



REPUBLIC OF KENYA



Kenya National
Highways Authority

ANNUAL REPORT

AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30TH JUNE, 2025



Eldoret - Timboroa



VISION

A Quality National Trunk Road Network to all for prosperity



MISSION

To develop and manage resilient, safe, and adequate National Trunk Roads for sustainable development through innovation and optimal utilization of resources.



MANDATE

Management, development, rehabilitation and maintenance of national trunk roads.



CORE VALUES

- Accountability
- Sustainability
- Innovation
- Teamwork

KeNHA ROAD NETWORK



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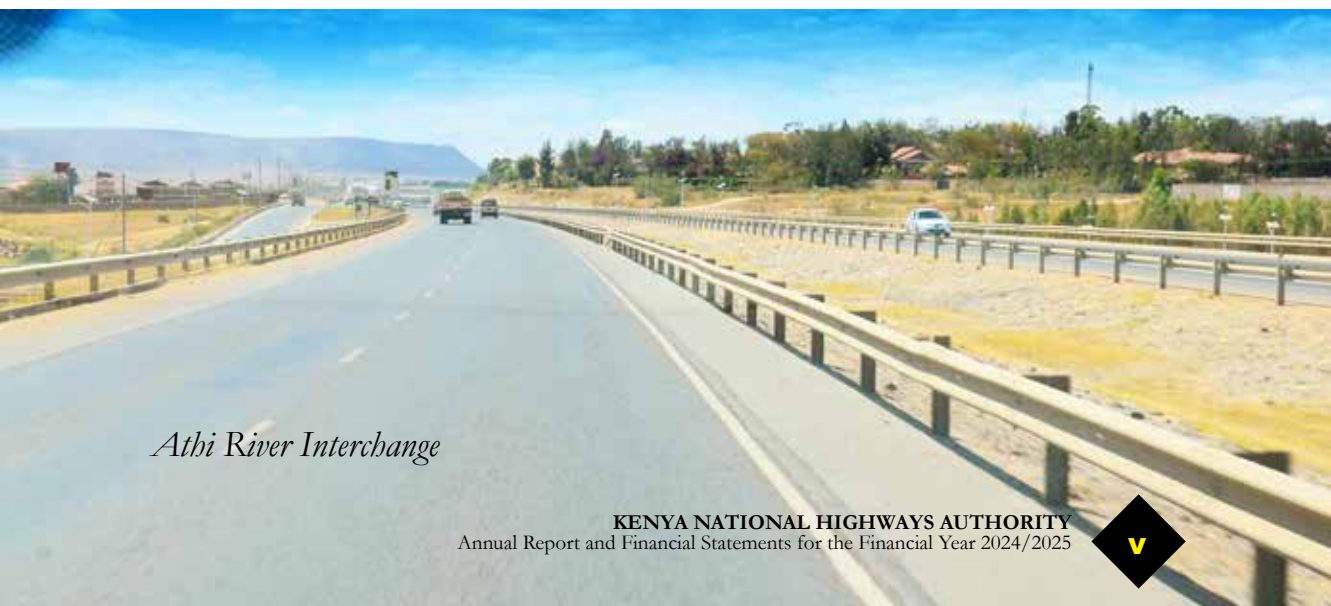
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Athi River Interchange





Kisii - Abero



CHAIRPERSON STATEMENT



Ms. Winfrida Wanjiku Ngumi

74% of the two-year initiatives in the Strategic Plan implemented.

71% Achievement in Planning and Development.

70% Achievement in Road Asset Management.

85% Achievement in Effectiveness and Efficiency.

75% Achievement in Sustainability.

67% Achievement in institutional Capacity.



By integrating fibre-optic infrastructure, enhancing access to markets and health facilities, and empowering local contractors, KeNHA continues to unlock investment opportunities, reduce travel time and operational costs, and create employment across the country and these efforts are central to realising Vision 2030 and building a more connected, productive, and equitable Kenya.

Dear Stakeholders,

I am delighted to present the KeNHA Annual Report and Financial Statements for the year ended 30th June 2025. This is, in fact, the second annual report issued under the Authority's Fourth Generation Strategic Plan 2023–2027, framed within the Fourth Medium Term Plan of Vision 2030. The Strategic Plan focuses on improving mobility and connecting highways to ports, cities, towns, institutions, industries, and other modes of transport to support socio-economic development.

This year, we have witnessed a remarkable level of synergy, partnerships, and commitment from our stakeholders. Their dedication has been instrumental in achieving the Authority's strategic goals to enhance road infrastructure in Kenya. I am pleased to report that we successfully implemented 74% of the two-year initiatives in the Strategic Plan, with significant achievements across the key result areas of Planning and Development (71%), Road Asset Management (70%), Effectiveness and Efficiency (85%), Sustainability (75%), and Institutional Capacity (67%). This success is a testament to the invaluable contributions of our stakeholders.

Providing a robust, safe, and resilient road network has remained a major priority for the Government, as it is a key enabler of the realisation of Vision 2030 and the Bottom-up Economic Transformation Agenda. The Authority has significantly increased its investment in constructing new roads and maintaining existing highways. This has led to a substantial reduction in costs for road users and



Providing a robust, safe, and resilient road network has remained a major priority for the Government, as it is a key enabler of the realisation of Vision 2030 and the Bottom-up Economic Transformation Agenda.

travel time, making the business environment more attractive for those using the road transportation system.

The interventions implemented by the Authority, including the construction of the Mau Mau Roads, Kenol–Sagana–Marua, and Kitale–Endebess–Suam roads, which grid agriculturally productive areas, will support the Bottom-up Economic Transformation Agenda. These projects, which the Authority has spearheaded, have opened up access to large tea, coffee, sugarcane, avocado, and horticultural zones in the country, including Chemelil, Muhoroni, Kerio Valley, Garissa, Isiolo, and Marsabit. The resulting infrastructure improvements have minimised postharvest losses, reduced transport costs, and increased producers’ market access, contributing significantly to the economic transformation agenda.

