

**PROGRESS REPORT FOR THE MINISTRY OF TRANSPORT,
INFRASTRUCTURE, HOUSING, URBAN DEVELOPMENT AND
PUBLIC WORKS**

INTRODUCTION

The Big 4 Agenda prioritizes key basic needs that are critical to uplifting the standard of living of Kenyans and putting the country on the path to becoming an upper middle-income country by 2030. These four basic needs are the need for adequate nutritious food, affordable housing, employment, and the provision of affordable healthcare to all Kenyans. The Big 4 Agenda are thus enumerated as enhancing manufacturing, achieving universal health coverage, food security and nutrition, and increasing the supply of affordable housing.

The Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works has a critical, if not decisive, role to play towards the realization of the Big 4 Agenda. The success of the manufacturing sector is particularly dependent on efficient and reliable infrastructure that would facilitate low-cost production, and transportation and distribution of manufactured goods. For Kenyan manufacturers to thrive in an open and global economy, they must be able to reliably produce world-class products at a competitive cost. To facilitate this, the government of Kenya continues to invest in high quality infrastructure and to implement transport policies aimed at enhancing efficiency and reducing the cost of doing business.

Cognizant of its enabling role, the Ministry implements programmes that have high impact on efficient movement of goods and people, reduction of cost of doing business, promotion of national unity and cohesiveness as well as environmental conservation for sustainable development.

To further maximize the contribution of the Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works in economic development of the country, the Government has in the recent past invested heavily and initiated various projects and programmes that are discussed in the sections that follow:

PROGRESS REPORT FOR THE STATE DEPARTMENT FOR TRANSPORT

MAJOR PROGRAMS/ ACTIVITIES GEARED TOWARDS IMPROVING TRANSPORT SERVICES

1.0 RAILWAY SUBSECTOR

The following are the projects that have been/are being implemented by the State Department of Transport in 2019/20 Financial Year.

Project/ Program/ Activity	Description of the Project	Status	Achievement/Impact
Mombasa- Nairobi SGR Phase 1	Construction of the SGR lines and associated facilities	<i>Commissioned of Madaraka Express</i> - on 31 st May, 2017 and is fully operation between Nairobi and Mombasa	<ul style="list-style-type: none"> • A total of 3.85 million passengers transported since commissioning. • No. of passengers moved from 1st January, 2019 to 9th December, 2019 is 1.5 million.
	Acquisition of rolling stock for the Phase 1		
Revamped Kisumu Port & Wagon Ferry	Rehabilitation and operationalization of Kisumu Port by refurbishing MV-Uhuru, tag boat (MV-Peeda), link-span,	Ready to be commissioned.	Revitalization of inland water transport on Lake Victoria

	5.5KM MGR from the Port-National Cereals and Produce Board (NCPB), 1.7Km MGR from NCPB - KPC		
Nairobi-Naivasha SGR Passenger Services	Construction of the SGR lines and associated facilities	Commissioned on 16 th October, 2019 and operational	Provision of 4-6 trips of commuter train services between Ngong and City Centre and also two (2) trips of passenger train services between City Centre and Suswa A total of 7,824 passengers have been transported so far
Naivasha ICD Yard	Construction of 10 acres of ICD, acquisition of rail siding corridor and construction of 3.8Km rail and acquisition of yard equipment	Construction Ongoing and commissioning set by 31 st December, 2019	Shorten the distance for transit cargo by 120 Km by offering seamless and cost-effective rail transport

2.0 MARITIME SUBSECTOR

Project name	Description of the project	Status	Impact
Second Container Terminal (CT2) Phase 1	The project involves the construction of a new container terminal with 2 berths (20 and 21) Will enhance capacity by an	Complete. Handled 406,545 TEUs in 2018.	<ul style="list-style-type: none"> Improved cargo evacuation and vessel productivity Decongestion – the Second Container Terminal increased the holding capacity of the port for containers. The port is able to hold more containers at once at any given time hence reducing the likelihood of congestion.

	additional 550,000 TEUs per annum		<ul style="list-style-type: none"> • Ship Waiting times - the average ship waiting times for Container vessels have reduced significantly as a result of the extra capacity added by the Second Container terminal project • Larger Ships docking the port – the draught at the second container terminal has led to the Port attracting larger container ships therefore handling more container volumes at a given time. • Created both direct and indirect employment to Kenyans
Lamu Port	<p>The Port will have 32 berths upon completion and draft of -18 meters</p> <p>Phase 1 involves - construction of three berths to handle container, convectional and bulk cargo vessels</p>	<p>The 1st berth has been completed and plans are underway to commission it by January 2020</p> <p>The remaining two berths will be completed in July, 2020</p>	<ul style="list-style-type: none"> • The port is expected to increase cargo volumes coming through Kenya hence increasing revenues • Development of a new transport corridor (LAPSSET) • Increased transshipment business • operationalization of the second Sea Port in Kenya • Creation of employment, direct and indirect
Green Port Policy Initiatives (Removal of asbestos sheets, Eco terracing, tree planting)	Stipulates ways in which the Authority can minimize/mitigate negative impact of climate change and environmental risks in its operations and enhance the climate change	Ongoing	Minimized the negative impacts of climate change

