



PROSPECTUS FOR GOVERNMENT OF KENYA
INFRASTRUCTURE BOND OFFER

21-YEAR AMORTIZED BOND
ISSUE NO IFB1/2021/21

TOTAL VALUE: KSHS 75 BILLION

SEPTEMBER 2021

For enquiries please contact Central Bank of Kenya, Financial Markets Department on 020 286 0000 or our Branches in Mombasa, Kisumu and Eldoret or Nyeri, Meru, Kisii and Nakuru Currency Centres or any Commercial Bank, Investment Bank, Stock Brokers or send an email to NDO@centralbank.go.ke or visit the CBK website on www.centralbank.go.ke

IFB1/2021/21

Central Bank of Kenya, acting in its capacity as fiscal agent for the Republic of Kenya, invites bids for the above bond whose terms and conditions are as follows:-

<p>Issuer : Republic of Kenya</p> <p>Amount : Kshs. 75 Billion</p> <p>Purpose : For funding of Infrastructure projects in the FY 2021/2022 budget estimates</p> <p>Tenor : Twenty-One Year</p> <p>Coupon Rate : Market Determined</p> <p>Period of sale : 20/08/2021 to 07/09/2021</p> <p>Value Date : 13/09/2021</p> <p>Payment Date : 13/09/2021</p> <p>Price Quote : Discounted/Premium/ Par</p> <p>Minimum Amount : Kshs. 100,000.00</p> <p>Interest Payment Dates :</p> <table border="0" style="width: 100%;"> <tr> <td>14/03/2022</td> <td>07/09/2026</td> <td>03/03/2031</td> <td>26/02/2035</td> <td>21/02/2039</td> </tr> <tr> <td>12/09/2022</td> <td>08/03/2027</td> <td>01/09/2031</td> <td>27/08/2035</td> <td>22/08/2039</td> </tr> <tr> <td>13/03/2023</td> <td>06/09/2027</td> <td>01/03/2032</td> <td>25/02/2036</td> <td>20/02/2040</td> </tr> <tr> <td>11/09/2023</td> <td>06/03/2028</td> <td>30/08/2032</td> <td>25/08/2036</td> <td>20/08/2040</td> </tr> <tr> <td>11/03/2024</td> <td>04/09/2028</td> <td>28/02/2033</td> <td>23/02/2037</td> <td>18/02/2041</td> </tr> <tr> <td>09/09/2024</td> <td>05/03/2029</td> <td>29/08/2033</td> <td>24/08/2037</td> <td>19/08/2041</td> </tr> <tr> <td>10/03/2025</td> <td>03/09/2029</td> <td>27/02/2034</td> <td>22/02/2038</td> <td>17/02/2042</td> </tr> <tr> <td>08/09/2025</td> <td>04/03/2030</td> <td>28/08/2034</td> <td>23/08/2038</td> <td>18/08/2042</td> </tr> <tr> <td>09/03/2026</td> <td>02/09/2030</td> <td></td> <td></td> <td></td> </tr> </table> <p>Redemption Date : 18/08/2042</p> <p>Taxation : The Bond will be tax free as is the case for infrastructure Bonds as provided for under the income Tax Act.</p> <p>Redemption Structure : 1st September, 2031-50% of unencumbered outstanding principal amount.</p> <p style="padding-left: 20px;">: 18th August, 2042-100% -Final redemption of all outstanding amounts.</p> <p>Amortization : No partial redemption will be paid on encumbered securities on amortization dates. Any amounts upto Kshs 1.0million per CDS account at armotization will be redeemed in full except for encumbered securities.</p> <p>Issuing and Paying Agent : Central Bank of Kenya.</p> <p>Placing Agents : • Commercial Banks</p>	14/03/2022	07/09/2026	03/03/2031	26/02/2035	21/02/2039	12/09/2022	08/03/2027	01/09/2031	27/08/2035	22/08/2039	13/03/2023	06/09/2027	01/03/2032	25/02/2036	20/02/2040	11/09/2023	06/03/2028	30/08/2032	25/08/2036	20/08/2040	11/03/2024	04/09/2028	28/02/2033	23/02/2037	18/02/2041	09/09/2024	05/03/2029	29/08/2033	24/08/2037	19/08/2041	10/03/2025	03/09/2029	27/02/2034	22/02/2038	17/02/2042	08/09/2025	04/03/2030	28/08/2034	23/08/2038	18/08/2042	09/03/2026	02/09/2030				<p>Issuance method : Multi-Price Bid Auction.</p> <p>Non-Competitive Bids : Maximum Kshs. 20 Million per CDS account per tenor. This does not apply to State corporations, public universities and Semi-Autonomous Government Agencies.</p> <p>Bids Closure : Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box or via Treasury Mobile Direct (TMD) or CBK Internet Banking by 2.00 p.m on Tuesday, 7th September 2021.</p> <p>Auction Date : Wednesday, 08/09/2021.</p> <p>Results : Investors should obtain details of amounts payable for successful bids from Central Bank of Kenya on 9/09/2021.</p> <p>Defaulters : Defaulters may be suspended from subsequent investment in Government Securities.</p> <p>Commission : Licensed placing agents will be paid commission at the rate of 0.15% of actual sales (at cost) net of 5% withholding tax.</p> <p>Rediscounting : The Central Bank will rediscount the bond as a last resort at 3% above the prevailing market yield or coupon rate whichever is higher, upon written confirmation to do so from the Nairobi Securities Exchange.</p> <p>Liquidity : The bond qualifies for statutory liquidity ratio requirements for Commercial Banks and Non-Bank Financial Institutions as stipulated in the Banking Act CAP 488 of the Laws of Kenya.</p> <p>Listing : The bond will be listed on the Nairobi Securities Exchange.</p> <p>Classification : The bond is a non-benchmark Bond.</p> <p>Eligibility : Only investors with active CDS Accounts with the Central Bank of Kenya.</p> <p>Re-opening : The Bond may be re-opened at a future date.</p> <p>Secondary Trading : Secondary trading in multiples of KShs 50,000.00 to commence on Tuesday, 14th September, 2021.</p> <p>Right to accept applications : The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.</p>
14/03/2022	07/09/2026	03/03/2031	26/02/2035	21/02/2039																																										
12/09/2022	08/03/2027	01/09/2031	27/08/2035	22/08/2039																																										
13/03/2023	06/09/2027	01/03/2032	25/02/2036	20/02/2040																																										
11/09/2023	06/03/2028	30/08/2032	25/08/2036	20/08/2040																																										
11/03/2024	04/09/2028	28/02/2033	23/02/2037	18/02/2041																																										
09/09/2024	05/03/2029	29/08/2033	24/08/2037	19/08/2041																																										
10/03/2025	03/09/2029	27/02/2034	22/02/2038	17/02/2042																																										
08/09/2025	04/03/2030	28/08/2034	23/08/2038	18/08/2042																																										
09/03/2026	02/09/2030																																													

• Non-Bank Financial Institutions

• Licensed Stock Brokers

• Licensed Investment Advisors