



THE NATIONAL TREASURY



ADVANCED PPP PROJECTS

The **Public Private Partnership (PPP) Unit** is a specialized unit within the National Treasury of Kenya mandated by the PPP Act, 2013 to serve as the center of PPP expertise and is responsible for overall coordination, promotion, and oversight of the implementation of the PPP Program in the country. The scope of the Government's programme for PPPs includes the provision of new infrastructure and the expansion and refurbishment of the existing infrastructure.

Stages of Kenya's PPP projects

There are currently 70 PPP projects in the PPP pipeline. These projects are in diverse sectors and at various stages of the PPP project cycle. The PPP Act, 2013 has laid down a straightforward process for implementing PPP projects to ensure quick execution. In this report, we provide you with information on projects at the following stages:

- a. Financial close (ready for construction)
- b. Commercial close (signed PPP contracts)
- c. Contract Negotiations
- d. Tender/Procurement

A. FINANCIALLY CLOSED PROJECT(S)

1. Lot 33 Roads Annuity PPP Project

The project involves the construction of the roads from Ngong to Isinya ("Ngong-Kiserian-Isinya") and from Kajiado to Imaroro ("Kajiado-Mashuru-Isara") on a finance, Design, Build, Finance, Operate and Maintain (DBFOM) with an approximate length of 90.55km; funded through annuity payments.

The projects Contracting Authority is the Kenya Rural Roads Authority (KeRRA), a state corporation established under the Kenya Roads Act, 2007.

The Service Provider is INTEX RAF 1 LIMITED, a limited company incorporated under the provisions of the Companies Act, 2015. The Service Provider has already mobilized to site to begin construction works.

B. COMMERCIALY CLOSED PROJECTS

1. Lot 3 Roads Annuity PPP Project

The project is the construction and rehabilitation of the roads to augment the existing roads from Modogashe-Habaswein-Samatar (68Kms) and Rhamu-Mandera (75Kms) on a DBFOM model funded through annuity payments. The project's contracting authority is Kenya National Highways Authority (KeNHA). The project is currently in negotiations towards financial close.

2. Kenyatta University Students Hostel PPP Project

The project anticipates developing student hostels in the University to accommodate over 10,000 students. The private sector entered into a PPP contract with Kenyatta University in a Design, Finance, Build, Operate and Transfer model for a 20-year period. The project's contracting authority is Kenyatta University. The project is currently in negotiations towards financial close.

3. 35Mw Sosian Menengai Geothermal Power Plant Project

The project is a green field geothermal electricity generation project whose objective is to increase the installed national capacity by 35MW from geothermal resources. The project's Contracting Authority is Geothermal Development Company. The project is currently in negotiations towards financial close.

4. 1,050 MW Combined Cycle Coal Power Plant Project in Lamu

The project is a greenfield combined cycle coal power plant in Lamu to generate 1050MW of power through an Independent Power Producer on a Build, Own, Operate PPP model (BOO) for 25 years. The project's contracting authority is the Ministry of Energy. The project is currently in negotiations towards financial close.

5. 35 MW Quantum Menengai Geothermal Power Plant Project

The project is a green field geothermal electricity generation project whose objective is to increase the installed national capacity by 35MW from geothermal resources. The Project's Contracting Authority is Geothermal Development Company. The project is currently in negotiations towards financial close.

C. PROJECTS AT THE CONTRACT NEGOTIATION STAGE

1. Lot 8 Roads Annuity Project

The project is the construction and rehabilitation of the 71.5 km roads to augment the existing roads from Bomas to Magadi; Bomas to Ruiru via Dagoreti and other link roads on a DBFOM model funded through annuity payments. The project's contracting authority is Kenya National Highways Authority (KeNHA).

2. Lot 15 Roads Annuity Project

The project involves the construction and rehabilitation of the 28km roads to augment select urban roads in 6 Counties: Nyeri (9.5km), Kirinyaga (2km), Murang'a (5.5km), Embu (4km), Tharaka Nithi (4km) and Laikipia (3km) on a DBFOM model funded through annuity payments. The project's contracting authority is Kenya Urban Roads Authority (KURA).