The Authority has historically and significantly contributed to housing and settlement initiatives. By providing access roads to housing areas like the Vipingo Ridge estate via Mtwapa - Kwa Kadzengo - Kilifi Road, access to Tatu City via Uplands - Githunguri road, and through the Nairobi Western Bypass, Kenol – Sagana - Marua Road, and Athi River - Machakos Road, the Authority has enhanced access to housing and settlement areas, especially in peri-urban areas. These projects have also sustained important linkages back to county headquarters, both to promote affordable housing through BETA and to provide reassurance and security to our stakeholders.

The Authority has strengthened its commitment by contributing to and enabling Universal Health, by constructing and improving access links across its areas, and by supporting the effective transport of patients, medical supplies, equipment, and personnel to areas that have traditionally been isolated. As part of its corporate social responsibility, the Authority is constructing a post-crash care facility along the Kenol –Sagana-Marua route, which should enhance emergency response services and ultimately save the lives of motorists who have sustained life-threatening traumatic injuries.

Furthermore, the development and management of a network of National Trunk Roads has generally benefited micro, small, and medium enterprises (MSMEs) by reducing transportation costs and travel time, and unlocking new development opportunities enabled by road infrastructure. Noteworthy developments included the Mwache–Tsunza–Mteza (Dongo Kundu bypass), access roads to the Dongo Kundu Special Economic Zone, Isebania–Kisii–Ahero, Lokichar–Lodwar–Nadapal,



As part of our commitment to the Digital Superhighway and Creative Economy, the Authority commenced civil works for the installation of fibre-optic cables from Isiolo to Samatar under the Horn of Africa Gateway Development Project (HoAGDP).

and Kitale–Endebess-Suam. The Authority also constructed markets in Migori and Kitale and improved connectivity through roads, including James Gichuru-Rironi, Kwa Jomvu-Mariakani, and Mombasa–Mtwapa-Kilifi, which enhanced MSMEs’ linkages to customers and suppliers.

As part of our commitment to the Digital Superhighway and Creative Economy, the Authority commenced civil works for the installation of fibre-optic cables from Isiolo to Samatar under the Horn of Africa Gateway Development Project (HoAGDP). Fibre ducting was also included in road designs along the Isiolo–Mandera corridor, to enhance and support future deployment of internet connectivity for communities living along the corridor.

As part of the global climate change agenda, we are employing sustainable road construction and management principles. The Authority superseded its two-year target of 200,000 trees planted, planting a total of 279,327 trees across Kaptagat Forest, Mathare Hospital, Mwache mangrove restoration, and other areas in the Lower Eastern and Coast Regions. The Authority also made headway on integrating socioeconomic development. In relation to enhancing road safety along the corridor for transporters and travellers, the Authority implemented 20% of the Roadside Stations (RSS) feasibility study recommendations by holding an RSS investor conference and mapping KeNHA assets for potential optimisation. Furthermore, to enhance the Authority’s commitment to empowering youth, the Authority trained 189 local youths living along the Jomvu–Mariakani Road Project in various technical specialisations. In the

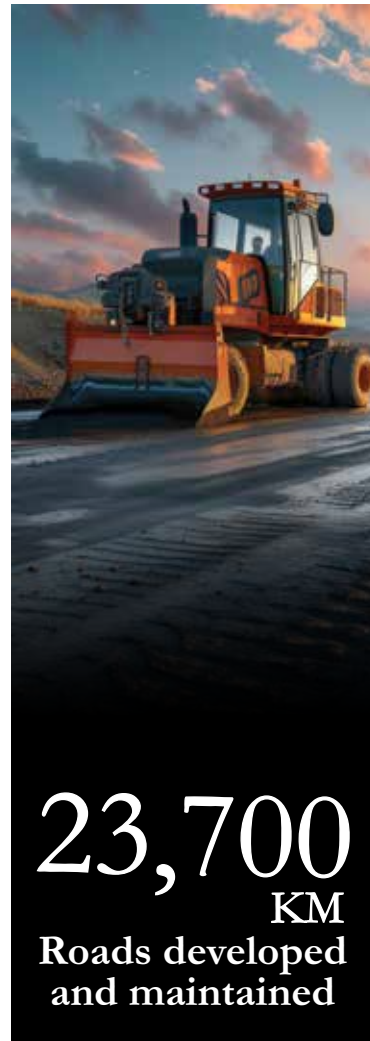


next financial year, the Authority plans to undertake additional training under HoAGDP.

As for Institutional Capacity, the Authority created corporate productivity measures and fully implemented a workplace productivity improvement strategy. The performance management framework was reviewed with implementation planned for FY 2025/2026. We trained 882 people against a two-year target of 1,050, and we exceeded the internship and attachment target, with 762 graduates undertaking an internship or attachment.

In governance, all nine Board members were trained as planned, covering FIDIC contract conditions, Mwongozo Code of Conduct, financial insights and corporate governance. The Board evaluation for FY 2023/2024 has been completed; the evaluation for the FY 2024/2025 Performance Contract is scheduled for Q1 of FY 2025/2026. Two integrity audits were done, and implementation of presidential directives is at 100% with the remaining presidential directives under consideration.

