



REPUBLIC OF KENYA

## THE NATIONAL TREASURY

# NATIONAL PRIORITY LIST OF PUBLIC PRIVATE PARTNERSHIP PROJECTS

Pursuant to section 25 of the Public Private Partnership Act 2013, the National Treasury hereby publishes the National Priority List of PPP projects that have been approved by the Government.

### Preamble

The economic growth and prosperity of a nation depends largely on modern infrastructure. Currently, the Government of Kenya faces a substantial and expanding gap between public investment needs and available resources. It is currently estimated that there is an infrastructure funding gap of approximately US\$2-3 Billion per year that is needed to address the infrastructure requirements in the next 10 years. In addition, the Government continues to face the challenge of raising adequate resources to meet its social and economic development obligations, including finding the resources to implement the new Constitution.

All of these competing demands call for a pragmatic approach on how the Government funds national development. Indeed, it is now recognized that the current development funding gap can only be plugged by bringing together capital and know-how from the public and private sectors. It is for this reason that private sector development has been entrenched as a central and prominent feature of national development planning in Kenya in the last decade.

Public Private Partnerships, or PPPs, can be a major contributor and force in modernizing infrastructure in affordable and sustainable ways, with positive impact on the quality of life for all Kenyans. PPPs can also contribute to easing budgetary constraints on social expenditure, directly enabling the Government to broaden and deepen balanced development.

The Public Private Partnership Act No. 15 of 2013 came into effect on 8th February 2013, and it establishes the new legal framework enabling the structured, methodical and staged development of PPPs in infrastructure development in Kenya.

The PPP programme in Kenya is being identified as a long-term programme, and not as a series of independent projects and that is why in 2011, the Government adopted a formal policy on PPPs. Consequently Section 24 of the PPP Act 2013 requires deliberate planning and programming, technically grounded on PPP project identification, selection and prioritization, in order that planned PPP projects introduce systemic efficiencies across different economic sectors that drive growth and development.

Identified projects constitute a PPP pipeline of projects, which require approval and clearance by the Public Private Partnership Committee, and the Cabinet under section 24 of the Act. Section 25 of the PPP Act requires that the approved list of PPP projects shall be published in the electronic and print media for purposes of informing both local and international companies about the planned PPP projects in Kenya.

THIS IS NOW TO INFORM THE GENERAL PUBLIC in Kenya that the List of PPP Projects published herewith has been subjected to a series of suitability checks and has been granted formal clearance to proceed for development as PPPs. These checks were undertaken by the PPP Committee, and final policy clearance granted by the Cabinet.

THE INVESTING COMMUNITY both local and international is now invited to take note of the list below of prioritized PPP projects in Kenya.