<p>3. Lot 18 Roads Annuity Project</p> <p>This involves the construction and rehabilitation of the 32km roads to augment select urban roads in 4 Counties: Kakamega (12.5km), Vihiga (3km), Bungoma (12.5km) and Busia (4km) on a DBFOM model funded through annuity payments. The project's contracting authority is Kenya Urban Roads Authority (KURA).</p>
<p>4. Lot 32 Roads Annuity Project</p> <p>The project is the construction and rehabilitation of 67 km road to augment the existing road network from Illasit to Taveta through Njukini on a FDBMT PPP model funded through annuity payments. The project's contracting authority is Kenya National Highways Authority (KeNHA).</p>
<p>5. 35MW Ormat Orpower Geothermal Power Plant Project</p> <p>The project is a green field geothermal electricity generation project whose objective is to increase the installed national capacity by 35MW from geothermal resources. The project's contracting authority is Geothermal Development Corporation (GDC).</p>
<p>6. Likoni Cable Car Project</p> <p>The project aspires to design, construct, equip, operate and maintain a passenger cable car system as an alternative transport system across the Kilindini Channel at Mombasa's Likoni area. The cable car system shall operate 16 hours a day and shall be capable of moving over 170,000 persons per day. The concession is for a period of 25 years. The project's contracting authority is Kenya Ferry Services.</p>
<p>7. Equipment, Operation and Maintenance of the Lamu Port Project (Berths 1, 2, 3) on PPP Basis</p> <p>The Government has been developing the first three berths of the Lamu port project and completion is slated for mid-2018. The three berths comprise a 400m-bulk berth (non-containerized cargo), a 400m-container berth, and a 400m general cargo berth. A PIIP is currently under negotiation to equip, operate and maintain the berths for a concession period of 25 years. The project's contracting authority is Kenya Ports Authority.</p>
<p>8. Development of the Lamu-Garissa-Isiolo Highway Project</p> <p>The project is a Design, Finance, Construct, Operate and Maintain PPP contract for the Lamu-Garissa-Isiolo Highway PPP basis over a period of 30 years. A Privately Initiated Investment Procurement (PIIP) is currently under negotiation. The project's contracting authority is Kenya National Highways Authority (KeNHA).</p>
<p>9. Project title: Police Housing project</p> <p>The Government aspires to design, build, operate and maintain 20,000 police housing units. Phase 1 will comprise of 4,685 units which will be developed at 9 sites within Nairobi. The project's contracting authority is the State Department of Housing.</p>
<p>D. PROJECTS UNDER TENDER/PROCUREMENT</p>
<p>1. 2nd Nyali Bridge PPP Project</p> <p>The project seeks to develop a second bridge in the coastal region connecting the Mombasa Island with the North mainland to ease congestion on the existing Nyali Bridge. The request for qualification (RFQ) was issued on 28th July 2017 and closed on 9th November 2017. RFQ evaluation was finalized and three firms/consortia were shortlisted and shall be issued with the RFP. The firms are:</p> <ul style="list-style-type: none"> • Nyali Connect Consortium • IHI-Join-Acciona Consortium • Strabag AG
<p>2. Nairobi-Nakuru-Mau-Summit Highway</p> <p>The Project involves the widening, improvement, operation and maintenance of various sections of the highway between Nairobi and Mau-Summit (175 kilometers). Evaluation of Request for Qualification (RFQ) was completed, four firms/consortia shortlisted namely;</p> <ul style="list-style-type: none"> • Consortium of AIIIM, Egis, Mota - Engil and Orascom • Consortium of Intl International Pte.ltd (I IPL) and IL&FS Transportation Networks Limited (ITNL) • SK5+ Consortium (Strabag AG, Group Five Construction Ltd, Kolin Insaat Turizm Sanayi ve Ticaret A.S) • Rift Valley Connect (VINCI Highways SAS, Meridiam Infrastructure Africa Fund (MIAF) and VINCI Concessions SAS) <p>The shortlisted firms/consortia were issued with the RFP on 5th July 2017. The tender closed on 30th April 2018 and evaluation is on-going.</p>
<p>3. Moi University Students Accommodation Hostels</p> <p>The project aspires to develop University hostels with a total bed capacity of 15,000 on a Build-Operate-Transfer (BOT) PPP model including development of other ancillary facilities. RFQ was issued on 11th December 2017 with the following bidders being shortlisted after evaluations:</p> <ul style="list-style-type: none"> • China Overseas Engineering • KESA Consortium • Meridiam Consortium • PDM-Roko - CBA Capital Consortium • JV Unicamp Consortium <p>The RFP for this project was issued on 4th June 2018 and is expected to close on 17th September 2018.</p>
<p>4. University of Embu Students Accommodation Hostels</p> <p>The project aspires to develop University hostels with a total bed capacity of 4,000 on a Build-Operate-Transfer (BOT) PPP model including development of other ancillary facilities. RFQ was issued on 11th December 2017 with the following bidders being shortlisted after evaluations:</p> <ul style="list-style-type: none"> • Meridiam Consortium • PDM-Roko-CBA Capital Consortium • JV Unicamp Consortium <p>The RFP for this project was issued on 8th June 2018 and is expected to close on 21st September 2018.</p>
<p>5. South Eastern Kenya University Students Accommodation Hostels</p> <p>The project aspires to develop University hostels with a total bed capacity of 5,400 on a Build-Operate-Transfer (BOT) PPP model including development of other ancillary facilities. RFQ was issued on 11th December 2017 with the following bidders being shortlisted after evaluations:</p> <ul style="list-style-type: none"> • KESA Consortium • PDM-Roko-CBA Capital Consortium <p>The RFP for this project was issued on 6th June 2018 and is expected to close on 19th September 2018.</p>