	and environmental opportunities in its future work.		
Purchase of Eco Hoppers	This project involved purchasing and installing the equipment which is mainly used for the unloading and loading of bulk cargoes.	Eco Hoppers delivered and stationed at the Conventional Cargo Operation area	<ul style="list-style-type: none"> • Safe and secure and effective operations at the Conventional cargo yards • Minimized escape of fugitive dust hence improving the air quality within the port and its surrounding.
Shimoni Port	The project will involve construction of a fishing Port through a Public Private Partnership (PPP) arrangement.		<ul style="list-style-type: none"> • At completion there is envisioned Industrial growth and production, as well as increased employment opportunities
Rehabilitation and expansion of Inland Container Depot Nairobi	The project involved the expansion of ICDN yard capacity from 180,000 TEUs to 500,000 TEUs per year, Installation of state-of-the-art equipment and linking to the SGR line	Complete	<ul style="list-style-type: none"> • ICDN relieves congestion at the port of Mombasa therefore faster cargo evacuation hence reduced container vessel turnaround time. • Reduced transport charges for hinterland cargo including the transit countries • Reduced transit time for cargo • Creation of both direct and indirect employment.
Gates expansion to enhance cargo	The project involved expanding KPA	Complete	<ul style="list-style-type: none"> • Faster evacuation of cargo from the port • Improved truck turnaround time

evacuation	gates		
Productivity Improvement Plan	Transform the Port into a world class facility, by improving port productivity, enhancing efficiency and reducing operation costs	Complete and implementation ongoing	<ul style="list-style-type: none"> • Reduced cost of doing business – lowered costs associated with delays and inefficiencies • Ease of trade across borders – Single platform for lodgement of documents; faster border clearance • Facilitation of more Imports and Exports to and from the Region • Faster clearance and release of cargo
Rehabilitation of Existing facilities at current Kisumu Port	The project will entail improved physical infrastructure of Kisumu Port and other Lake Victoria ports, targeting services to EAC countries	Phase I of revamping of existing facilities has been completed. Phase II to follow	<ul style="list-style-type: none"> • The project is expected to facilitate the efficient and safe movement of goods and people through the port of Kisumu to serve both the local and regional East African market.
Cruise Terminal	Involves remodelling of the current facilities at berth 1 and 2 into a modern Cruise Terminal for handling of cruise ships.	Project progress is at 95%	<ul style="list-style-type: none"> • The facility is expected to provide a seamless arrival and departure of cruise tourist thereby increasing the number of cruise tourist received in the country
Re-location of KOT	Involves relocation from current location (between berths 19, 20 and 21) to make it possible to accommodate a	Construction progress at 38.13%	The new KOT will lead to increased efficiency in port operations, improved ship turnaround time and strategic placement for increased bulk oil trade in Kenya and the East Africa region

	bigger vessel of up to 200,000 Deadweight ton		
Dongo Kundu SEZ	Project involves the construction of first berth at proposed Dongo Kundu SEZ	Feasibility Study by JICA has been completed. Credit was signed on 5 th December 2019 for the construction of 1 Berth	The construction works for the first berth (DK1) will catalyze development of SEZ and facilitate industrialization and trade, it is expected to commence by 2021

3.0 FERRY SERVICES

Project Name	Description	Status	Impact
Acquisition of new ferries	Purchase of 2No. New Passenger/ Vehicular Ferries	1No Vessel MV Jambo delivered and in service 1No. Vessel MV Safari (90% completion rate) is expected to be delivered by 31/1/2020.	The MV Jambo has greatly improved ferry turnaround time since it has bigger deck capacity and has provision for the sick and elderly passengers The existing ageing fleet shall be replaced by modern and efficient vessels.
Ferries, Jetties & Ramps	Rehabilitation works	Ongoing	Improved safety
Maintenance of ferries	Ferry dry docking Purchase of engines and generators	MV Jambo currently at dry-dock Engines and Generators ordered	Increased lifeline/useful economic life of ferry vessel by two years hence seaworthiness license and marine class

Island Waiting Bays/ Approaches	Rehabilitation of the waiting bays/approaches	Rehabilitation works on going	Safe, secure and comfortable passenger holding bays
Ferry maintenance and equipment Workshop	Construction of Ferry Maintenance Workshop and acquisition of equipment	Ongoing	Ability to undertake both corrective and preventive maintenance in a safe environment that complies with OSHA Act. Further, major repairs can be undertaken thereby cutting down on outsourced costs
Likoni Cable Express	Construction of the cable car facilities		Shall provide alternative and permanent crossing to access Mombasa Island and South Coast. A tourist attraction

4.0 AVIATION SUBSECTOR

KAA currently manages 19 aerodromes:

- a) 5 International Airports- JKIA-Nairobi, Moi, Eldoret, Kisumu and Isiolo;
- b) 4 Domestic Airports- Wilson, Malindi, Lokichoggio and Wajir; and
- c) 10 Airstrips- Ukunda, Manda, Kitale, Garissa, Lodwar, Kakamega, Eldoret, Nanyuki, Suneka and Kabunde.

Operational and Financial Performance July- September 2019

Operational	July-September 2018	July-September 2019	Remarks
Flights (No)	87,640	85,486	Decline in Wilson Training flights
Passengers (No)	3,263,513	3,413,973	
Cargo (Kg)	87,139,760	106,255,332	

STATUS OF MAJOR ONGOING PROJECTS

PROJECT DETAILS	Description	STATUS	Impact
JKIA Retail Plan	Re-organise terminals 1B & 1C to centralise secondary security screening	Detailed design and tender documentation Completion date expected by June 2020	Enhanced passenger experience and retail value Increase seating capacity & retail space for overall enhanced passenger experience and retail value.
Pavements Rehabilitation, MIA	Improve the pavement quality and capacity for reliable operations	Construction works on-going Completion date expected by May 2020	Passenger safety and comfort
Wilson Airport Expansion	Develop terminal facility and expand airside capacity	Awaiting National Airport System Plan	Improved passenger experience Decongest the airport for security and safety
Suneka Airstrip	Develop pavement for serviceability	Contractor mobilizing to commence work in Jan 2020 Expected completion in 18 months	Increased connectivity by air
Kabunde	Land acquisition for facility	On-going with the assistance of National Lands	Increased connectivity by air

