



**INVITATION FOR REQUEST FOR QUALIFICATION FOR:  
ROADS 10,000 PROGRAMME: THE DEVELOPMENT OF 10,000 KMS OF ROADS  
SUPPORTING PRIMARY GROWTH SECTORS THROUGH CONTRACTOR  
FACILITATED FINANCING MECHANISM: NEW LOT 6**

**TENDER NUMBER: KeNHA/1291/2016**

1. The Government of the Republic of Kenya through the Ministry of Transport and Infrastructure represented by Kenya National Highways Authority (KeNHA), being state corporation established under the Kenya Roads Act, 2007 (*hereinafter referred to as the 'the Authority'*) has identified the need to upgrade to paved standards approximately 3,000km of roads under Phase I. These roads are intended to support the primary growth sectors of Commerce, Tourism, Agriculture and Rural Production and Extractive industries.
2. The Authority therefore seek to procure Consortium with the capacity to secure funding for roads development projects supporting the above sectors that have been packaged into "New lot. 6" as shown in the table below:-

**Roads under "New Lot. 6"**

	County	Road Name	Road Class	Km
Lot. 6	Narok	Kilgoris - Lolgorian	B3	30.2
	Bungoma, Trans Nzoia	Turbo -Sikhendu - Endebess Turbo - Sikhendu (C622) -36km Endebes- Sikhendu (C619) – 28km	C622/C619	64.0
	Kakamega	Kakamega (Sichirai) – Ingotse – Namukoye- Nzoia River – Musikoma (Khalaba) Road	C777	43.4
	Siaya	Ugunja - Ukwala – Ruambwa	C776	28.0
	Busia	Ruambwa – Port Victoria (Mabinju)	C672	17.5
	Narok	Kehancha – Lolgorian	B1	25.2
	Teso	Kimaeti – Malakisi - Lwakhakha	C807	25.0
	<b>Total</b>			

3. The Authority now invite Consortia Applications for Qualifications for the above mentioned tender. The Consortia shall have capability in the following areas:
  - i. Financing;
  - ii. Design;
  - iii. Construction;
  - iv. Project management and
  - v. Maintenance.
4. The approach under this programme will be based on the Finance-Design-Build-Maintain

Contract Framework. Further information may be obtained in the Request for Qualifications (RFQ) documents to be obtained from the address listed under paragraph 10 below. The detailed scope of works is contained in the RFQ document and generally it will include the following:

- Upgrading to paved standards of gravel and earth roads
  - Rehabilitation/reconstruction of existing roads
5. The successful Consortium shall be responsible for securing financing from own sources and or approved Banks under a tripartite arrangement between the Government, the approved Banks and a qualified Consortium for the construction and maintenance works for the roads within the lot.
  6. The Government will facilitate the securing of finances from approved Banks or otherwise under the agreement within the Annuity financing framework and the successful Consortium for the lot shall deliver the works based on agreed designs, costs and timelines.
  7. For all roads, construction is expected to be completed within a period of 1 to 2 years from commencement date. This implies that the selected consortium for a lot will have to undertake the works on a lot concurrently in a manner that meets the stated output requirement within the time for completion.
  8. The qualification criteria shall include the following among other requirements contained in the RFQ document:

**(i) Applicant's information**

- a) Copies of Certificates of Registration/Incorporation;
- b) Articles of Association/documents of constitution and registration;
- c) A copy of Consortium Joint Venture (JV) Agreement, or letter of intent to form a Consortium/JV;
- d) For local JV/Consortium Partners, all partners individually shall provide valid:
  - i. VAT Registration
  - ii. Tax compliance certificate
  - iii. Registration by the relevant regulatory Authority
- e) For foreign JVs equivalent of the above shall be required.

**(ii) Historical contract Non-performance:**

The applicants shall list the Non-performing contracts it has had in the last Five years (in Kenya Shillings) while indicating the full details of the employer, reasons for non- performance and whether they have been resolved or still pending. All pending litigations against the lead partner shall in total not represent more than 50% of the lead partner's net worth and shall be treated as resolved against the Consortium.

