.**
13. The **average life expectancy in Nyanza is 58 years, compared to the national average of 67**, according to the Kenya National Bureau of Statistics.
14. Water access is another glaring challenge. **While 22.7% of households in Nairobi have piped water to the main house, in Nyamira and Kisii, it is a mere 0.9% and 1.01%, respectively.** These are not just figures on a report; they are daily struggles faced by our people.
15. And then, we have **Lake Victoria - Africa's largest lake and the world's second largest freshwater lake - an underutilized resource that could revolutionize the region's economy.** The lake should be a lifeline. It should be an engine for economic growth. It should be our pride. **With 14 million people in the Lake Region Economic Bloc (LREB) dependent on the lake for their livelihoods, we cannot afford to continue this disservice to ourselves.** The recurring floods at Kano Plains and Nyando, and the unfortunate fatalities caused by hippos in the lake, cannot be the legacy of such a powerful natural resource. This must end. Now!
16. **Lake Victoria is the gateway to the East African Community, and the larger great lakes region with a market of over 100 million people.** This presents a business opportunity in inter county and inter country logistics and trade. Spanning the three East African Countries, it offers opportunities in lake transport to move commodities like oil and agricultural produce as well as people.
17. **Encouraging intra-regional trade and enhancing connectivity between counties and neighboring countries will open new markets, enhance supply chains, and facilitate the exchange of goods and services.**

Creating favorable policies and trade partnerships will build stronger economic ties in East Africa.

18. The vast resources of Lake Victoria present immense opportunities for the fish processing sector. **By modernizing processing plants, improving quality control, and expanding value-added products**, the region can tap into global markets, contributing to economic growth and sustainable livelihoods for local communities.

19. The Lake Victoria Ring Road is a transformative infrastructure project essential to connecting communities, enhancing regional trade, and boosting tourism. It will serve as a **critical economic artery**, facilitating faster transportation and opening up trade corridors across East Africa.

20. **The Nyanza Tourism Circuit in Kenya, part of the broader Western Kenya Tourism Circuit, offers a rich tapestry of cultural, historical, and natural attractions.** This circuit encompasses several counties, including Kisumu, Homa Bay, Siaya, Migori, Kisii, and Nyamira, each contributing unique experiences for travelers.

21. **Key attractions in the Nyanza tourism circuit include:** Kisumu Museum, Kisumu Impala Sanctuary, Hippo Point, Tabaka Soapstone Carvings, Kisii Highlands, Kit Mikayi, Nyamira Tea Zones, Ekerenyo Cultural Sites, Ruma National Park, Lake Simbi Nyaima, Got Ramogi, Lake Kanyaboli, Thimlich Ohinga among other sites including opportunities for Lake Sports.

22. **In September 2024, the Kenyan Ministry of Tourism announced plans to enhance the Western Tourism Circuit by improving infrastructure, promoting signature experiences, and integrating the circuit with major tourist destinations like the Maasai Mara.** This strategy is expected to

boost both domestic and international tourism in the area. The Government is committed to amplifying these attractions through the Kenya Tourism board both locally and internationally to expand available sites and facilities and open up new markets.

23. **For decades, our fate has been dictated by the politics of the day. Our fortunes have risen and fallen at the whim of political shifts and turns, instead of being built on the solid foundation of economic progress driven by solid investments on the ground.** But let me say it here today, our story does not have to continue like this. The prosperity of Nyanza must be defined by economics and not only politics. Whereas the National Policy Narrative has been that resources follow functions, the reality has previously been that resources follow voting patterns.
24. This may be our past. But this cannot be our future. The people of Nyanza deserve better.
25. **Your Excellency, your presence at this investment conference is testimony that this 5th administration wants to shift the paradigm to a new era of inclusivity** and a new narrative where resources are determined by investments.

