



**Kenya National
Highways Authority**

Quality Highways, Better Connections



AFRICA PPP 2024

A CASE OF KENYA ROAD INFRASTRUCTURE

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Kenya National Highways Authority**



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Kenya National Highways Authority

A road agency established under an act of Parliament, the agency is responsible for the Management, Development, Rehabilitation and Maintenance of classes S, A & B (21,583 km)

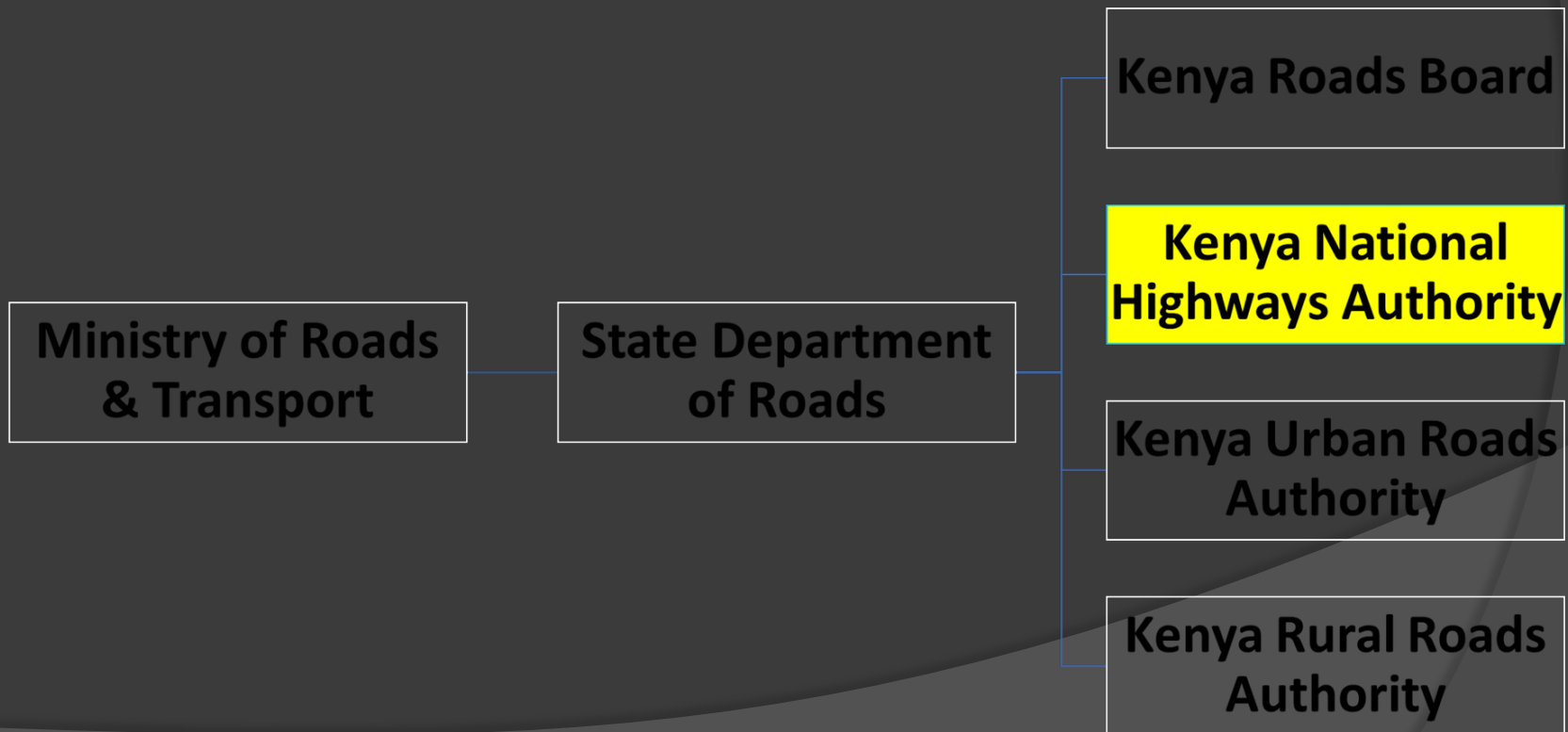


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Organization Structure of the Roads Sector