PROJECT DETAILS	Description	STATUS	Impact
Airstrip	expansion	Commission	
Kakamega Airstrip	Pavement rehabilitation for serviceability	Contract awarded Dec. 2019 Expected completion in 15 months	Increased connectivity by air
Migori Airstrip	Runway rehabilitation and fencing for serviceability	Contract awarded Dec. 2019 Expected completion in 12 months	Increased connectivity by air
Kitale Airstrip	Pavement rehabilitation and security fencing for serviceability	Due diligence for contract award Expected completion in 18 months	Increased connectivity by air
Manda Airstrip	Reconstruction of taxiway and apron for serviceability	Contract awarded Expected completion in 20 weeks	Increased connectivity by air
Lokichoggio	Runway strengthening for serviceability	Tender closing on 13/12/19 Expected completion in 18 months	Increased connectivity by air
Nanyuki	Upgrade of pavement to bitumen standard	Due diligence for contract award Expected completion in 12 months	Increased connectivity by air
Lanet Airport	Pavement works for serviceability	Detailed design and EIA	Increased connectivity by air

4.1 Aviation Business Challenges and Proposed Interventions

Challenges	Indicative Interventions
Inadequate airport infrastructure	Rehabilitation and expansion of aerodrome facilities
Default by KQ to pay for services rendered	Pursuing the issue with the Board of KQ
Encroachment of airport land	a) Working with National Lands Commission on recovery b) Acquisition of titles and fencing
Competition for Hub Traffic	Improving JKIA facilities and service standards as well as pursuing cost leadership
Weak intermodal link	Need to develop an efficient public transport to link JKIA with other modes of transport to reduce congestion into and out of the JKIA
Safety with respect to threat of terrorism	Huge cost of securing the aviation installation from terrorism Capacity building in terms of facility, human resource and intelligence
Lack of policy on development and management aerodromes	Finalize the review the existing aviation policy - draft policy ready for stakeholder input

5.0 Aviation Traffic

The industry experienced growth in traffic as shown below:

	Type of Traffic	2017/18	2018/19	% Change
1	Passenger (mn)	12.07	11.02	9.5%
2	Freight (tonnes)	331,328	369,038	11.3%
3	Aircraft Movements	307,844	315,081	2.3%

	Type of Traffic	2017/18	2018/19	% Change
4	Overflights only	55,386	58,278	5.2%

5.1 Aircraft Registration

On average 6 aircraft were registered per month during the last one year to raise the total to 1,548 as at the end of June 2019 from 1,476 in 2017/18. The growth over the period was 5%.

Type of Traffic	2017/18	2018/19	% Change
Total Aircraft registered	1476	1548	5%
New Aircraft Registered	48	87	81.2%
De-Registered Aircraft	12	15	25%

5.2 International Civil Aviation Organisation Air Service Negotiations (ICAN) 2019

The International Civil Aviation Organisation Air Service Negotiations (ICAN) 2019 was held in Aqaba, Jordan from 2nd - 6th December 2019 in Nairobi. The event was attended by participants from all over the World and Kenya managed to negotiate about 22 Bilateral Air Service Agreements (BASA's) for opening up of new international destinations and markets.

5.3 Improvements on Safety and Aviation Security

a. International Audits - ICAO Safety Compliance

- i. KCAA is expected to ensure that international standards in aviation as set out by ICAO are maintained by the operators in order to ensure safe operation of aircraft. To monitor this, ICAO conducts periodic audits in States to confirm the level of compliance with international Standards and Recommended Practices.

- ii. During the audit conducted in July 2018, Kenya achieved 78.05%. The results placed Kenya in position seven (7) in Africa in terms of compliance with ICAO requirements
- iii. The Authority is currently implementing Corrective Action Plans to close the findings of the audit
- iv. The Authority continues to undertake measures to ensure operators comply with safety requirements through increased surveillance. The Authority on 12th November 2019 suspended the operations of *Dash 8 series aircraft operated by Silverstone Airlines after* two incidents happened.
 - o The suspension was lifted on 19th November 2019 after investigations were carried by the Authority. Further, the Authority is implementing a surveillance plan that entails continuous inspection for compliance of air operators.

b. FAA IASA Category I Assessment

- i. Kenya was granted FAA IASA Category I Status in February 2017 and flights to the USA launched in October 2018.
- ii. The Authority has continued to implement measures for the maintenance of the CAT I Status including ensuring adequate inspector capacity, certification of operators and implementation of the regulations.
- iii. KCAA has continued to host FAA sustainability visits to confirm compliance by KCAA of ICAO requirements and those of FAA CAT I status.
- iv. Enhanced compliance level assures Kenya of continued retention of FAA CAT I Status.

c. Improvements in Air Navigation Services

The role of Air Navigation Services is to separate aircraft and ensure expeditious and safe flow of air traffic through

Kenya's airspace and this has been done well with no major incidents attributed to provision of air navigation services.

- i. The ANS facilities are facilitating 850 aircraft movements per day
- ii. The services provided are world class and have been acknowledged for exemplary and safe services to both local and international customers.
- iii. Through continuous investment in new generation equipment, maintenance and calibration of ANS equipment, KCAA has been able to achieve integrity and an overall availability of equipment of 97.9% compared to the international requirement by ICAO of 97%.
- iv. This has translated into improved efficiency in flight movements thereby saving on time, fuel and reduced carbon emissions.
 - (a) Established Air Traffic Services at Ukunda Airport using the Mobile Control Tower from 27th October 2018.

d. Aviation Training - East African School of Aviation (EASA)

- i. The East African School of Aviation is an approved ICAO Regional Training Centre of Excellence (RTCE) in Aviation Training. It was awarded the status in 2017 and is re-assessed every six months.
- ii. The latest assessment was done in December 2018 by ICAO and EASA retained the RTCE Status.
- iii. Trains student from East and Southern Africa.
- iv. During 2018/19, EASA trained 2,362 students compared to 1,452 students trained during 2015/16.

