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Transaction Advisory for Mombasa - Nairobi Highway A8

Investors Conference Presentation

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15 November 2016

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Agenda

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Section 1

Introduction

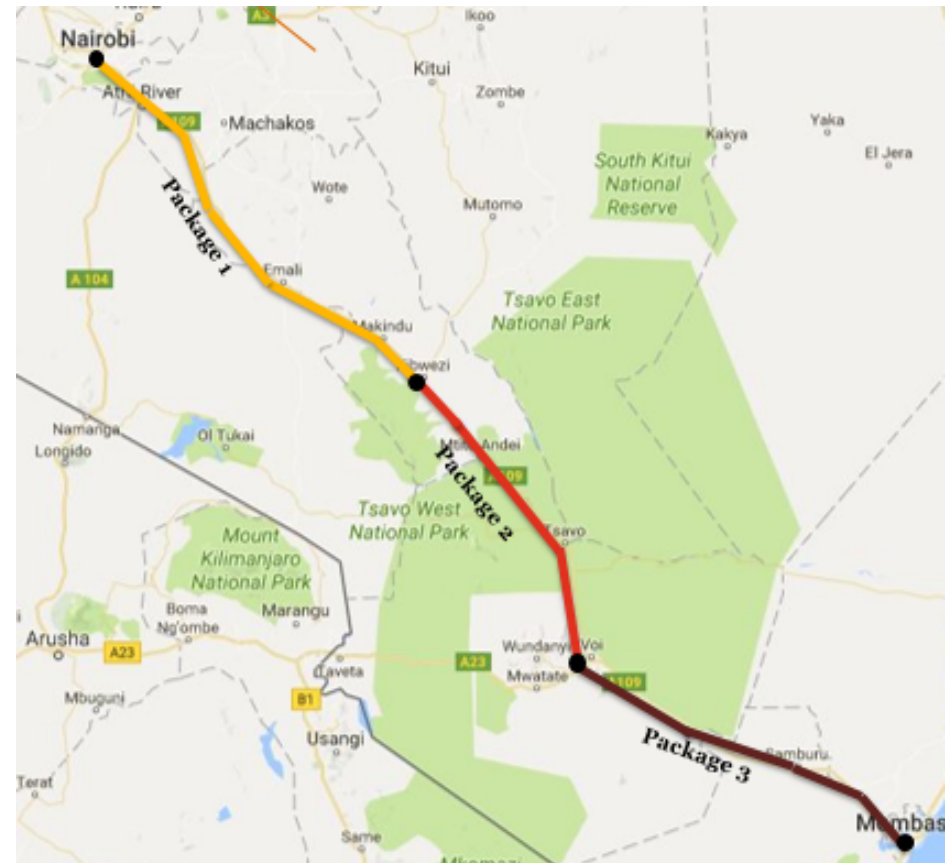
Section 1 – Introduction

Project: upgrading and expansion of the Nairobi-Mombasa Highway

Project Length: 466 Km divided into three sections:

1. JKIA to Kibwezi- 174km
2. Kibwezi to Voi- 132km
3. Voi to Mombasa- 160km

Project Cost: US\$2.35 Bn



Section 2

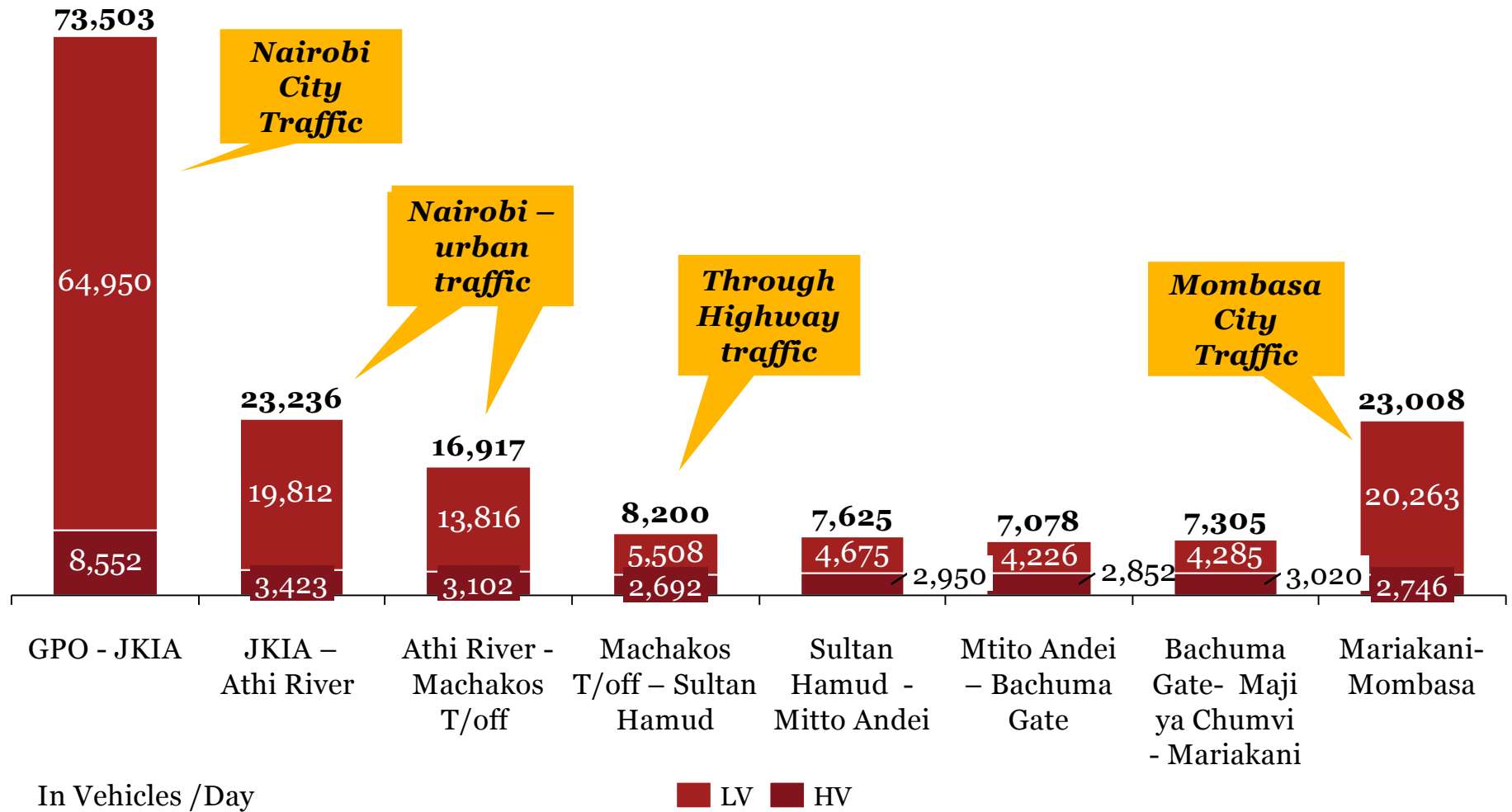
Existing Road Features

A. Current Traffic Profile

B. Current Asset Condition (2015)

C. Planned/On going Improvements (2016)

A. Current Traffic Profile



B. Current Asset Condition (2015)

Section No.	Section	Length (km)	Current LoS	Capacity / configuration
1	Mombasa - Mariakani	35	D to F	Single / dual carriageway
2	Mariakani - Maji ya Chumvi	12	B to C	Single carriageway
3	Maji ya Chumvi - Bachuma Gate	53	C to D	Single carriageway
4	Bachuma Gate - Mtito Andei	150	C to D	Single carriageway
5	Mtito Andei - Sultan Hamud	122	B to C	Single carriageway
6	Sultan Hamud - Machakos T/off	63	C to D	Single carriageway
7	Machakos T/off - Athi River	22	C to D	Single carriageway
8	Athi River - JKIA	12	B to C	Dual carriageway - 2 lanes in each direction

C. Planned/On-going Improvements (2016)

Section	Planned/On-going improvements
1. Mombasa - Mariakani	Major capacity and pavement improvements planned/ on-going
2. Mariakani – Maji Ya Chumvi	Rehabilitation of the existing 2-lane carriageway on-going
3. Maji ya Chumvi - Bachuma Gate	Routine maintenance
4. Bachuma Gate - Mtito Andei	Routine maintenance
5. Mtito Andei - Sultan Hamud	Routine maintenance
6. Sultan Hamud – Machakos Turn-Off	Routine maintenance
7. Machakos Turn-Off - Athi River	Construction of the second carriageway commencing soon
8. Athi River - JKIA	Routine maintenance

Section 3

Project Scope

A. Required Capital Works

A. Required Capital Works

Section		Proposed interventions
		Pavement
1.	Mombasa – Mariakani	Minor rehabilitation
2.	Mariakani – Maji Ya Chumvi	Construction of a second carriageway and rehabilitation of the existing highway
3.	Maji ya Chumvi - Bachuma Gate	Construction of a second carriageway and rehabilitation of the existing highway
4.	Bachuma Gate - Mtito Andei	Construction of a second carriageway and rehabilitation of the existing highway
5.	Mtito Andei - Sultan Hamud	Construction of a second carriageway and rehabilitation of the existing highway and construction grade separated intersection at Kibwezi town and Emali town SGR overpass
6.	Sultan Hamud – Machakos Turn-Off	Construction of a second carriageway and rehabilitation of the existing highway
7.	Machakos Turn-Off - Athi River	Minor rehabilitation
8.	Athi River - JKIA	Minor rehabilitation

Section 4

PPP Structure

- A. Responsibilities of the Project Company by Contract*
- B. Payment Mechanism*