NO.	PROJECT NAME	CONTRACTING AUTHORITY	PROJECT DESCRIPTION
1	2 <sup>nd</sup> Nyali Bridge	Kenya Urban Roads Authority (KURA)	Construction of a parallel bridge to the existing 400m Nyali bridge linking Mombasa Island and Northern Coast through a PPP
2	Nairobi - Thika Road	Kenya National Highways Authority (KeNHA)	This involves the operation and maintenance (O&M) of 40km section of the 8-12 lanes road between Nairobi and Thika towns. Maintenance, operation and collection of tolls to be tendered to the private sector
3	Dualling of Mombasa - Nairobi Highway	Kenya National Highways Authority (KeNHA)	Entails expansion and construction of a dual carriageway through a PPP
4	Dualling of Nairobi - Nakuru Road	Kenya National Highways Authority (KeNHA)	Entails expansion and construction of a dual carriageway through a PPP
5	Nairobi Southern ByPass	Kenya National Highways Authority (KeNHA)	Concessions for O&M is being considered for the 30km Bypass under construction
6	JKIA Terminal 2	Kenya Airports Authority (KAA)	The greenfield terminal with a capacity of 12million pax per year will be restructured to accommodate a PPP arrangement.
7	JKIA Transit Hotel	Kenya Airports Authority (KAA)	This entails the construction of a transit hotel 150 - 200 rooms landside, 20-30 rooms airside, 3-4 star.
8	Nairobi Commuter Rail	Kenya Railways Corporation (KRC)	Public support in rehabilitation of existing 100km railway line, doubling of sections and support infrastructure. Design and provision of rolling stock and operation of the commuter rail link between Nairobi CBD and the Airport
9	Implementation of 400MW Menengai Phase I Geothermal Development Project	Geothermal Development Company (GDC)	The 400 MW Menengai Phase I geothermal development is a green field electricity generation project whose objective is to increase the installed national capacity by an additional 400 MW. Independent Power Producers will be invited to convert steam into electric power and sell to Kenya Power and Lighting Company
10	Implementation of 800MW Menengai Phase 2 Geothermal Development Project	Geothermal Development Company (GDC)	The 800 MW Menengai Phase II geothermal developments is a green field electricity generation project whose objective is to increase the installed national capacity by an additional 800 MW. Independent Power Producers will be invited to jointly develop geothermal steam together with Geothermal Development Company and to convert steam into electric power and sell to Kenya Power and Lighting Company
11	Implementation of 800MW Bogoria Silali Phase 1 GDC	Geothermal Development Company (GDC)	The 800 MW Bogoria-Silali Phase I geothermal development is a green field electricity generation project whose objective is to increase the installed national capacity by an additional 800 MW. This Block comprises Bogoria, Baringo, Arus, Korosoi, Chepchuk, Paka and Silali prospects. Independent Power Producers will be invited to jointly develop geothermal steam together with Geothermal Development Company and to convert steam into electric power and sell to Kenya Power and Lighting Company
12	800MW LNG Power Plant at Dongo Kundu	Kenya Electricity Generating Company (KenGen)	800MW liquefied natural gas (LNG) power plant to be located at Dongo Kundu in Mombasa on design, finance, construct, own, operate and maintain for a period of 20 years.
13	560MW Geothermal Pipeline at the Olkaria Field	Kenya Electricity Generating Company (KenGen)	560 MW Geothermal project pipeline at the Olkaria Field from KenGen on Build, Own, Operate and Transfer basis for a period of 15 years. Independent Power Producers to be invited to convert steam to electric power in units of 140 MW.
14	980MW Coal Plant	Kenya Electricity Generating Company (KenGen)	The project involves generation of 980MW of power by Independent Power Producers on a Build, Own, Operate and Transfer basis for 20 to 25 years. The power station will be initially fuelled by imported coal from world traded coal but later would use local coal.
15	Kisumu Lake Port and other Lake Victoria Ports	Kenya Ports Authority (KPA)	The project involves development of Kisumu Port into a modern commercial Lake Port to serve the growing trade in the East African Community region on a build-operate-transfer basis. The goal is to develop these ports, provide requisite physical and super infrastructure, develop a mechanism to effectively manage these ports and ensure their efficient utilization. Private parties will be invited to Design, Finance, Build, operate and Transfer. KPA will own the port and be the landlord.
16	Mombasa 2 <sup>nd</sup> Container Terminal Phase 2&3	Kenya Ports Authority (KPA)	The Private Parties will be invited to operate and maintain the second Container Terminal now under construction through funding from Japanese Government. The development and operation Second and Third Phase of the 2nd Container Terminal to be done by the Private Party while KPA becomes the Landlord.
17	Conversion of Berth 11 - 14	Kenya Ports Authority (KPA)	Conversion of berths 11 - 14 general cargo to container terminal on a PPP. KPA to be the landlord while the Private Party will be responsible for funding, development and operation.
18	Lamu Port Development Project	Kenya Ports Authority (KPA)	This is a regional project with considerable portion of public funding. Countries involved are Kenya, Ethiopia, Uganda and Southern Sudan. The project has many components including Lamu Port, Railway, Airport, Roads, Refinery, Pipelines of crude and refined oil as well as resort cities. Some of the development will be tendered through PPP
19	Nairobi Solid Waste Management	Nairobi County	Collection, transporting, recycling, sorting, landfill and generation of power for the solid waste management for Nairobi by the private party.
20	Mombasa Solid Waste Management	Mombasa County	Construction of sanitary land field in South and North Coast and transfer stations, access roads and commissioning of existing land fields at Kibarani with processing capacity of 600 metric tons/day