6.0 Transport Sector Contribution to the Economy

- i. Expansion of air transport has opened interior parts of the country to increased number of tourists visits
- ii. Reduced cost of transportation of passengers, goods and services within and without the country
- iii. Expanded employment opportunities for the Kenyans

**KEY ACHIEVEMENTS IN THE STATE DEPARTMENT FOR
INFRASTRUCTURE**

1.0 Introduction.

Infrastructure (Roads) development is amongst the key enablers to sustainable socio economic development under the Kenya Vision 2030 and in support of the Big Four' Agenda initiatives. Investments in infrastructure has been proven as a development catalyst in that the investments in infrastructure not only creates the foundations for a nation's development but the investment also generates multiple wealth in other sectors of the economy. In addition, money spent on construction materials, wages, and production of other raw materials helps industries grow faster through facilitating increased productivity and competitiveness.

1.1 Infrastructure Third Medium Term Plan (2018-2022)

During the third phase of the MTP III (2018-2022) of the Kenya Vision 2030, the Ministry targets to construct over 10,000 km of new bitumen roads. Of these, 2500 km will be through the conventional approach (Upgrading of High Trafficked Roads to bitumen standards) while 7500 km will be delivered through the Low Volume Sealed Roads Programme (LVSR).

Under the MTP III, an estimated Kshs 1.2 Trillion is required to finance the development and maintenance of roads. Of these, only Kshs.896 billion is available under the MTEF Budget period (2018-2022). To meet the financing gap, alternative financing mechanism such as public private partnerships and infrastructure bonds are being explored in order to finance the expansion and maintenance of the road network in the country.

2.0 Measures within our mandate that have consolidated and strengthened national sovereignty, unity and cohesion

In order to ensure that the national resources are equitably distributed as stipulated in the constitution of Kenya, 2010 and the Annual Presidential report on National Cohesion and Values, the sub sector has continued the allocation of the Road Maintenance Fuel Levy Fund to all the 290 constituencies through the Kenya Roads Board. The counties have continued to receive annual conditional grants of Kshs.8.9

billion (15% of RMLF) from the Kenya Roads Board to fund maintenance of roads. This has facilitated development and maintenance of roads across the country.

In order to realign the Roads Subsector to the Kenya Constitution 2010, the Ministry has prepared and submitted to the National Assembly, the Kenya Roads Bill, 2016 for enactment. The bill once enacted will provide a clear delineation between the National and County roads and provide an institutional framework for management of the road network under the devolved system. The sub sector has also continued the devolvement of the Road Maintenance Fuel Levy Fund to all the constituencies through Kenya Rural Roads Authority (KeRRA) to facilitate development and maintenance of roads across the country.

In particular, development of roads through the Roads 10,000 programme has opened the productive areas lessening the travel time, reduction of transport costs and increasing access to market centers.

3.0 Seminal programmes and policies that have, or shall within short term have significant tangible impacts on Kenya's development and prosperity

3.1 Progress of Construction and Maintenance of Roads

Over the last six years of Jubilee Administration, over 4,000km of new roads have been completed through reconstruction and rehabilitation. During the 2018/19 FY over 1200km of roads have been constructed to bitumen standards. During the same period, over 200,000km of roads have been maintained through periodic maintenance and routine maintenance through financing under the Roads Maintenance Levy Fund (RMLF).

During the 2018/2019 FY, a total of 2100km of national roads were upgraded to bitumen standards while 41,000km of national roads were maintained.

During the 2019/20 FY, a total of 1955km of road are targeted for upgrading to bitumen standards through the High Traffic Roads (730km) and the Low Volume Seal Roads Programme (1225km). On maintenance a total of 32,000km of roads are targeted for improvement through periodic and routine maintenance.

3.2 Financing of Roads Construction and Maintenance

It is currently estimated that Kshs.400 billion is required to finance backlog maintenance of roads. In addition, Kshs.100 billion is required annually to maintain the national roads network. Under development budget, there is annual funding shortfall of Kshs.300 billion under the MTEF Budget. To date, over Kshs.89 billion is required to clear outstanding pending bills owed to contractors.

To address the financing gap, the Government has approved amendments to the Kenya Roads Board Act to enable the Board raise additional roads development and maintenance funds requirements (Kshs.800 billion) through bonds issuance in the next five years. The additional funds raised will address the funding gap in the sector.

3.3 Ongoing Roads Programs/Projects Under Implementation

i. Roads 10,000 Programme (Low Volume Seal Roads (LVSR))

The Roads 1000 Programme a key flagship project under the Jubilee administration aims at opening up rural Kenya through increased accessibility thus boosting socio-economic activities, security and integration between and among Counties. The project is milestone based and ensures that contractors deliver at least 10% of completed contracted road length before payment is made. The Programme comprises two components namely: Construction and Performance Based Maintenance Contracts embedded into one.

Under the Roads 10,000 Programme, over 6,255.4km have contracted and at various stages of upgrading to bitumen standard at a cost of Kshs.283 billion. A further 465km are under adjudication before award costing Kshs.19 billion.