Although the year faced challenges such as inadequate budget allocation, outstanding bills, rising land acquisition costs, and the effects of climate change, we will take proactive measures to mitigate these risks. The Authority continues to face ten key corporate risks that could impact strategic objectives, including contract and project management, budgetary constraints, and road asset management. Notably, pending bills totalling KSh. 73.5B billion, and the suspension of twelve major road projects due to payment delays remains a critical concern. Despite these challenges, mitigation efforts are underway, including enhanced cyber



Through the development and maintenance of over 23,700 km of national roads, the Authority has facilitated inclusive growth, regional integration, and improved service delivery.

security measures, stakeholder engagement, and disaster preparedness planning. The Authority remains committed to strengthening its risk culture and institutional resilience to ensure continuity and effective service delivery.

The Authority's contribution to Kenya's economic transformation remains profound. Through the development and maintenance of over 23,700 km of national roads, the Authority has facilitated inclusive growth, regional integration, and improved service delivery. By integrating fibre-optic infrastructure, enhancing access to markets and health facilities, and empowering local contractors, KeNHA continues to unlock investment opportunities, reduce travel time and operational costs, and create employment across the country. These efforts are central to realising Vision 2030 and building a more connected, productive, and equitable Kenya.

The Board fulfilled its fiduciary duties by ensuring that resources allocated to the Authority were used efficiently and transparently, in compliance with statutory requirements.

I extend my deepest appreciation to the Board of Directors, Management, and staff, all of whom remain committed to delivering the accomplishments achieved during the year. These were all achieved through the support of the Ministry of Roads and Transport, the Government, development partners, the general public, and the guidance and blessings of the Almighty God upon our nation. We also acknowledge your partnership and support.



Ms. Winfrida Wanjiku Ngumi

BOARD OF DIRECTORS



1. **Ms. Winfrida Wanjiku Ngumi** - Rep. Kenya Association of Manufacturers
2. **Mr. Protus Sigei** - Alt. to CS - The National Treasury
3. **Eng. Nicholas Musuni** - Alt. to PS - State Dept. for Infrastructure
4. **FCPA. Julius Waita Mwatu** - Rep. Institute of Certified Public Accountants of Kenya
5. **Mr. John Mose Nyaoko Morte** - Alt. to PS - State Dept. for Transport
6. **Eng. Kennedy Sumbeiywo Kipchirchir** - Rep. Institute of Engineers of Kenya
7. **Dr. Mware Bernard Ouma** - Rep Institute of Higher Learning
8. **Ms. Rosemary Thiong'o Wanjiku** - Rep Law Society of Kenya

BOARD OF DIRECTORS PROFILE

Ms. Ngumi Winfrida Wanjiku – Chairperson



Ms. Ngumi Winfrida Wanjiku, born on 22nd December 1974, is a seasoned professional currently serving as the Chairperson. She holds a Bachelor of Architecture (Honours) degree and brings with her over 20 years of experience in the building, construction, and manufacturing industries. Her extensive expertise is complemented by her active membership in key industry bodies, including the Kenya Association of Manufacturers and the Kenya Private Sector Alliance, where she contributes to shaping policy and promoting industrial growth. Her leadership reflects a deep understanding of both technical and strategic dimensions of the sector.

Mr. Sigei Protus Cheruiyot - Director – Alt. to CS (National Treasury & Planning)



Mr. Protus Cheruiyot Sigei, currently serving as Director and Alternate to the Cabinet Secretary at the National Treasury and Planning, brings a wealth of experience and expertise to public service. Born on 1st December 1965, he holds both a Master of Science and a Bachelor of Arts (Honours) in Economics with Mathematics, reflecting a strong academic foundation in economic policy and quantitative analysis. He is a Graduate of the Australian Institute of Company Directors (GAICD) and a member of the Society for Benefit-Cost Analysis, underscoring his commitment to governance and evidence-based decision-making. With over 23 years of experience in board directorship, Mr. Sigei has played a pivotal role in shaping strategic financial and economic planning initiatives at both national and institutional levels.

**Eng. Musuni Nicholas Mulinge -
Director-Alternate to PS (Roads)**

Eng. Nicholas Mulinge Musuni, currently serving as Director and Alternate to the Principal Secretary in the State Department for Roads, is a seasoned professional with a strong background in civil engineering and infrastructure development. Born on 5th March 1979, he holds a Bachelor of Science in Civil Engineering and has undergone extensive training in leadership, corporate governance, project management, and arbitration. He is a registered Professional Engineer with the Engineers Board of Kenya and an active member of the Institution of Engineers of Kenya (IEK). With 18 years of management experience, Eng. Musuni has played a pivotal role in overseeing strategic road projects and advancing engineering excellence within the public sector.



Mose John Nyaoko Morte

Mr. Mose John Nyaoko Morte, appointed on 14th August 2023, brings over 12 years of management experience to his current role, underpinned by a strong academic background in economics. Born on 2nd January 1980, he holds both a Master of Arts and a Bachelor of Arts in Economics, equipping him with analytical and policy-oriented expertise. He is a member of the Economist Society of Kenya, reflecting his active engagement in professional networks and his thought leadership in the field of economics. His blend of academic training and practical experience positions him as a valuable contributor to strategic planning and economic governance.



FCPA. Mwatu Julius Waita

Mwatu Julius Waita, born on 9th December 1972, is a distinguished finance professional with over 22 years of experience in audit, tax, finance, and integrated reporting. He holds a Master of Business Administration in Finance and a Bachelor of Science in Statistics, reflecting a strong academic foundation in both analytical and financial disciplines. Julius is a Fellow of the Institute of Certified Public Accountants of Kenya (ICPAK), and also holds professional memberships with the Institute of Certified Secretaries (ICS) and the Institute of Certified Investment and Financial Analysts (ICIFA), underscoring his broad expertise and commitment to professional excellence. His career is marked by a deep understanding of financial systems and governance, making him a respected figure in the accounting and finance sector.



