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Paper: Implementation of a Multi-Sectoral Programme - Key Lessons Learned from the Northern Corridor Transport Improvement Project (NCTIP)

By

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Background

Implementation period. Implementation of the Northern Corridor Transport Improvement Project (NCTIP) started in 2004 and at closure on December 31, 2015 was the longest running transport project under implementation by the Ministry. The Financing Agreement became effective on September 16, 2004 and was revised in March 2009 with additional financing and finally closed on December 31, 2015.

Project Implementing Entities. There were four Project Implementing Entities (PIEs) namely: State Department of Transport, Kenya National Highway Authority (KeNHA), Kenya Civil Aviation Authority (KCAA) and Kenya Airports Authority (KAA). State Department of Infrastructure coordinated the project.

Original credit (2004):	US$ 207 million
Additional credit (2009):	US$ 253million
Total credit:	US$ 460 million
Effectiveness date:	Sept. 16, 2004
Closure date:	Dec. 31, 2015

The government has put in substantial resources as counterpart funding, running to about 35% of the total cost of the project (about US$ 250 million).

Project Development Objectives (PDOs)

The revised PDOs were to: (i) increase the efficiency of road transport along the Northern Corridor to facilitate trade and regional integration; (ii) enhance aviation safety and security to meet international standards; (iii) promote private sector participation in the management, financing and maintenance of road assets; and (iv) restore vital infrastructure and public assets damaged as a result of the 2007 post-election crisis.

What is significant to note is that while the project was mainly road transport-oriented, the objectives went beyond the traditional design as attested by indicators specifically touching on maritime, aviation and other trade facilitative aspects of transport.

Key Design and Implementation Issues

Project complexity. This project had the longest implementation period, having started in 2004 and closing on December 31, 2015. The project combined three sub-sectors in the transport sector namely (i) roads, (ii) aviation and (iii) maritime. Such a design therefore needed proper planning and commitment by the implementing entities.

Project design flexibility. Although challenging, the approach of an integrated transport project is supported by the government for it has been seen to produce positive results for Kenya.

During the currency of the project, reforms were carried out and some of the institutions established through the project participated in implementation. This could not have been possible were it not for project flexibility.

Following the political crisis that followed the general elections in December 2007, some critical infrastructure and public assets, were damaged. The need to rehabilitate and replace the public assets necessitated revision of the project development objectives (PDO) accordingly. Again, this was made possible due to the project design flexibility.

The revision of PDOs and Additional Financing necessitated extension of the implementation period. The 11-year duration was also partly due to other exogenous factors e.g. ongoing sector reforms as well as the election violence of 2007/08 which temporarily slowed down progress.

Key Project Achievements

The key achievements are listed below:

(i) *Roads sub-sector*

Roads completed. 392km of roads were rehabilitated/upgraded along the Northern Corridor between Mombasa and Kisumu.

Long term performance-based road maintenance contract. The concept of performance based contract was new to Kenya. KeNHA sensitized consultants and contractors on long term performance based road maintenance contract through workshops. The concept has been accepted in Kenya and maintenance of newly constructed roads are to be under the performance based contract, e.g. Thika Road.

Currently there are 12 long-term performance-based contracts awarded and under implementation. This way, private sector participation in road construction, maintenance and management is enhanced.

Road safety. The facilities constructed alongside the roads have greatly enhanced road safety. These include footbridges, e.g. at Mlolongo, wide shoulders (1.5-2.0m), service lanes within build up areas and street lighting. Other facilities were construction of proper bus and truck stops at key selected locations.

The number of fatalities related to road accidents in 2015 was 3,057, about 3% less compared to the 2008 figures. Further, fatalities per 100,000 have been improved from 8.31 in 2008 to 6.4 in 2015.

Feasibility Studies: The design of the project was futuristic, allowing for design of roads to be considered for implementation in the future. This was aimed at reducing lead time to project implementation for the designed road sections.

All the feasibility and detailed engineering design studies on selected road sections were completed as follows: (i) three sections on the Kenya-South Sudan road which are now under the Bank financed EATTEDP, (ii) Kibwezi-Kitui-Mwingi-Maua-Isiolo, (iii) Narok-

Northern Lakeside Tanzania, and (iv) Mombasa Southern Bypass whose implementation is under financing by JICA.