To date a total of 2700km of rural roads have been upgraded to bitumen standards under the project. So far, 42 counties have been covered under the Programme (except Lamu, Mandera, Nairobi, Samburu and Taita Taveta). The completed sections of roads have contributed to reduction of travel and transport costs in the rural areas

thereby enhancing delivery of social services and enhancing the incomes of the people along the project areas.

ii. East Africa Road Network Project (EARNP)

Through this project, efficiency and reliability of transport and logistics services is improved along the key corridors amongst the East African countries hence trade and investment facilitation. Over 200km of regional roads in Kenya are targeted for improvement through construction/rehabilitation. They include the recently completed construction of Mwatate-Taveta road (90km) and the planned construction of Kitale-Endebess - Suam road project (45km). The completion of construction of Mwatate-Taveta road has led to reduced travel and transport costs along the road section as well as boosted cross border trade between the Kenya and Tanzania.

iii. Kenya Transport Sector Support Project (KTSSP)

This project is a development financing initiative between the Government of Kenya (GOK) and World Bank International Development Association (IDA). The objectives of the project are to: increase the efficiency of road transport along the Northern Corridor and the Tanzania-Kenya-Sudan road corridor and the improve the institutional arrangements and capacity in the transport sector. To date, over 300km have been constructed/rehabilitated under the project.

Some of the major completed projects include: Rehabilitation of Bachuma Gate-Maji ya Chumvi road (53km), Kisumu-Kakamega (47km), Webuye- Kitale (58km) and construction of interchanges at (Nakuru/Nyahururu Turn Off, Nakuru/Njoro Turn Off and Mau-Summit /Kericho Turnoff. Travel time along the 219km road stretch, already completed under the project, has reduced by over 40%. In addition, regulatory frameworks for the construction industry, engineering profession and practice, and road safety have been established and improved. Similarly, over 200 graduate

engineers were offered internship opportunities on the road contracts and this has contributed to human capital development.

During this 2019/20 FY the projects targeted for completion includes: Kisumu-Kakamega (46km), Kisumu-Boys Roundabout (AI/BI)– Mamboleo Junction (AI/C34) (4.5 km), Kakamega-Webuye (40km), Athi River-Machakos Turn Off (30km), interchanges at Ahero/Kisii Turn Off, Kericho-Awasi Turn Off, Ahero-Kericho Turn Off.

iv. East Africa Regional Transport, Trade and Development Facilitation Project

This is a development financing initiative between Government of Kenya (GOK) and the World Bank (IDA). It aims to promote and facilitate regional economic integration between Kenya and South Sudan along Lesseru-Nakodok corridor. Over 300km are targeted for improvement through construction/rehabilitation. Some of the commenced projects include the upgrading of Kalobeiyei River –Nadapal (88km), upgrading of Kalobeiyei River-Lokitaung Junction(80km), upgrading of Lokitaung Junction–Lodwar (80km) and upgrading of Lodwar – Loichangamatak (50km) and the construction of Kainuk bridge and the approach roads.

v. National Urban Transport Improvement Project (NUTRIP)

This project is a development financing initiative between Government of Kenya (GoK) and the World Bank. The project aims to improve the efficiency of road transport along the Northern Corridor by enhancing the capacity of the road section from the Jomo Kenyatta International Airport (JKIA) turn off through Westlands to Rironi (26km). It also finances the improvement of the institutional capacity and arrangements in the urban transport sub-sector. The project also entails construction and rehabilitation of non-motorized transport facilities including foot paths, cycle tracks, pedestrian bridges and underpasses. Construction of the road is in progress but faced with funding challenges after cancellation of the World Bank funding by GoK.

vi. Northern Kenya Transport Improvement Project (NETIP)

To enhance the efficiency and effectiveness of the transport sector through increasing the efficiency of road transport by improving the link between Kenya and Somalia as well as Ethiopia. Over 700km of roads are targeted for construction at an estimated cost of Kshs.70 billion along the Isiolo-Kula Mawe-Modogashe-Samatar-Wajir-Kutulo-Elwak-Rhamu road corridor with GOK and World Bank financing (IDA). Detail designs are in progress.

vii. Sirari Corridor Accessibility and Road Safety Improvement Project

The project involves rehabilitation of Isebania-Kisii-Ahero Road which is a development financing initiative between GoK and the African Development Bank (AfDB). The project forms an integral link to the Northern Corridor and is a major transit route for traffic to and from Tanzania, Uganda, Rwanda, Burundi and South Sudan. Construction is ongoing.

viii. Mombasa Port Area Road Development Project (MPARD)

The project aims to decongest Mombasa City and Port of Mombasa by providing an alternative route to South Coast and ease evacuation of cargo from the Mombasa Port. Phase I which involved construction of Dongo Kundu bypass is complete which Phase II which will provide road connectivity to Kwale County is ongoing. The newly constructed bypass has contributed to the decongestion of the port and further contributed to reduced passenger and cargo transportation time along the Northern corridor.

ix. Decongestion of Cities, Urban Areas and Municipalities

This aims at easing congestion, reduce travel time and costs and enhance connectivity in cities, urban areas and municipalities. The following projects are targeted;

- i. Construction of Bypasses
- ii. Construction of Missing Links
- iii. Construction of Non-Motorized Transport Facilities

Some of the major ongoing projects includes: Construction of Eastern Missing Link Roads with EU funding (Kshs.2.5 billion), Rehabilitation and upgrading of Upper Hill Roads Phase II (Kshs.2.2billion), construction of Meru Bypass (Kshs.2.9 billion), Dualling of Ngong Road Phase II (Prestige - Dagoretti Corner) (Kshs.2.4 billion), Dualling of Ngong Road (Dagoreti Corner-Karen Roundabout) (Kshs 1.9 billion), Construction of Upper Hill-Mbagathi Way link Road (Kshs.1.2 billion), Construction of Eastlands Roads Phase II (Kshs.1.1billion), Construction of Kericho Bypass (Ksh.445 million), Construction of Kisii Bypass (Kshs.448 million), Construction of Thika Bypass (Kshs.1.8 billion), Construction of Kangundo Road – Greater Eastern Link Road (Kshs.1.1 billion), Upgrading to bitumen standards of Mandera Town Roads (Kshs.621 million).