Eng. Sumbeiywo Kennedy Kipchirchir

Eng. Sumbeiywo Kennedy Kipchirchir, born on 30th December 1981, is a qualified civil engineer with a Bachelor of Science degree in Civil Engineering. He is a member of the Institution of Engineers of Kenya (IEK), reflecting his commitment to professional standards and continuous development within the engineering field. With a strong foundation in infrastructure and structural design, his expertise has significantly advanced engineering practices in Kenya. Eng. Sumbeiywo was officially appointed to his current role on 24th November 2023, marking a new chapter in his professional journey dedicated to excellence and innovation in civil engineering.



Ms. Thiong'o Rosemary Wanjiku

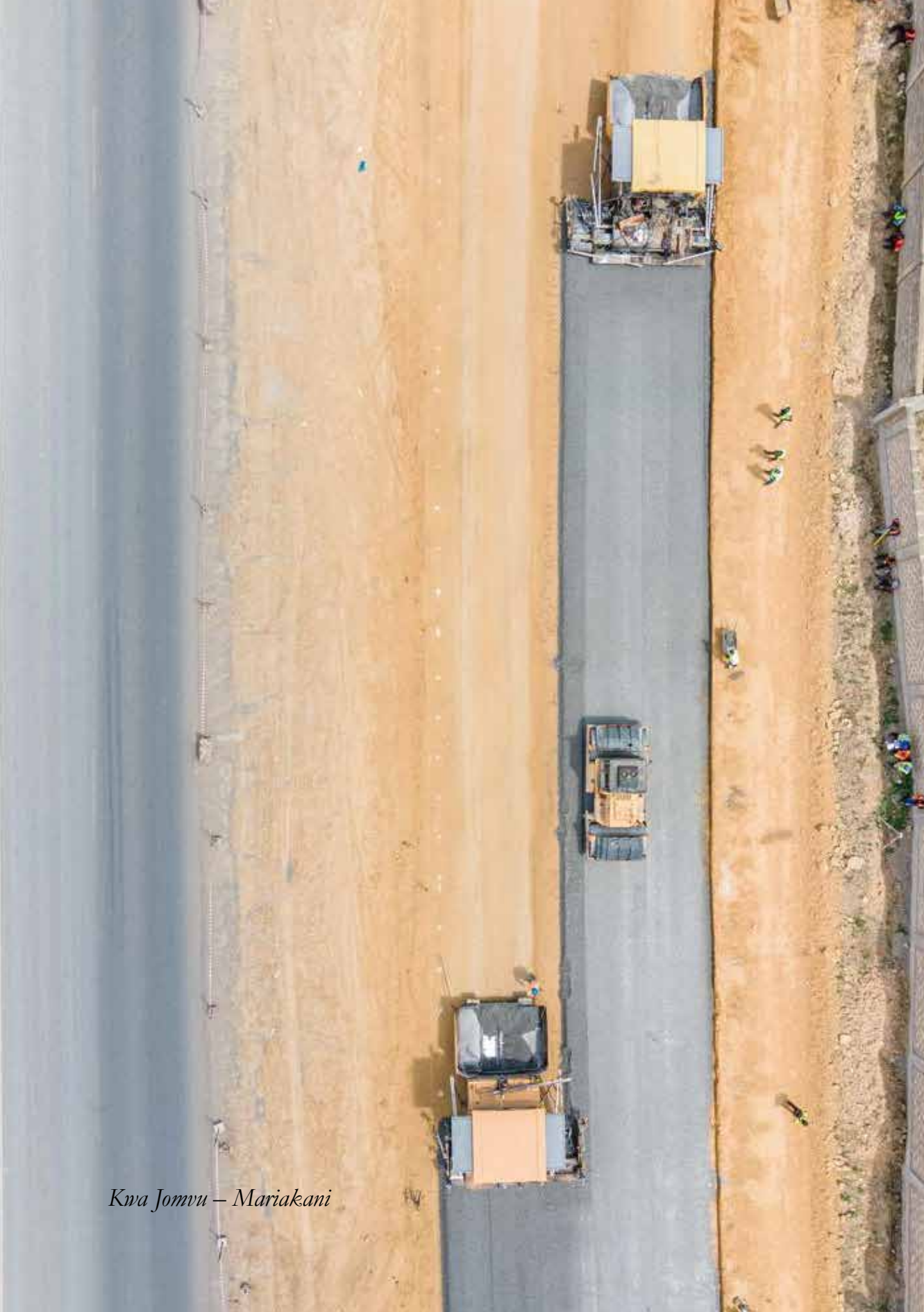
Ms. Thiong'o Rosemary Wanjiku, born on 24th October 1991, is a legal professional with a strong academic background, holding both a Bachelor of Laws (Hons) degree and a Postgraduate Diploma in Law. She is a member of the Law Society of Kenya, reflecting her adherence to the highest standards of legal practice and professional ethics. Her appointment on 24th November 2023 marks a significant milestone in her career, positioning her to contribute meaningfully to the legal and governance landscape through her knowledge, integrity, and commitment to justice.



Dr. Mware Bernard Ouma

Dr. Mware Bernard Ouma, born on 7th August 1980, is a highly accomplished academic and professional, holding a Doctorate degree and bringing a wealth of expertise to his field. He is a member of the Kenya Australia Alumni Association, a testament to his international academic exposure and commitment to fostering global professional networks. His appointment on 24th November 2023 marks a significant milestone in his career, positioning him to contribute meaningfully to strategic initiatives and knowledge-driven development. Dr. Mware's background reflects a strong blend of scholarly excellence and professional engagement, making him a valuable asset in any leadership or advisory capacity.





Kwa Jomvu – Mariakani

DIRECTOR GENERAL'S STATEMENT



Eng. Kung'u Ndung'u, MBS

23,693 Km

Developed, managed, and maintained the National Trunk Road Network.