WHAT IS POSSIBLE

1. **Nyanza has produced great minds - engineers, doctors, surveyors, artists, lawyers, architects, and countless other professionals. Yet, the region is still trapped in a cycle of poverty,** despite this untapped human potential. The future that I envision for Nyanza is one where its wealth of resources, its hardworking people, and its endless possibilities will be fully harnessed for economic transformation.
2. **Ladies and Gentlemen, we are not here today to dwell on past failures but to chart a path forward.** I dream of a Nyanza whose prosperity is

defined not by the politics of the day but by its economic potential. I envision a time when it will no longer matter who is in power, but who is planting, sowing, fishing, manufacturing, or innovating in Nyanza. These are the things that should inform our prosperity.

3. Our attraction must not be based on the count of our votes but rather, the countless ventures we unfold and our return on economic investments.
4. It is time for us to break free from the shackles of political slogans and **focus on what truly matters - regional comparative advantages, investment-friendly policies, and unique selling propositions.** We need to see SACCO memberships that outnumber political party memberships, to foster a culture of economic participation over political allegiance.
5. Consider the Kuria region which boasts immense agricultural potential, driven by fertile soils, abundant rainfall, and a highly enterprising population. It is one of Kenya's leading producers of sweet potatoes, yet the **Getonganya Sweet Potato Processing Factory** in Kuria West operates at only a fraction of its 40-ton daily capacity, producing a mere 3 tons as the factory has not yet been fully operationalized.
6. This inefficiency limits job creation, reduces farmers' incomes, and allows middlemen to exploit local producers while reselling at significantly higher prices in both domestic and international markets. Expanding the factory's product line beyond sweet potato flour to include higher-value products such as puree could greatly enhance profitability. This presents a **prime opportunity for public-private partnerships (PPPs) or direct investment,** promising high returns and significant economic transformation.

7. Additionally, Kuria's **livestock sector** is renowned for high-quality cow hides, yet the **Karamu abattoir** lacks processing capacity. As a result, hides are sold cheaply to middlemen, who in turn supply leather manufacturers earning up to 300% profits - while local farmers remain economically disadvantaged. Establishing leather processing facilities locally could significantly enhance value addition and benefit the community.
8. The region is also a producer of **high-quality coffee**, yet limited infrastructure and processing capacity prevent it from reaching its full economic potential. With strategic investment in coffee processing, farmers could realize greater returns and compete more effectively in premium markets.
9. **The sugar sector in Nyanza, once a cornerstone of regional economic growth, is poised for a powerful resurgence. The passing of the Sugar Act 2024 heralds a new era of modernization, regulation, and investment in the industry, offering a strategic pathway for Nyanza's economic revitalization.** The Sugar Act 2024 provides the framework for a restructured sector that ensures sustainable farming practices, fair pricing, and improved infrastructure. By establishing a more transparent and supportive environment for both producers and processors, it encourages significant investments in modern milling facilities, research, and technology. This legislation addresses long-standing challenges, such as the need for better management, enhanced productivity, and the revitalization of struggling factories.
10. For Nyanza, this act is a game-changer. **It will enhance agricultural output, create thousands of jobs, and boost smallholder farmer incomes.** Through increased investments in processing and value addition, the region's sugar industry will not only meet domestic demand but position itself as a competitive player in global markets.

11. To investors and the donor community, this is an extraordinary opportunity. With the government's robust support through the Sugar Act, coupled with favorable incentives, the region presents a compelling case for investment in agribusiness, sugar production, and related industries.

12. Nyanza has a **wealth of untapped natural resources, and one of its greatest assets lies in Soapstone mining in Tabaka, Kisii County**. Known for its unique aesthetic appeal and its potential for use in a variety of industries – **from sculpture to construction materials, the soapstone from Kisii is a national treasure**. Yet, the region has not maximized its potential as a key player in the international market. This is where you, the investors, donors and diaspora, can make an incredible impact.

13. By **investing in the soapstone industry, we can create thousands of jobs, not only for artisans and carvers but also for entrepreneurs, marketers, and exporters**.