(ii) *Transport Sector Reforms*: The project supported reforms in the transport sector. This included the enactment of Kenya Roads Act, 2007 which set the ground for establishing of the three roads authorities (KeNHA, KURA, and KeRRA). Further, the reforms resulted in the enhancement of Kenya Road Board (KRB), creation of the National Transport Safety Authority (NTSA), National Construction Authority (NCA), and Engineers Board of Kenya (EBK). Consolidation of the transport sector which was previously managed by three Ministries namely, Transport, Roads, and Public Works under the Ministry of Transport and Infrastructure in 2013 has also contributed to the strengthening of the transport sector governance. These initiatives have brought efficiency in the sector.

(iii) *Roadside amenities*. To facilitate socio-economic enhancement, markets were built along the Northern Corridor at Taru and Awasi, three schools at Mlolongo, a community centre at Chepseon, and a lorry park at Nyamasaria. Further, awareness campaigns were carried out for HIV and AIDS Mitigation.

(iv) *Emergency post-election reconstruction and recovery*: Offices have been rehabilitated at Oyugis and Hama Bay (two office blocks) and Kisumu. A new KeNHA regional office block in Kisumu has also been completed.

(v) *Road Disaster Management and Response Unit*: this unit was established under MoTI (Roads Department) and functions as a committee composed of representatives from roads authorities when a disaster occurs.

The Disaster Management and Response Unit works with the National Disaster Operational Centre when there a disaster occurs.

(vi) *Aviation Sub-sector*

JKIA Terminal T1-A Construction. The construction of this new terminal improved capacity by 100% to 5 million per year. The terminal was substantially completed in August 2014.

Parking facilities at JKIA. These were increased, adding a multi-storey parking facility for 1,500 cars and at grade parking for 400 vehicles. The multi-storey parking facility was converted to a temporary arrivals facility following the fire disaster incident at JKIA in August 2013.

Security and safety at JKIA. This was enhanced and the International Aviation Safety Assessment (IASA) Category 1 clearance for KCAA and direct flights to/from United States of America (USA) and United States Transportation Security Administration (TSA) security clearance is expected once the process is completed.

Significant security improvements at JKIA were achieved by completing enhancement of passenger screening. As a result, the ICAO security audit of October 2015, scored JKIA a high of 88, against a cut off of 80% for CAT1 certification.

Kisumu International Airport. The runway was extended from 2.0km to 3.3km and a new terminal building of area 5,400 m^2 was constructed. This upgrade resulted in capacity increase from about 70,000 to 300,000. The facility was opened in 2011.

Structural reform and capacity building of KCAA. Reforms at KCAA are still on-going. The revenues of KCAA have been tripled between 2004 and 2015 which allows KCAA to recruit more inspectors. The number of airworthiness inspectors and flight operations inspectors increased from 3 to 18 and 1 to 16, respectively. These changes will facilitate KCAA obtaining IASA Category 1 in the next audit in 2016.

East African School of Aviation (EASA) enhanced its capacity and is now accredited by ICAO as a regional training center of excellence. Such centers exist in Africa only in South Africa and Kenya and 14 in the rest of the world.

(vii) *Maritime-Sub-sector*

Support to Kenya Maritime Authority. The project supported the establishment of a new maritime administration, KMA which was set up in June 2004 as the semi-autonomous agency in charge of regulatory oversight of the Kenyan maritime industry.

Enhancement of Maritime Training Capacity (Bandari College). Procurement and installation of navigation bridge simulator software and ICT equipment for Bandari College was completed. Bandari College is now one of the four accredited institutions for Maritime Education and Training in Kenya. Kenya is already listed in the white list countries based on proper implementation of 'The International Convention on Standards of Training, Certification and Watchkeeping for Seafarers of 1995'.

Kenya has been re-elected by the Assembly of the International Maritime Organization (IMO), into its 40- Member Council under Category (C) for the 2016-2017 biennium.

Support for Implementation of Maritime Laws: Consultancy services to Draft Rules and Regulations for seven Maritime Laws had resulted in development of regulations to improve the Maritime Sector/Industry; enforcement of the merchant shipping Act; enhanced safety; strengthened the capacity of the Kenya Maritime Authority; and enhanced Marine Environment Protection as well as enhanced revenue generation for Kenya Maritime Authority.