101.34B KES

Budget for FY 2024/25.

75.6B KES

Pending bills reduced from KES 88.8B to KES 75.6B.

74.4 Km

New roads constructed.

2,331.6 Km

Routine maintenance.

176 Km

Final designs completed.

“

Together, we are constructing roads that link people, markets, and opportunities while laying the groundwork for a more inclusive, resilient, and prosperous Kenya.

Dear Stakeholders,

The Kenya National Highways Authority (KeNHA) remains committed to its role of developing, managing, and maintaining the National Trunk Road Network, which totals 23,693 kilometres of Class A, B, and S roads as of June 30, 2025. Our goal is to deliver safe, efficient, and resilient infrastructure that supports Kenya's economic growth.

This Financial Report, prepared in accordance with the Constitution, the Public Finance Management Act (2012), and the Public Audit Act (2015), details KeNHA's performance for FY 2024/25. With a budget of KES 101.34 billion, we achieved 94% absorption of GoK funds and 100% utilisation of external resources. We exceeded our A-in-A target by collecting KES 2.1 billion, which is 109% of the projection, mainly from permits, interest, and fees. The Board of Directors' oversight ensured prudent, transparent, and accountable use of resources.

Externally mobilised resources were fully absorbed, with significant contributions from the International Development Association (IDA) at 138% and the African Development Bank (AfDB) at 91%. The pending bills were reduced from KES 88.8 billion at the beginning of the financial year to KES 73.5 billion by the close of the year, through targeted settlements financed via RMLF securitisation.

In line with our commitment to citizen-centric service delivery, KeNHA improved transparency and public engagement through the implementation



KES 88.8B

KES 73.5B

The pending bills were reduced from KES 88.8 billion at the beginning of the financial year to KES 73.5 billion by the close of the year, through targeted settlements financed via RMLF securitisation.



of its Citizen Service Delivery Charter. The Charter was made accessible in English, Kiswahili, Braille, and sign language, and was prominently displayed at service points and on digital platforms. Two core services, including Exemption and Roadside Permit Application, and Project Supervision, were digitised and integrated into the e-Citizen platform, enhancing the efficiency of service delivery to the Authority's stakeholders and clients. All public complaints received during the year were resolved, and quarterly reports were submitted to the Commission on Administrative Justice (CAJ), demonstrating our dedication to responsive and respectful governance.

In fulfilling its core mandate, KeNHA made notable progress in road construction and maintenance. The Authority constructed 74.4 kilometres of new roads and enhanced the capacity of 59.5 kilometres of existing paved roads, while also rehabilitating 21.5 kilometres of roads. It also built 130 kilometres of engineered gravel roads. It carried out periodic

The Authority continued to promote science, technology, and innovation through initiatives focused on research into emerging issues and testing proprietary products.



maintenance on 162.9 kilometres of existing roads. Routine maintenance was performed on 2,331.6 kilometres of unpaved roads and 287.44 kilometres of paved roads. Furthermore, 7,867.20 kilometres were maintained under performance-based contracts. Bridge projects are progressing well, with the Green Park Underpass at 91% and the Juja Highpoint Footbridge at 92%. Maintenance work on bridges along the Thika–Garissa and Malindi–Garsen roads also met or exceeded performance targets, demonstrating our dedication to road infrastructure development and management.

Axle load control remained a key focus area, with the authority expanding its network under surveillance to 10,776 km, achieving a compliance rate of 98.43%. The Kanyonyo weighbridge was completed, enhancing enforcement capacity. Road reserve management activities included processing applications, engaging with stakeholders, and updating the signboard database. Engineering services made significant progress, with final designs completed for 176 km of roads, and the design of a further 750 km is currently at the draft stage.

The Authority continued to promote science, technology, and innovation through initiatives focused on research into emerging issues and testing proprietary products. It developed its Own Source Revenue Strategy to secure additional funds for its operations. Additionally, the Authority created regulations for Roadside Stations, the Research, Science, Technology, and Innovation Strategy, Research and Innovation Policy, and the Intellectual Property Policy, while also facilitating knowledge-sharing forums.

Road safety was prioritised by installing over 21,000 metres of guardrails, 1,415 road signs, and 56,606 cat eyes. Road safety audits were conducted at all stages of project implementation to ensure compliance with and enforcement of mitigation measures, thereby improving road safety. The Authority also secured road corridors by updating 716 km of the road network on GIS databases, conducting cadastral surveys for 303 km, and installing 3,626 road boundary marker posts.

To encourage involvement of the private sector in infrastructure development, the Authority monitored the Nairobi Expressway, assessed the Nairobi–Mombasa PPP project, reviewed privately initiated proposals for the development of the Rironi–Nakuru–Mau Summit Road, and conducted feasibility studies for tolling initiatives, including the Rironi–Mau Summit, as well as the operation and maintenance of the

Juja–Thika and Sagana–Marua roads.

The Authority demonstrated its dedication to environmental conservation by planting 279,327 tree seedlings and organising seven stakeholder engagement events, in alignment with the national agenda on climate action and sustainability. Environmental and social safeguards were maintained through the compilation of Environmental and Social Impact Assessment (ESIA) reports and audit reports, and through monitoring of Resettlement Action Plan (RAP) implementation. Moreover, inclusivity was advanced by awarding KES 796.4 million in contracts to youth, women, and persons with disabilities (PWDs). Additionally, local content was robustly supported, with goods, services, and works worth Kshs 20.25 billion procured locally.

Asset management was fortified through systematic updates to the asset register and the disposal of non-utilised assets. Youth empowerment was promoted through the engagement of 342 interns and apprentices. Staff competence enhancement was achieved through training 364 employees and implementing a performance management framework.