14. Nyanza's **largest rice farming belt - Ahero and West Kano Irrigation Schemes – can be revived by modernizing the industry through the introduction of better irrigation techniques, technology, and improved seeds**. This can significantly increase production and open up a supply chain that serves both local consumption and export markets. Rice is said to be overtaking maize as a staple food.

15. A survey by Egerton University's Tegemeo Institute of Agricultural Policy and Development shows that **rural households consuming maize flour declined to 78 per cent in 2015, from 86 per cent in 2013 while**

households consuming rice increased from 54 to 61 per cent in the same period.

16. Nyanza also has rich soil for **cotton farming which can support a booming textile industry and apparel ecosystem**. This is an area where Kenya has been underperforming, despite the global demand for textile products. By strategically investing in the revitalization of cotton farming and processing, we can create thousands of jobs in textile production, manufacturing, design, and export. In the 60s and 70s, cotton was one of the leading cash-crops from the Nyanza region with factories like Kisumu Cotton Mills (KICOMI) supporting the livelihoods of thousands of farmers and creating local employment opportunities. The cotton industry is still viable and revival of factories like KICOMI, and the subsequent investment in cotton farming could revitalize the region.

17. I dream of a time when **Kisumu International Airport lives up to its name** - hosting flights from across the globe, not just from Nairobi. **These flights should carry the fruits of our labour – bananas, avocados and tea from Kisii and Nyamira, fish from our lake, sugar from the sugar belt, and sweet potatoes from Kuria - all destined for international markets.**

18. Kenya has set sights on a **Ksh2.1 trillion (\$15.3 billion) plan to extend the standard gauge railway (SGR) to Kisumu, Malaba and Isiolo by the end of June 2027**. Rail infrastructure is vital for reducing transport costs and improving connectivity. The SGR offers a transformative opportunity for the region by facilitating efficient movement of goods and passengers, connecting key economic zones, and fostering regional integration.

19. Another area that has immense potential is the mineral wealth of Nyanza, particularly at the **Macalder mines in Migori county**. These mines are rich in valuable minerals like gold, copper, and zinc. Yet, despite their incredible potential, they remain vastly underdeveloped.

20. With the proper **investment, technology, and expertise, we can turn the Macalder mines into a vibrant industry** that not only drives economic growth for the region but also enhances Kenya's global positioning in mining and exports.

21. The **60 MW Sondu Miriu hydroelectric plant, located in the heart of Nyanza, Kisumu County**, has the ability to provide clean and reliable energy, it can power the factories, businesses, and industries of the future. We must leverage Sondu Miriu's energy to fuel the region's industrial growth and make Nyanza the manufacturing hub of Western Kenya.

22. The **Soin-Koru Multipurpose Dam is planned to mitigate against flooding which has been a perennial problem since independence in the Nyando and Ahero plains causing untold anguish to displaced families, damage to property and infrastructure and been a harbinger of disease**. By providing a reliable water supply for domestic and livestock use, irrigation and hydropower generation, it will increase food security, improve agricultural productivity, and provide much needed energy for industrialization.

23. The Magwagwa Multipurpose Dam is a **planned hydroelectric project situated on the Sondu River in Nyamira County**, Kenya. The project aims to generate **120 megawatts (MW) of electricity** and is currently in the

permitting stage. Construction is anticipated to commence in 2029, with the dam becoming operational by 2032. Beyond power generation, **the dam is designed to support a 13,000-hectare irrigation scheme, benefiting the counties of Nyamira, Kisumu, Vihiga, Kericho, Bomet, and Homa Bay.**

24. The Lake Basin Development Authority, in collaboration with Xago Africa, is spearheading the development of this project. The dam's reservoir is planned to have a capacity of **445 million cubic meters, with an expected annual electricity generation of approximately 570 gigawatt-hours (GWh).**

25. **The Magwagwa Multipurpose Dam represents a significant infrastructure endeavor in Kenya, aiming to bolster both energy production and agricultural development in the region.**

26. **By strategically investing in infrastructure, energy distribution, and industrial parks, we can create a conducive environment** for both local and international investors to set up factories, processing plants, and production hubs in Nyanza.