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- **Superhighways (Class S):** Highways connecting two or more cities meant to carry safely a large volume of traffic at the highest speed of operation
- **International Trunk Roads (Class A)** - link centres of international importance and crossing international boundaries or terminating at international ports
- **National Trunk Roads (Class B)** - link nationally important centres

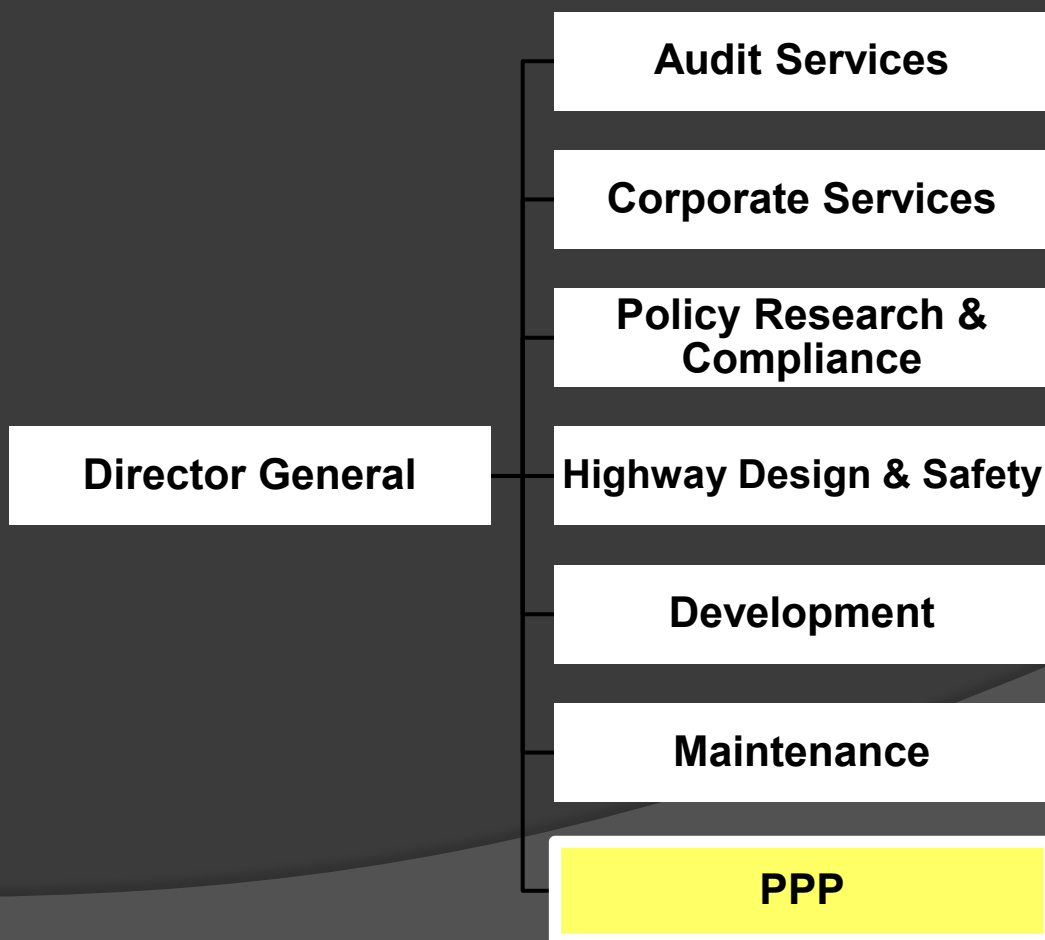


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KeNHA's Structure





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Vision

“A Quality National Trunk Road Network to all for Prosperity.”

Mission

“To Develop and Manage Resilient, Safe and Adequate National Trunk Roads for Sustainable Development through Innovation and Optimal Utilization of Resources.”