(viii) *Capacity building*. This has been undertaken in all implementing entities across the board. The two levels of capacity building is procurement and installation of IT and other equipment as well as staff training. Training has been undertaken in various institutions on diverse topics and as a result, achievement of project development objectives was realised.

(ix) *M&E*: The consulting division of the University of Nairobi Enterprises and Services (UNES) was awarded the task of Monitoring and Evaluation for the project and has submitted a final draft report.

The choice of a public university to undertake monitoring and evaluation was another unique aspect of the project design. By awarding the assignment to UNES, the then Ministry of Roads and the World Bank intended to enhance the capacity of the University of Nairobi to undertake M&E of such a complex project.

Lessons learned

(i) *Project oversight and coordination*. Efficient coordination and oversight are key to ensuring rapid and effective implementation of projects. By having a working Project Oversight Committee (POC) during implementation, issues requiring follow up were discussed and resolved during quarterly POC meetings.

Although the project was composed of several sub-sectors of transport, all implementing entities agreed that project coordination was smooth. Quarterly project meetings and the project coordinator were identified as the key factors of smooth coordination of this complex project.

(ii) *Financial management - disbursements and counterpart funding*. During project implementation, procurement plans and disbursement projections will need to be strictly adhered to as much as is practically possible. This will help reduce delays. Late release of the exchequer for counterpart funding was seen to be a major drawback to implementation, resulting in delayed payments and accrual of interest.

The project flexibility allowed the World Bank to front load credit funds and for Financial Years 2013/14 and 2014/15 and payment for roads contracts were paid at 100% while the Government made arrangements to get counterpart funds. This enhanced implementation progress.

Slow processing of payments by the MOTI was an issue. This resulted in setting up of Resource Mobilization Sections in the two departments of the Ministry of Transport and Infrastructure to improve capacity and reduce delays.

Good knowledge of World Bank fiduciary and financial procedures was a prerequisite to successful implementation.

(iii) *Design and implementation of large value contracts*. It was noted that by addressing institutional capacity constraints, it is possible to implement expanded project activities effectively. During the preparatory stage of NCTIP, the thinking was rehabilitation but due to wide consultation, the project ended up being an upgrade project. By being futuristic and thinking big, a lot has been accomplished in the sector on completion of the project.

Although challenging, the approach of an integrated transport project is supported by the government and can produce positive results for Kenya.

The NCTIP was implemented in a period which has seen three different governments and also with strong economic development which generated more transport movements than anticipated. The project teams and the World Bank were flexible enough to respond to unexpected situations, modify the activities, and provide emergency support.

(iv) *Promoting good governance and professional integrity in the construction industry*. The project facilitated the establishment of three autonomous roads authorities and other sector institutions. Further, through capacity building within the institutions including training and establishment of systems to oversee the performance and professional conduct of contractors and engineering firms, professional integrity can now be well upheld.

The nationwide road classification study by Kenya Roads Board (KRB) delineated ownership of the road network. Further, transparency and accountability in the provision and maintenance of roads were improved by requiring road agencies to prepare and publish their annual road sector investment programmes.

(v) *Relationship of Project Implementing Entities and the World Bank*. The relationship of the Bank project management team and the implementing entities was key to successful implementation. Having the task Team Leader in the World Bank Country Office made consultation easier and regular. Delays in issuance of the No Objections were kept at a minimum.

(vi) *Co-financing by other development partners*. The project was co-financed by the Nordic Development Fund (NDF), European Investment Bank (EIB) and the Government. By the World Bank taking the lead in project preparation amongst the development partners, coordination was seamless.

Through NCTIP, a number of follow-on projects have been designed and are under implementation. This includes KTSSP, EARTTDFP and NUTRIP.

The NCTIP covers various transport sub-sectors. GoK mentioned the following positive impacts of this multi sub-sector transport project: improved integration of the transport system, and enhanced coordination and inclusiveness of transport sub-sectors.

(vii) *Project design replication*. Designs of future projects can borrow from the lessons learned from NCTIP with good results.