In addition, the State Department will oversee ongoing construction of Dongo Kundu Bypass (Phase II) (Mwache-Tsunza-Mteza-Kibundani).

x. Annuity Programme/PPP

During the 2019/20 FY, the State Department will oversee:

- i. Signing of commercial agreement for the construction the Nairobi Expressway (27km) road,
- ii. Construction of 39km on the Ngong-Kiserian-Isinya road and Kajiado-Imaroro road project,
- iii. Signing of financial agreeemnt for the construction of Dagoreti Market-Karen-Bomas-Kiserian-Kona Baridi (32km) and
- iv. Signing of financial agreement for the construction of Nairobi-Nakuru-Mau Summit (175km)

xi. Mechanical and Transport Fund Operations (MTF)

The Mechanical and Transport Fund operates in twenty-six (26 No.) Regions which covers the entire country. The Fund provides equipment for roads construction, rehabilitation and maintenance to small scale contractors who otherwise could not

have participated in roads projects due to the prohibitive costs associated with equipment acquisition.

The hiring of equipment each year generates Kshs.1billion which is utilized in acquiring additional equipment (recapitalization) and for operations. As the equipment are available to all Kenyans and in all Regions, the fact that any Kenyan can access the same and participate in the contracts for road works has improved on unity and cohesiveness of the Kenyan people.

The Mechanical and Transport Fund provides equipment for roads works to the local contractors who are not in a position to own equipment. From January to 31st October, 2019 equipment were hired out to five hundred local contractors. Their participation has been instrumental in opening several kilometers of rural roads which have had a positive impact in the development of the country.

As more local contractors participate in contracts through the MFT equipment, this has led to wealth creation at individual level and collectively contributing to the wealth creation and prosperity for the whole nation.

The MTF equipment are hired out to local contractors and also County Governments have been hiring out the equipment for opening of roads. A well maintained road networks is the biggest enabler for the achievement of the Big Four Agenda namely:

- Food Security
- Affordable Housing
- Manufacturing
- Universal Health Coverage

MTF equipment have been utilized in the following counties and the same are the major milestones:

- Bungoma County - 270km of roads done
- Kisii County - 215km of roads done
- Nyamira County – 150 km of roads done

- Nyandarua County – 560 km of roads done

Meru County has also signed a contract in 2019/20 FY worth Kshs.250 million for rehabilitation and development of 800km of roads in the County.

4.0 Other Milestones Achieved in Implementation of the Big Four Agenda

As an enabler for social-economic development, infrastructure enables the delivery of the Big Four Agenda. This is because development of roads plays a key role in facilitating mobility of the both goods and people to markets, health centres, schools, housing, distribution of food from surplus to deficit areas and transportation of manufactured products among others. On the other hand, improved private investment facilitates creation of job opportunities hence improved standards of lives.

In addition to the above enumerated roads programmes, other programmes such as construction of bypasses in Nairobi and other major cities, urban missing links, regeneration and construction of County Headquarters' roads in all counties, upgrading of access roads to industrial parks e.g. access road to Dongo Kundu Special Economic Zone (Miritini Mwache - Kipevu Link - Kibundani), access roads to commercial and financial hubs are under implementation in this financial year. All these programs are aimed at facilitating achievement of the Big Four Agenda.

5.0 Activities undertaken or supported by the State Department that resonate with the national values of patriotism, civic duty and social service.

The subsector has invested in the construction and maintenance of extensive roads, bridges and drainages. The constructed foot bridges especially around cities/urban centres such as; the ones at Thika road and Mombasa road have continuously improved safety of pedestrians. Along the major corridors the subsector has strived to attain relationship with the communities by assisting in construction of schools and access roads to schools, churches and markets.

To promote environmental sustainability, Environmental Impact and Social Assessment were undertaken before commencement of projects while environment audits are undertaken annually to ascertain the level of compliance with the requirement with regard to environment. Further, trees were planted along the roads to reduce the greenhouse effect and noise pollution of the moving vehicles.

In addition, the subsector has continued its partnership with the communities through the implementation of the Roads 2000 programme to implement activities that contribute towards their economic self-sufficiency. The programme uses labor intensive techniques and directly creates jobs for youths hence raising their standards of living.

Conclusion

In conclusion, the expansion of the paved road network through implementation of the High trafficked (National Roads) and the Low Volume Sealed Roads Programme (Roads 10,000 Programme), construction of bypasses amongst other initiatives has reduced travel time and transport costs for business, boosted trade and investments, opened up the urban and rural productive areas for commercial production at a lower operational cost hence boosting productivity and enhancing market competitiveness for Kenyan products and services.

KEY ACHIEVEMENTS FOR THE STATE DEPARTMENT FOR HOUSING AND URBAN DEVELOPMENT

Milestones in the implementation of the “Big Four” Agenda – Affordable Housing Programme among other mandates of the State Department.

Towards the provision of 500,000 affordable houses, the following achievements have been made;

- a. The National Housing Development Fund has been established to mobilize resources voluntarily from the public through the bomayangu Housing Online

Portal. The portal has registered over 276,000 Kenyans who have expressed the desire to be considered as beneficiaries of the Affordable Housing Programme.