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Road Network



Road Class	Paved	Unpaved	Total (Km)
Super Highway (S)	40	0	40
International Trunk Roads (A)	5,150	1,680	6,830
National Trunk Roads (B)	7,311	7,402	14,713
Total	12,501	9,082	21,583



Status of Various PPP Pipeline Projects

Completed and under Operations Projects

- Nairobi Expressway BOT – *Operations*

Signed Commercial Contracts and awaiting FC

- Nairobi (Rironi) – Nakuru – Mau Summit – *Agreement Signed but under termination*
- Annuity Lot 3: Wajir – Samatar; Rhamu – Mandera – *Agreement Signed*
- Annuity Lot 32: Illassit – Njukini- Taveta – *Agreement Signed*

Projects under Preparation

- Annuity Lot 8: Dualling Bomas – Kiserian/Bomas - Karen - Dagoretti Market
- Nairobi – Mombasa expressway
- Nairobi – Nakuru – Mau Summit – Eldoret – Malaba
- Mombasa Southern Bypass
- Juja – Thika – Sagana - Marua

Other Considerations

Asset monetization – tolling of existing infrastructure



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Nairobi Expressway PPP Project



Mombasa Port Area Road Development Project (MPARD)



Mombasa – Mariakani Highway Project

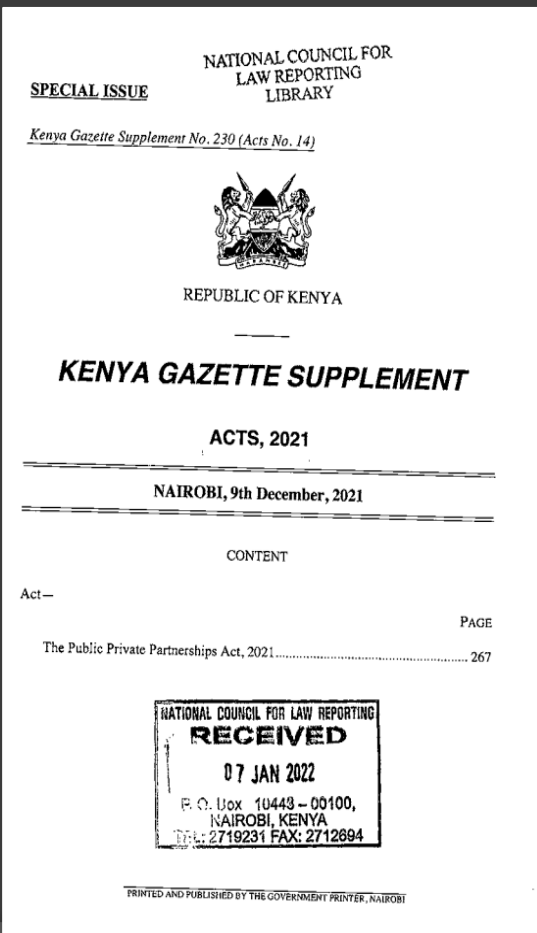


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PPP Framework



- The PPP Act, 2013 (Revision 2014)
- The PPP Regulations, 2014
- PPP (Project Facilitation Fund) Regulations 2017 (*Subsidiary Legislation*)
- The PPP Act, 2021 (repeal to the PPP Act, 2013)
 - Various proposed PPP Regulations, 2022 under formulation

- **The National Treasury**
 - **PPP Directorate** - This is a specialized Directorate within the National Treasury, established under the Public Private Partnership (PPP) Act, 2013
- **The Contracting Authority**
 - As implementing Agencies
 - Responsible for Project Identification/Development /Management



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PPP Procurement Methods

◦ A Contracting Authority may procure a public private partnership project under the PPP Act through:

- (a) Privately-initiated Proposals
- (b) Direct Procurement
- (c) Competitive Bidding
- (d) Restricted Bidding



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Key Provisions in a PPP Contract

- Scope of works & services
- Construction Standards
- Operations Performance Standards
- Handback requirements
- Responsibilities of all parties
- Details of the Special Purpose Vehicle (Project Company)
- Each parties allocated risks
- Government Support Measures
- Payment Mechanisms (User Pays/Government Pays)
- Payment options
- Compensation events
- Change order management/Extent of right of the Contracting Authority or Project Company to Vary
- Issues on Termination
- Appointment of Independent Engineer