A. Responsibilities of the Project Company by Contract

Package

1

O&M (JKIA – Machakos)

- O&M of upgraded 4-lane dual carriageway (planned to be completed before A8 project)

DBFO (Machakos - Kibwezi)

- Construction of new 2-lane carriageway and rehabilitating/upgrading existing highway

Package

2

• DBFO (Kibwezi - Voi)

- Construction of new 2-lane carriageway and rehabilitating/upgrading existing highway

Package

3

DBFO (Voi - Mariakani)

- Construction of new 2-lane carriageway and rehabilitating/upgrading existing highway

O&M (Mariakani – Mombasa)

- O&M of new 4-lane dual carriageway (project currently in tender)

B. Payment Mechanism

- Availability based Unitary Charge
- Quarterly payments
- Unitary charge adjusted for;
 - asset condition
 - performance standards
- Annual adjustments for;
 - Inflation
 - Foreign Exchange
 - Local interest rate

Section 5

Other considerations

- A. Existing Right of Way*
- B. Land Acquisition*
- C. Resettlement*

A. Existing Right of Way

Section	Existing R (meters)
Mombasa - Mariakani	30-40
Mariakani - Maji Ya Chumvi – Bachuma Gate	60
Maji Ya Chumvi – Bachuma Gate	60
Bachuma Gate - Mtito Andei	60
Mtito Andei - Sultan Hamud	60
Sultan Hamud - Machakos Turn-Off	48
Machakos Turn-Off - Athi River	80
Athi River – JKIA	110

B. Land Acquisition

Project	Nairobi – Mombasa A8 Highway
Quantum of Land to be acquired	5147 acres
% Public	45.5%
% Private residential	45%
% Private commercial	2.5%
% Other (specify)	7% (Kenya Wildlife)
Estimated value (Ksh bn)	Ksh 13.40 bn

C. Resettlement

Project

**Nairobi – Mombasa A8
Highway**

**Estimated number of people
affected**

7985

**Estimated number of structures
affected**

1597

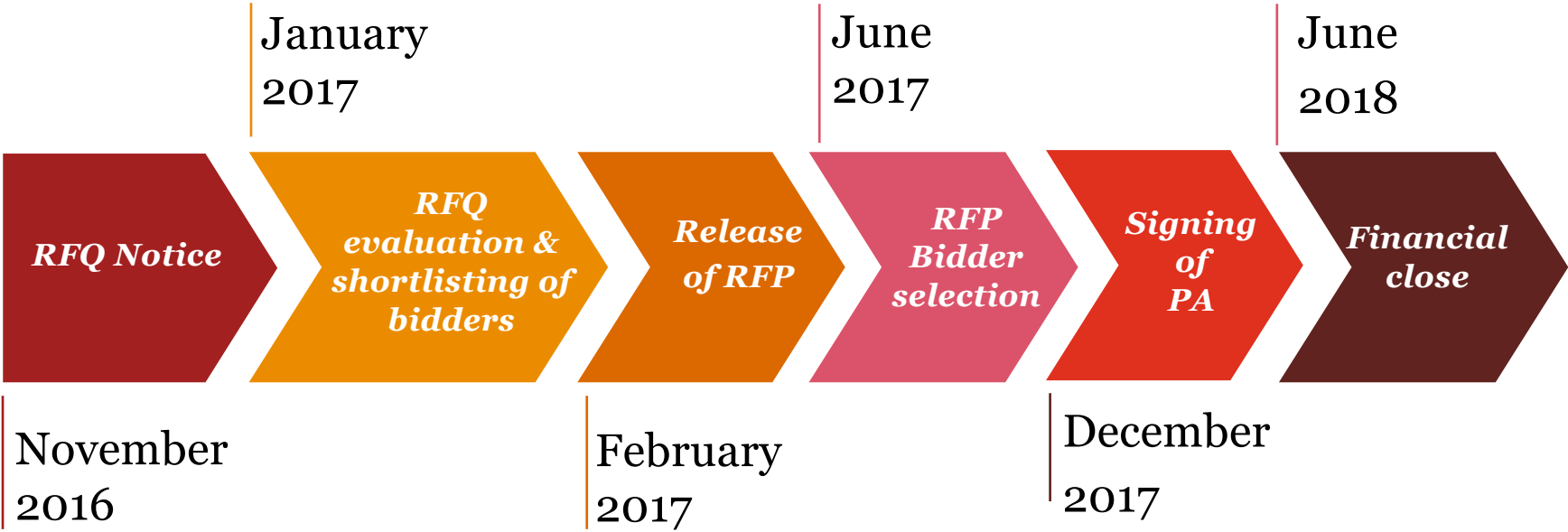
**Estimated cost of resettlement
(Ksh bn)**

Ksh 5.67 bn

Section 6

***Proposed Procurement Timetable
(Package 1)***

Proposed Procurement Timetable (Package 1)



Thank you

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