- b. The Kenya Mortgage Refinancing Company (KMRC) is now operational under the National Treasury with the support from World Bank to give the much-needed boost to the affordable housing agenda by providing secure, long-term funding to the mortgage lenders, thereby increasing the availability and affordability of mortgage loans to Kenyans.
- c. 2,170 housing units have been completed; (228 out of 1,370 units in Park Road under affordable housing programme have been completed, 1,230 units for disciplined forces across the country, 462 units in Mavoko for informal settlements residents and 250 units in Kisumu for Civil Servants).
- d. Procurement of strategic partners for the development of 7,870 housing units is ongoing for the following sites: Shauri Moyo A (2,400 units), Shauri Moyo B (2,070 units) and Starehe (3,400 units). The financing arrangement for the development of the housing units is being worked.
- e. The State Department has also issued certificates to Strategic Partners, that will pave way for them to access incentives, allowing them to deliver 100,000 affordable housing units, in Juja, Ruiru, Embakasi, Mavoko and Machakos
- f. 620 housing units for civil servants are under construction in Machakos, Embu and Kiambu.
- g. The upgrading of the informal settlements is ongoing and preparatory works to build 2,690 housing units in Mariguini, South B and 4,435 housing units in Kibera Soweto Zone B are underway.
- h. The State Department has also signed a Development Framework Agreement with a private developer for the construction of 100,000 housing units in Mavoko (This was at the ground-breaking of Habitat Heights where the first 8,888 housing units will be delivered. The event was on 6th December and officiated by H.E. The President)

- i. The State Department has signed MOUs with 26 County Governments on the provision of land for the affordable housing programme
- j. SDHUD continues to work with the Jua Kali sector in the provision of ring-fenced items which includes doors and windows. For the Park Road AHP project, a supply contract of 122 million was awarded to Jua Kali groups of Ngong, Kamkunji and Kariobangi (Ngokamka) for the delivery of doors and windows. Additionally, the soon to be launched three (3) projects of Starehe, Shauri Moyo A and B, would provide additional opportunity for the MSMEs to make a great contribution to AHP. Recently on 21st November 2019, the SDHUD organized a sensitization workshop on AHP for 230 Jua Kali associations whose representation was from all the 47 counties.
- k. The dissemination of the appropriate building materials and technology (ABMT) such as Expanded Polystyrene (EPS) and Interlocking Stabilized Soil Blocks (ISSB) is ongoing particularly in the rural areas as a strategy to lower cost of construction and address the rural housing challenges. 95 ABMT centres have been established across the country and over 10,000 persons trained on the use of interlocking stabilized soil blocks.
- l. 14 Counties have benefited from the Kenya Informal Settlement Improvement Programme by the installation of infrastructure projects that involve the construction of access roads, security lighting, sewer lines, sewer & water connections and sanitation facilities. The department is in the preparation stages for KISIP II which will build on the successes of KISIP I
- m. Strategic markets development is ongoing in Gikomba, Chaka, Daraja Mbili, Githurai, Oyugis Bus Park & Market and Westlands. 16 ESP markets out of an initial number of 79 are earmarked for completion.
- n. The Kenya Urban Support Program (KUSP) which is a World Bank-funded project with a budget of Ksh 30 billion for five years (2018 to 2023). The project development objective is to strengthen urban institutions and infrastructure development in 45 counties (Nairobi and Mombasa excluded)

has disbursed Ksh. 11.4 billion for infrastructure development in the 45 counties and in addition Ksh 1.8 billion has been disbursed to counties as urban institutional capacity development support. The National Government is working closely with the County Governments in the implementation of the KUSP programme.

- o. The Kisumu Urban Project (KUP) that is funded by the World Bank is financing infrastructure development in Kisumu City.
- p. German Development Bank (KfW) has financed the construction of eleven (11) primary and secondary schools in poor urban areas, nine (9) have been completed and remaining two Kaa Chonjo (95% complete) and Khadija (80% complete) in Mombasa are almost complete.
- q. The Nairobi Metropolitan Service Improvement Programme (NaMSIP 2012-2020) that is World Bank-funded with a budget of Ksh 33 billion has financed infrastructure development in the five counties of Nairobi, Kiambu, Machakos, Kajjado and Muranga. Among the key achievements are; modernization of ten railway stations, construction of 71 Kms bitumen road in Machakos, Mitubiri sanitary landfill in Muranga, construction of seven markets, procurement of 14 firefighting equipment, construction of Integrated Urban Water Management, construction of two fire stations in Waithaka and Kangundo Road.
- r. Construction of 500 market Sheds in the Uhuru Business Park - Kisumu is to commence soon to accommodate some of the 10,000 traders who were displaced by the modernization of the Kisumu Port.
- s. The State Department has also paid all its pending bills as at 30th November 2019, save for bills as a result of court arbitrations. It has endeavoured to request National Treasury to facilitate budgets towards settling the amounts prescribed through arbitration.
- t. Status of the budget utilization at the State Department was impacted by the slow release of exchequer funds by National Treasury within the first four months of the Financial Year.

VOTE	APPROVED BUDGET FOR THE FY 2019/2020	EXPENDITURE AS AT 10TH DECEMBER 2019	UTILIZATION AS AT 10TH DECEMBER 2019
DEVELOPMENT	31,968,800,000	4,895,107,249	15.3%
RECURRENT	935,300,000	354,430,756	37.9%

KEY ACHIEVEMENTS FOR THE STATE DEPARTMENT FOR PUBLIC WORKS

The State Department for Public Works is responsible for development and maintenance of Government Buildings and Public Works. The State Department is mandated to provide policy direction and coordinate all matters related to construction, rehabilitation and maintenance of Public Buildings and Other Public Works.