A CALL TO ACTION

27. Ladies and Gentlemen, the time to act is now. **The challenges are real, but the opportunities are endless.** Nyanza's growth and prosperity are within our reach. But it requires bold action, investment, and collaboration. I stand before you today to call on all stakeholders – the national government and county governments, investors, the diaspora, professionals and development partners - to join hands with us and transform Nyanza into an economic powerhouse.

28. **This transformation will require** Investment in infrastructure, especially in the transportation and energy sectors; Skills development programs for the youth to prepare them for the jobs of tomorrow; Public-private

partnerships that foster collaboration between the government, private sector, and international donors; and Support for local entrepreneurs in sectors such as agriculture, mining, and manufacturing.

29. **The promise of this region is immense**, and it is within our power to realize it. **The time for talking is over. Now is the time for action.** Together, we can unlock the potential of Nyanza and transform it into a thriving, prosperous region that contributes meaningfully to the national economy. With vision, determination, and strategic partnerships, **we can shift from an economy of dependency to an economy of innovation and self-sufficiency.**
30. But none of this is possible without your support. **It is you - our investors, donors, partners, and professionals - who hold the key to unlocking Nyanza's full potential.** Nyanza has everything it needs to thrive: strategic geographical positioning, access to key trade routes, a burgeoning youthful workforce, and immense agricultural and natural resources. All that remains is to provide the right infrastructure, the right partnerships, and the right policies to ensure that these resources are not only preserved but are transformed into vehicles of wealth creation.
31. **This conference is not just a gathering of ideas; it is the birthplace of action.** What we do today together will shape the future of generations to come. The investments you make here, the partnerships you form, will not only yield financial returns, but they will also be a testimony to your belief in the people of Nyanza and in the boundless opportunities this region offers.
32. **We are not waiting for change; we are creating it.** We are embracing Nyanza's potential, breaking free from the chains of its past, and reaching for the stars. We, the people of Nyanza, are asking you all to walk with us on this journey of transformation.
33. **In return, I promise you one thing: your investment will not just be measured in profits alone. It will be measured in the stories of young**

entrepreneurs, of farmers whose livelihoods are transformed, of communities empowered, of infrastructure that drives growth, and of a region that rises to meet the challenges and opportunities of the 21st century.

34. **And I see a future where no young child in Nyanza struggles to survive childhood**, where every five-year-old has the opportunity to dream, to grow, and to thrive. A future where that child walks into a school that is well-equipped, where they graduate into a world filled with **opportunities in agribusiness, technology, and industry**. I see a region where our young people do not just watch football, but where our teams, **Gor Mahia, AFC Leopards, and Shabana dominate the Kenya Premier League**, giving our youth real opportunities to transform their lives through sports.
35. **This is our opportunity**. This is our chance to right the wrongs of decades past. But let me be clear, investment, not politics, is what will transform this region. The time for waiting is over. The time for talking is done. This is the time for action.
36. **That is why we formed the Nyanza Professional Forum. That is why we launched the PANY Women initiative**. Because we believe that **transformation must be led by those who have the vision and the determination to see it through**. But it cannot be done by a few. **It will take all of us, every investor, every farmer, every business owner, every leader, and every citizen to turn this vision into reality**.

CONCLUSION

37. The challenges are clear, but so are the opportunities. **We have the resources, we have the people, and most importantly, we have the will to change**. Let this be the moment when Nyanza's economic future is no longer defined by historical neglect but by innovation, investment, and hard work.

38. It is time to transform Nyanza. Together, we can lift millions out of poverty, create an economy that serves all its citizens, and build a Nyanza that is a beacon of hope and opportunity for Kenya and the world. **This will require transformational leadership at all levels including professionals.**

39. The future of Nyanza starts today! The time for action is now. Yes, we can do it! And it will be done!

Thank you.