Despite these achievements, the Authority continues to face challenges, such as high maintenance costs for ageing pavements, budgetary constraints, insecurity in some project areas, and the adverse effects of climate change. In response, we are strengthening partnerships with the private sector and prioritising timely maintenance to preserve the integrity of the road network.

We extend our sincere appreciation to the Board of



279,327

seedlings were planted, reflecting the Authority's commitment to conservation.



KES 796.4

was awarded to youth, women, and PWDs, driving greater inclusivity.



342

interns and apprentices supported the Authority's youth empowerment efforts.

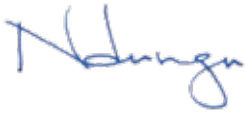


364

employees were trained and a performance framework implemented to enhance competence

Directors for their strategic guidance, to our dedicated staff for their unwavering commitment, and to the Government of Kenya, particularly the Ministry of Roads and Transport and the National Treasury, for their support. We also thank our Development Partners and all stakeholders for their invaluable contributions to the development of Kenya's national trunk road network.

Together, we are constructing roads that link people, markets, and opportunities while laying the groundwork for a more inclusive, resilient, and prosperous Kenya.



Eng. Kung'u Ndung'u, MBS

SENIOR MANAGEMENT

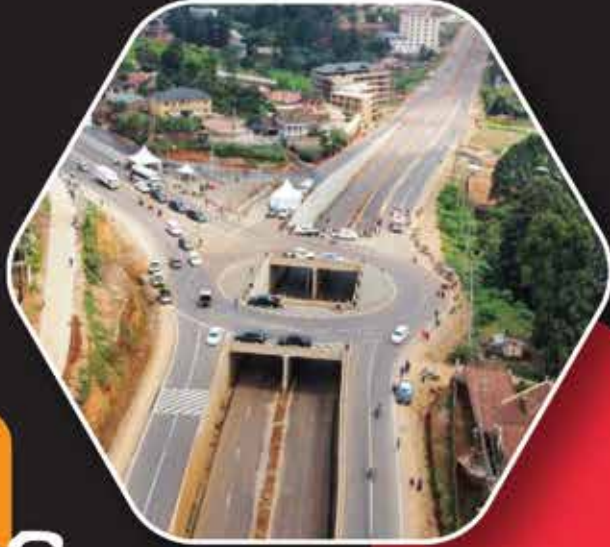


1. Eng. Kungu' Ndung'u, MBS - Director General
2. Eng. Ezekiel Fukwo - Director - Highway Design and Safety
3. Eng. J. Njuguna Gatitu - Director - Planning Research and Compliance
4. Eng. C. Obuon - Director - Public Private Partnership
5. CPA. James Bowen - Director - Corporate Services
6. Eng. H. Gakuru - Director - Development
7. CPA Stephen B. Musyoka - Director - Audit Services
8. Ms. Norah Odingo - DD-CS/Legal Services
9. Eng. S. Cherono - Director - Maintenance
10. Ms. Levina Wanyonyi - Dep. Director - Supply Chain Management