The following are the inputs from the State Department for Public Works in regard to the 2019 Jamhuri Day Presidential Speech;

1. The State Department has overseen construction and completion of One -Stop Border Control Posts at Busia, Malaba, Lungalunga, Isebania and Taveta to ease movement of goods and people which has boosted trade in the East African region,
2. Supervision of construction to completion of Kenya National Spatial Data Infrastructure Complex (KNSDI) at Survey of Kenya,
3. Supervision of construction to completion of National Council for Science, Technology and Innovation office block (NACOSTI) and a hostel at Kabete, Nairobi,

4. Construction of Ocean Resource Centre at Kenya Marine and Fisheries Research Institute in Mombasa,
5. The master plan for the Special Economic Zone set to be put up in Naivasha has been completed,
6. Design and Supervision of County Infrastructure for 5 No. County HQS (Nyandarua, Isiolo, Tana River, Lamu and Tharaka Nithi),
7. Coordination and rehabilitation of 69 health centres countrywide under the Equalization Fund for Ministry of Health,
8. Design and Supervision of a number of public universities which include Pwani, Kibabii, Taita Taveta and Masai Mara
9. The Department supervised construction of 1,370 Affordable housing units out of which of 228 units are complete, including Parkroad Housing Units that have greatly contributed to the achievement of the Big Four Agenda,
10. Construction of 462 housing units under Sustainable Neighbourhood Programme for Department of Housing at Mlolongo,
11. Completion of 3,718 housing units for Police/Prisons out of which 1050 have been completed and in use in Ruiru, Migori, Kamulu, CID & Presidential Escort Camp and GSU Ruiru,
12. Supervision of construction to completion of the Police Forensic Laboratory on Kiambu Road which will greatly assist the National Police Service in fighting crime,

13. Construction of Police Headquarters in Nyamira, Keroka and Nyangusu in Kisii and Nyamira counties,
14. Construction of Kibish Police houses and General Service base camp in Turkana County,
15. Completion of rehabilitation works at Shimoni Fisheries Jetty and the construction of a 200 metre sea wall in Kwale County. The jetty serves about a million residents in South Coast who include fishermen, tourists and traders in the county and neighbouring areas including Pemba Island in Tanzania,
16. A seawall measuring 300 metres has been completed in Ndau, Lamu County. A further 600 metres of the seawall is being constructed. This is meant to protect the residents' land and property against sea wave action. This measure has enhanced trade and tourism in Lamu and Kizingitini Islands.
17. Rehabilitation and construction of four jetties in Lamu namely Mtangawanda, Manda, Terminal jetty and Mokowe jetty. The four jetties will offer safe and efficient accessibility to and out of the sea. The rehabilitation has also included provision of ramps for physically challenged persons. In addition, the jetties have been modernized to provide shades for users and also refreshment areas for boat fueling to reduce pollution of sea waters when fueling in the sea,
18. Construction of footbridges across the country to ease movement and enhance safety of people living near rivers and valleys making it easier for them to access schools, health facilities, market centers and places of worship among other facilities,

19. Footbridges have enabled communities living across rivers to be connected, integrated and promote trade. They have also helped to save lives during heavy rains which cause flooding and wash away,
20. Providing design, documentation and implementation of fish landing sites. This has impacted positively on the fishing, processing and value addition of fish to the fishing communities in the coastal and Lake Victoria region. Reduction of wastage has been witnessed by providing cold rooms.

PROGRESS REPORT FOR THE STATE DEPARTMENT FOR PUBLIC WORKS

A. ACHIEVEMENTS

1. In collaboration with the International Maritime Organization (IMO) championed the process for mainstreaming the maritime sector in Africa into national development plans which process started in a regional workshop that was held in October 2019- Nairobi, under the banner of the United Nations; Sustainable Development Cooperation Framework (Cooperation Framework): A Process to mainstream the Maritime Sector;
2. Undertook the stakeholders' consultative process towards the Establishment of a National Seafarers Wage Council for Kenya;
3. Carried out a series of activities toward operationalization of Bandari Maritime Academy (BMA) which culminated in the - development of Delinking Documents, namely:
 - a) Human resource policy and procedure manual
 - b) Organizational structure and establishment
 - c) Career progression and guidelines.

d) Salary structure

The documents have now been approved by the BMA Board of Directors and are before SC and SCAC for adoption;

4. Initiated the process of development of a national Maritime Education and Training (MET) Policy and in this regard established partnership and collaboration with the International Association of Maritime Universities (with a global membership of 63 maritime training universities worldwide).

5. Co-ordinated the recruitment, mentorship and pre embarkment processing (passport, Visa, medicals, WHO medical requirements, competency training and certification counselling) 431 youths for employment on international cruise ships;

6. Undertook the training of 165 coxswain on basic safety in sea, level 3 for the Shimoni boating community;

7. Initiated, lobbied for and won the Kenyan re-election to the IMO Council;

8. Drafted a national Seafarers' Repatriation Policy and Maritime Education and Training Support Policy were developed; One (1) recruitment and placement service agent was audited and licensed; Two (2) medical practitioners were audited and approved;

9. Instructor Guides and Trainee Manuals were developed, validated and submitted for printing;

10. Enhanced safety compliance campaign were conducted in Busia, Migori, Siaya and Kwale counties with plans underway to extend the exercise to other counties in the subsequent quarters; One hundred and twenty-seven (167) small vessels were inspected;

11. Initiated development of Search and Rescue plan for passenger ships in Kenyan waters which is expected to be ready by 31st December 2019;

12. One hundred and thirty-three (142) eligible foreign ships were inspected out of the 355 vessels calls, which was 40% against the target or 25%; and

13. Draft Agreement with the Lloyds Register for appointment by Kenya as the Recognized Organization (RO) was developed.