**(iii) Financial situation:**

- (a) The lead partner in the Consortium shall submit audited accounts in accordance with the international financial reporting standards (IFRS) for the last five (5) years to demonstrate the current soundness of the

applicant's financial position and its prospective long term profitability and capacity to have a cash flow amount of **Kshs. 500 million** equivalent;

- (b) The Consortium shall demonstrate a minimum average annual construction turnover of **Kshs 5.0 billion** equivalent over the last 5 years;

**(iv) Capacity to Mobilize Project Financing**

- (a) The Consortium shall demonstrate its ability to mobilize the required financing by indicating the following:

- Magnitude of financing to be raised by the applicants; and
- Commitment letters/reference from the probable financier of the project;
- Proven experience in organizing this type of financing;
- References/recommendation for firms from lenders or potential financiers

- (b) Acceptability of the loan terms in this programme at tender stage shall include the following information:-

- Terms of financing (Concessional or commercial loan);
- Interest rates;
- Grace and payment period; and
- Any other requirements of the potential financier.

**(v) Contractor's Strategy for Supporting Economic Growth**

The Contractor shall provide the proposed strategy to support Government of Kenya's aspirations of stimulating economic growth through job creation resulting from investment in large scale infrastructure projects. The strategy shall be examined to ascertain the following:

- Proposed interaction with local contractors;
- Percentage of locals (skilled and others) to be employed on the project; and
- Inputs to be procured locally;
- Affirmative action especially for youth, women and persons living with disabilities;
- Any other proposal considered critical for stimulating economic growth.

**(vi) Consortium's Experience**

a) Experience under carrying out feasibility study, environmental and social impact study and detailed engineering design and construction of roads to paved standards.

b) Experience under construction contracts in the role of contractor, subcontractor or management contractor for at least five (5) years prior to the application submission deadline and with activity in at least nine (9) months in each year;

c) Any one partner must have participated as a Contract or, management contractor or subcontractor in at least one (1) contract within the last five (5) years, with a value of **Kshs 5.0 billion** or equivalent that have been successfully and substantially completed;

- d) Any one Engineering Design/Supervision partner in the Consortium must have undertaken a detailed engineering design and construction supervision of at least 50km within the last ten (10) years;

Evidence for the stated experience shall be completion certificate or any other acceptable form detailing the contract, date of award, date of completion, amount of contract, role played by applicant, scope of works (including physical size, complexity and methodology/technology used) as well as full details of the Employer.

9. The short listing of firms for the works under this invitation will be conducted in accordance with the procurement procedures contained in the Government of Kenya's Public Private Partnerships Act, 2013.
10. Interested eligible applicants may obtain further information from the procurement unit at the addresses below during office hours from 0900 to 1600 hours (Local time) on working days.

**The Procurement Manager,  
Kenya National Highways Authority,  
Blue Shield Towers, First Floor, Hospital Road, Upper Hill,  
P. O. Box 49712-00100,  
NAIROBI, KENYA  
Email: [dg@Kenha.co.ke](mailto:dg@Kenha.co.ke)  
Website: [www.kenha.co.ke](http://www.kenha.co.ke)**

11. A soft copy of the RFQ Document can be accessed from [www.kenha.co.ke](http://www.kenha.co.ke)
12. One (1) original and two (2) copies of Application for short listing in sealed envelopes should be addressed to:

**Secretary/Tender Committee,  
Kenya National Highways Authority,  
Blue Shield Towers, First Floor, Hospital Road, Upper Hill,  
P. O. Box 49712-00100,  
NAIROBI, KENYA**

and delivered to the same address by 1200 hours (Local time) on or before Friday, 29<sup>th</sup> July, 2016 and the envelopes must be clearly marked, **“APPLICATION FOR QUALIFICATION FOR THE DEVELOPMENT OF 10,000 KMS OF ROADS SUPPORTING PRIMARY GROWTH SECTORS THROUGH CONTRACTOR FACILITATED FINANCING MECHANISM TENDER NUMBER: KeNHA/1291/2016 ”**

13. Applications shall be opened immediately after the deadline in the presence of Applicants who choose to attend. Late applications will be rejected.