KRA

1

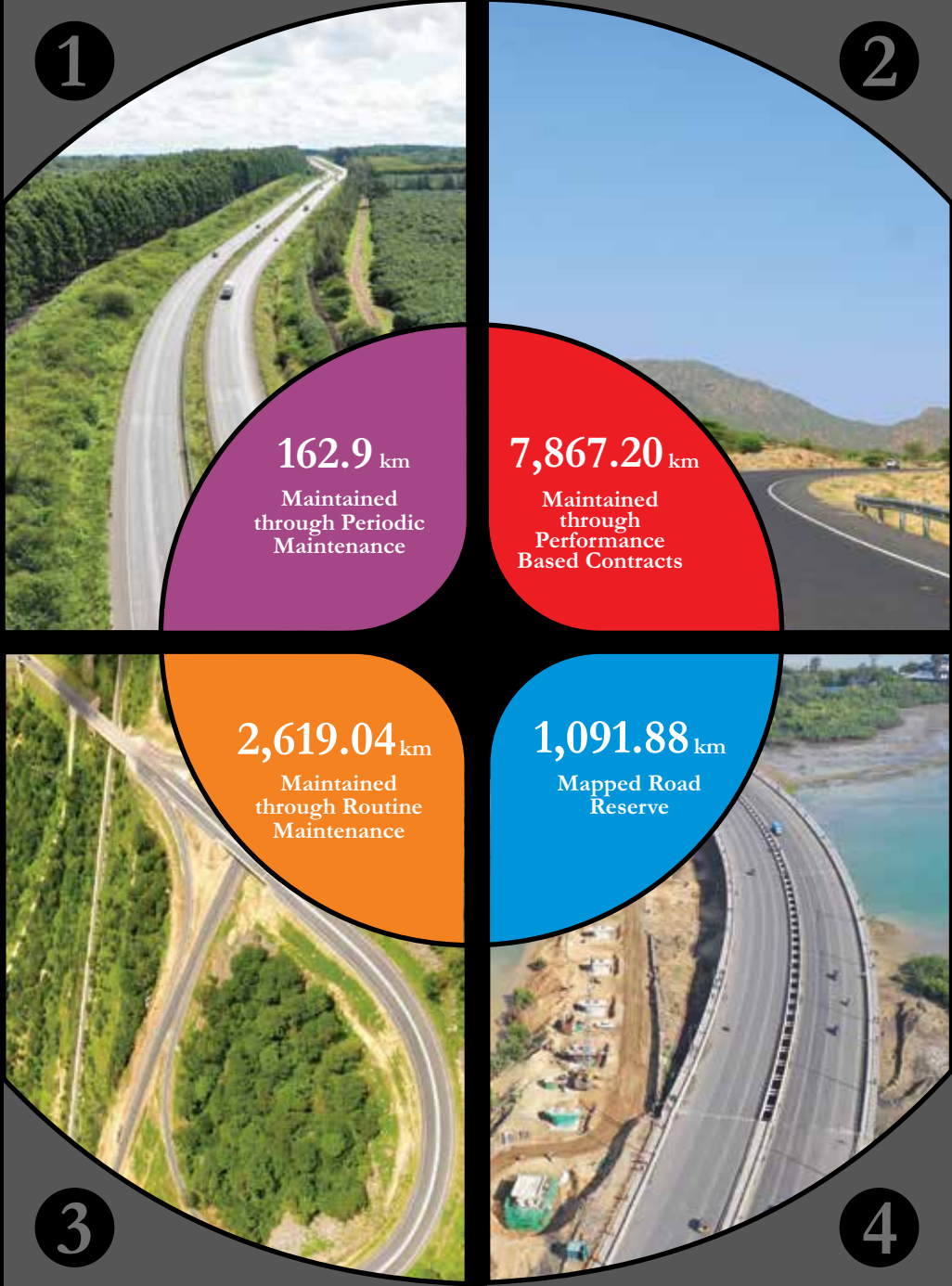
Planning and Development



155.4
km
of roads
Constructed

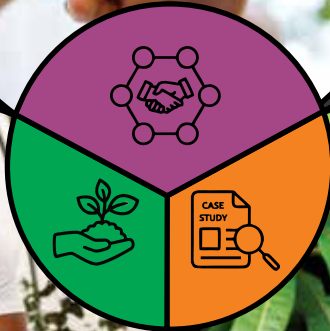
176
km
of Road
Designed







Held 34 (No)
stakeholder
engagement forums



Planted 279,327
(No) trees



Undertook 8 (No)
ESIA studies

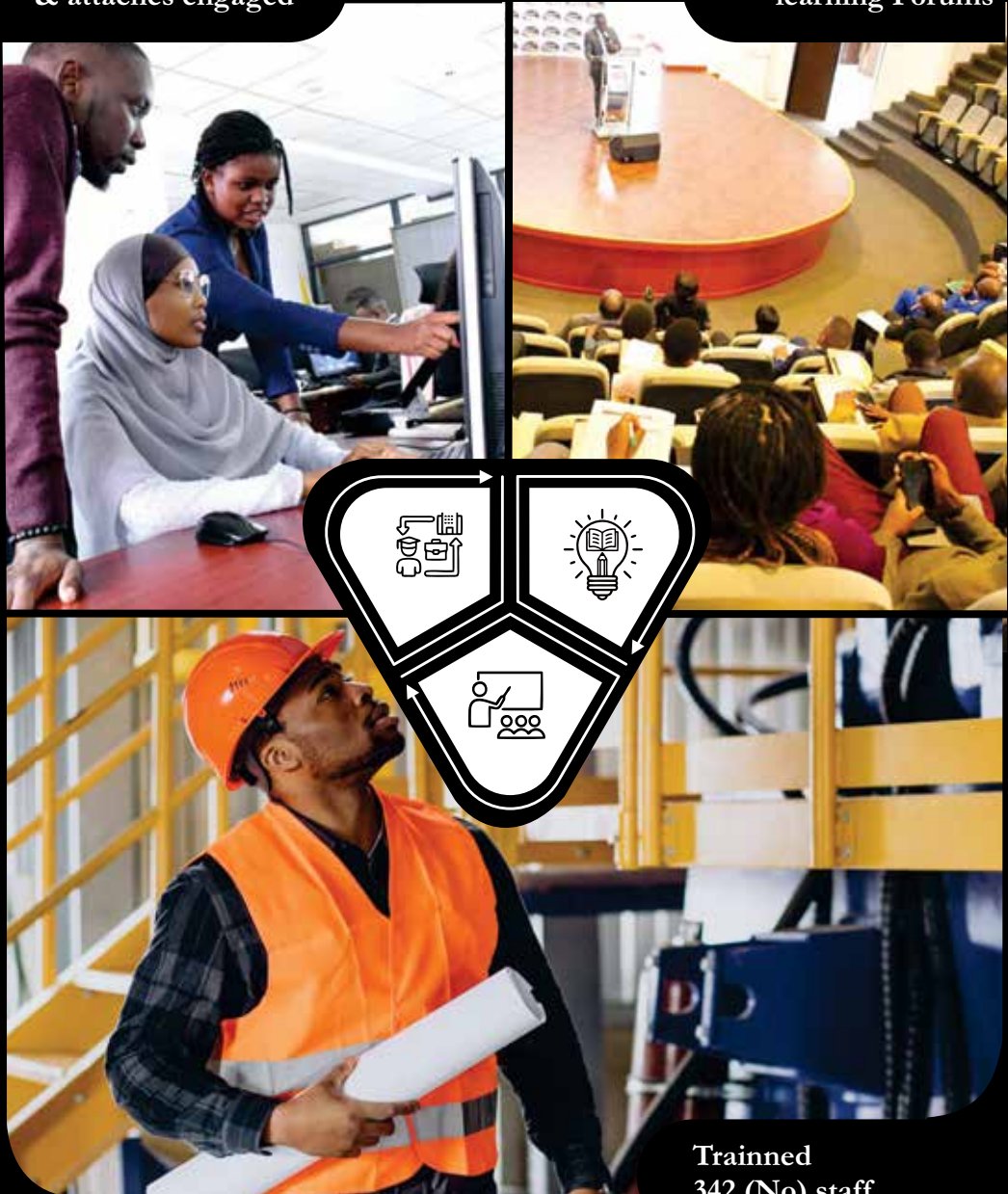
KRA

5

Institutional Capacity

358 (No) interns
& attaches engaged

Hosted 4 (No)
learning Forums



Trained
342 (No) staff



CHAPTER

1

Mteza Bridge



1. INTRODUCTION

1.1 Background

The Kenya National Highways Authority (KeNHA), established under the Kenya Roads Act of 2007, plays a crucial role in developing and maintaining the country's national trunk road network. Covering approximately 23,693 kilometres, this network is categorised into three main types: 365 kilometres of Class S roads, 8,279 kilometres of Class A roads, and 15,049 kilometres of Class B roads. The Authority's main aim is to ensure a safe, resilient, and well-coordinated road system that supports Kenya's sustainable social and economic development.