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21	Kenyatta University Students Hostels	Kenyatta University (KU)	Development of students hostels to accommodate 6,000 students
22	Mombasa International Convention Centre	Kenya Tourist Development Corporation (KTDC)	The project entails the development of a multi-purpose Convention Centre on Build Operate and Transfer basis, with a contemporary design to ensure large event(s) are successful in Kenya.
23	Nairobi Bulk Water Supply	Athi Water Services Board	Construction of Maragwa and Ndarugu Dams and the supply of bulk water to Nairobi County on a PPP basis
24	Nandi Forest Multipurpose Dam	Lake Basin Development Authority	Construction of a Dam, generation of 50MW hydro power, irrigation of 7,000Ha
25	Arror Multipurpose Dam	Kerio Valley Development Authority	Construction of a Dam, generation of 80MW hydro power, irrigation of 5,000 Acres
26	Munyu Multipurpose and Greater Kibwezi irrigation	Tana & Athi Water Rivers Development Authority	Construction of a Dam with 625 mil cm <sup>3</sup> , 40MW hydro power generation, 13,000Ha irrigation and water supply.
27	Magwagwa Multipurpose dam	Lake Basin Development Authority	Construction of a dam, installation of 120MW hydro-plant, development of 15,000Ha of irrigated land
28	Mwache Multipurpose dam	Coastal Development Authority	Construction of a dam with capacity of 209million m <sup>3</sup> , supply of 190,000 of m <sup>3</sup> of domestic water/day and irrigation of 5,050Ha
29	Tana delta irrigation	Tana & Athi Water Rivers Development Authority	Expansion of irrigation scheme from 1,763Ha to 5,000Ha to produce 24,000 Metric tons of rice/annum
30	Tana delta irrigation sugar project	Tana & Athi Water Rivers Development Authority	Development of 20Ha of sugar fields and construction of 10,000 capacity sugar processing plant and installation of a 34MW cogeneration power plant and installation of ethanol plant with capacity of 75,000lts/day
31	Turkwel downstream irrigation	Kerio Valley Development Authority	Development of 3,215Ha of land for irrigation
32	National Data Centre	Ministry of Information Communications and Technology	Development of a 4 tier data center
33	ICT Services at Kenyatta National Hospital (KNH)	Ministry of Health	Development of ICT platform with several modules to manage hospital services including financial, procurement, drug supply, record management, patient management etc.
34	Multi Storey Terminal at Likoni	Kenya Ferry Services Limited	Multi storey car park on 1.6Ha in Mombasa
35	Oxygen Plant	Ministry of Health	The Project is for Improvement of Medical Oxygen Supply involves supply, installation, commissioning, operation, maintenance and transfer of 22 oxygen generating plants in 11 hospitals
36	Development and Management of Inflight Catering Kitchen at JKIA	Kenya Airports Authority (KAA)	The project objective is to have a 2nd In-flight Kitchen operator to increase competition into the industry leading to improved service delivery and quality of service to Kenyan airports
37	Development of Marina in Shimoni	Kenya Tourist Development Corporation (KTDC)	The concept entails a facility located on a water body that provides secure moors, landing place (dock, berths jetties), piers ramps or slips and stores for pleasure (luxury boats) also known as yachts, repairs, refuelling, restaurant etc.
38	PPP Courts for Jomo Kenyatta International Airport (JKIA)	Kenya Airports Authority (KAA)	This will involve construction of a Food Court at JKIA.
39	National Land Information Management and National Spatial Data Base	Kenya ICT Board/ Ministry of Land, Housing and Urban Development	Involves installation of a National land Information management system
40	Multi-level Car park Facility in Mombasa	Mombasa County	Construction of a multi storey parking facility at Makandara grounds with a capacity of 5,000 cars
41	Off Shore Jetty	National Oil Corporation of Kenya	Building of an oil jetty by the private sector
42	National Police Housing	Ministry of Interior and Coordination of National Government	Construction of 50,000 units
43	Prison Housing	Ministry of Interior and Coordination of National Government	Construction of 16,000 units
44	Special Economic Zone (SEZ)	Ministry of Industrialization and Enterprise Development	Establishment of an SEZ at Dongo Kundu in Mombasa
45	Kenya Flying School	Kenya Civil Aviation Authority (KCAA)	Establishment of a Flying School through a PPP
46	Development of a First Class Hotel at Bomas of Kenya	Ministry of East Africa Affairs, Commerce and Tourism	Build, Finance and Operate of a First Class hotel on a PPP basis
47	Moi University Students Hostels	Moi University	Development of students hostels to accommodate 7,500 students on a build, operate and transfer PPP basis

The List may be accessed through the PPP Unit's website: [www.pppunit.go.ke](http://www.pppunit.go.ke)

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