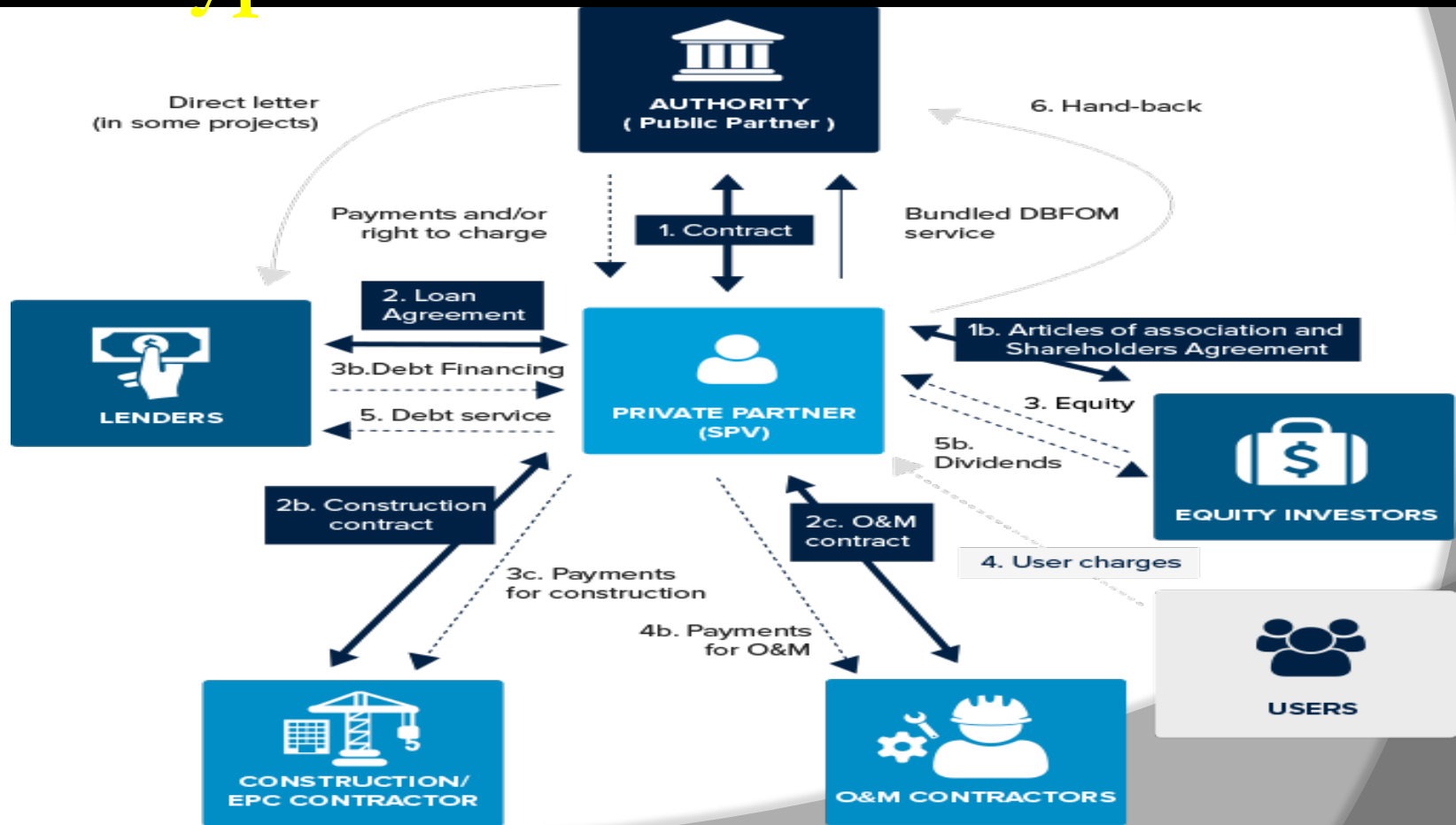


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Typical Governance Structure



← Service related flows ← ↔ Contract relationship ← - - - - Cash related flows

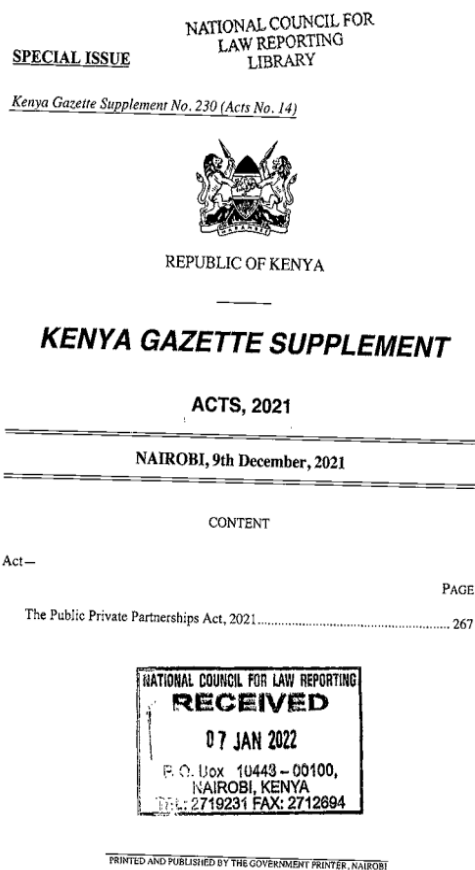


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Investment Opportunities



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Nairobi – Mombasa Expressway (under study by US Firm, PDA signed)

Delivery Model - DBFOMT

- DBFOM&T - Length 430 km,
- Approximate Cost US\$ 2.6 Billion
- Socio – Economic Benefit: Major link between the port of Mombasa and East African Countries
- Foster Regional Trade
- Enhance throughput for cargo and transit vehicles



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Mombasa Southern Bypass (Mwache – Tsunza - Kibundani) Delivery Model – O&MT

- Length 19 km
- Approximate Cost US\$ 1 Million
- Socio – Economic Benefit: Major link between the main land and South Coast critical in promoting tourist related activities along the Kenyan coast
- Reduce congestion at Likoni crossing



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LAPSSET Corridor Delivery Model - DBFOMT

- Length 530 km
- Some sections already developed – 290Km
- Some under development – 530Km
- Missing Link – 144Km
- Approximate Cost US\$ 175 Million
- Socio – Economic Benefit: Section of the LAPPSET transport corridor linking Lamu port to South Sudan and the oil rich region of Turkana.



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Mombasa Northern Bypass (Miritini – Mtwapa) Delivery Model - DBFOMT

- Length 144 km
- Approximate Cost US\$ 422 Million
- Socio – Economic Benefit: Major link between the main land and North Coast critical in promoting tourist related activities along the Kenyan coast



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Athi River – Namanga (A2)

Delivery Model - DBFOMT

- Length 136 km
- Approximate Cost US\$ 500 Million
- Socio – Economic Benefit: Major link between Kenya and Tanzania. Critical in promoting tourist related activities fostering trade.



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Nairobi – Nakuru - Mau Summit (A8)

Delivery Model - DBFOMT

- Length 175 km
- Approximate Cost US\$ 1 Billion
- Socio – Economic Benefit: Enhanced transit and movement of goods and people along the Northern corridor linking the port of Mombasa to landlocked Uganda and central Africa



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Mau Summit – Timboroa – Eldoret – Webuye – Malaba Road (A8)

Delivery Model - DBFOMT

- Length 297 km
- Approximate Cost US\$ 880 Million
- Socio – Economic Benefit: Enhanced transit and movement of goods and people along the Northern corridor linking the port of Mombasa to landlocked Uganda and central Africa



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Mau Summit – Kericho – Kisumu – Busia Road (A12) **Delivery Model - DBFOMT**

- Length 231 km
- Approximate Cost US\$ 700 Million
- Socio – Economic Benefit: Enhanced transit and movement of goods and people along the Northern corridor linking the port of Mombasa to landlocked Uganda and central Africa



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Juja – Thika – Sagan – Marua - Nanyuki – Lewa Delivery Model - DBFOMT

- Length 214 km
- Approximate Cost US\$ 600 Million
- Socio – Economic Benefit: Provides a key link between the LAPSSET road corridor, the great northern corridor, the port of Lamu and the rich agricultural zone in central Kenya



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Lake Victoria Ring Road Phased Through Conventional Model

- Length 450 km
- Approximate Cost US\$ 600 Million
- Socio – Economic Benefit: Ring road around Lake Victoria the World's second largest fresh water lake. Presents an opportunity for tourism, fishing and transportation.



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Ewaso Kedong Jn C88 – Kona Baridi – Isinya – Konza (Greater Nairobi Southern Bypass)

Delivery Model - Conventional

- Length 145 km
- Approximate Cost US\$ 175 Million
- Socio – Economic Benefit: The greater Nairobi southern bypass providing a key link between the Northern corridor and the western Kenya road network including links to Tanzania and Uganda international boarder post



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Dualling of Dagoreti Market – Karen – Bomas – Kiserian – Kona Baridi Delivery - Conventional

- Length 32 km
- Approximate Cost US\$ 53 Million
- Socio – Economic Benefit: Major urban road linking major urban settlements in Nairobi.



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Asante Sana