To fulfil this mandate, the Authority undertakes various activities, including constructing, upgrading, rehabilitating, and maintaining trunk roads. These efforts are strategically guided by its 4th Generation Strategic Plan (2023–2027), which is based on five Key Result Areas: planning and development, road asset management, operational efficiency, sustainability, and institutional capacity. In pursuit of its objectives, the Authority has implemented targeted policy interventions to strengthen internal capabilities, optimise financial resources, particularly through public-private partnerships and tolling mechanisms, and maintain strict compliance with regulatory and environmental standards.

1.2 KeNHA Road Network

The Kenya National Highways Authority, established under the Kenya Roads Act of 2007, is responsible for developing, rehabilitating, managing, and maintaining the national trunk road network, which comprises Classes S, A, and B. Detailed information on the distribution of this road network is provided in Table 1-1 below.

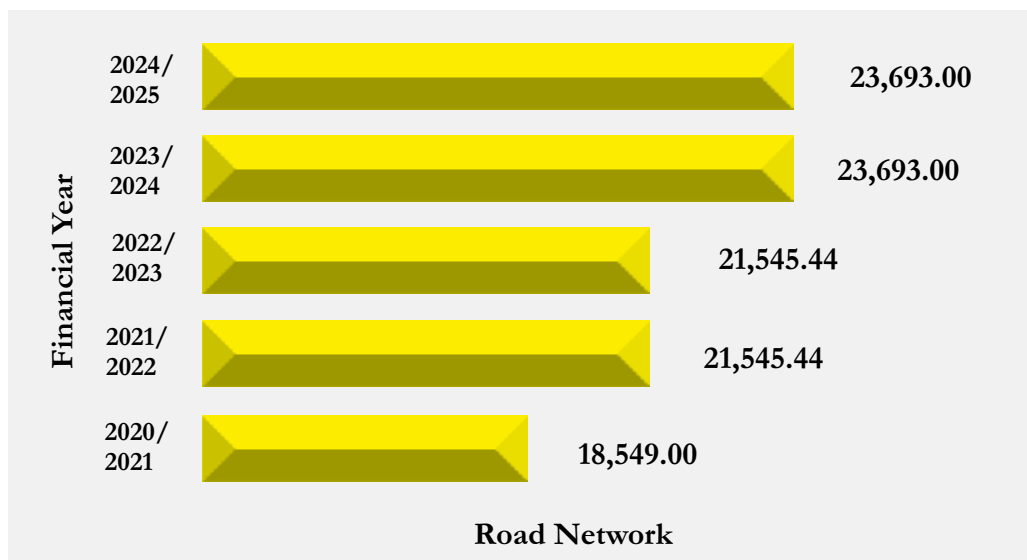
Table 1.1: National Trunk Road Network Condition

Road Class	Paved	Unpaved	Total Network Length (KM)
Class S	365	-	365
Class A	5,757.61	2,521	8,279
Class B	6,328.78	8,720	15,049
Total	12,451.39	11,242	23,693

The Authority constructed 63 kilometres of new class A roads and 27 kilometres of class B roads, improving them from unpaved to paved status. The Authority also focused on enhancing capacity and rehabilitating the national trunk road network during the year.

The national trunk road network has increased by 9,573 km from 14,120 km as of FY 2015/2016 to 23,693 km by June 2025. The network currently includes 365 km of Class S roads, 8,279 km of Class A roads, and 15,049 km of Class B roads. Of the total network, 12,451.39 kilometres (52.4%) are paved, and 11,242 kilometres (47.6%) remain unpaved. This growth trajectory is depicted in Figure 1-1 below.

Figure 1 1: Road Network Trend from FY 2020/21 to FY 2024/25



1.3 Condition of the National Trunk Road Network

The national trunk road network remained in reasonably good condition, given the initiatives implemented during the year to preserve it. The Authority conducted an Annual Roads and Inventory Condition Survey to assess the degree of change in the network’s condition over the preceding year. The data presented in Tables 1-2 and 1-3 below provide details of the pavement condition.

Table 1 2: Condition of road network (in kilometres)

Type	FY 2023/2024				FY 2024/2025			
	Good	Fair	Poor	Total	Good	Fair	Poor	Total
Paved	8,263.8	2,303.8	604.00	11,171.6	8,851.1	2,319.3	798.9	11,969.4
Unpaved	1,067.0	4,654.5	3,423.02	9,145.0	1,921.0	5,097.9	3,304.1	10,323
Total	9,331.3	6,958.3	4,027.0	20,316.6*	10,772.1	7,417.2	4,103.0	22,292.3*

*The lengths represent the road network surveyed as per the Annual Roads and Inventory Condition Survey.

Table 1 3: Pavement Condition (%)

Type	FY2023/2024				FY2024/2025				Deviation		
	Good	Fair	Poor	Total	Good	Fair	Poor	Total	Good	Fair	Poor
Paved	74%	20.6%	5.4%	100%	74%	19%	7%	100%	0%	-1.6%	+1.6%
Unpaved	12%	51%	37%	100%	19%	49%	32%	100%	7%	-2%	-5%

Source: FY 2024/2025 Annual Roads and Inventory Condition Survey

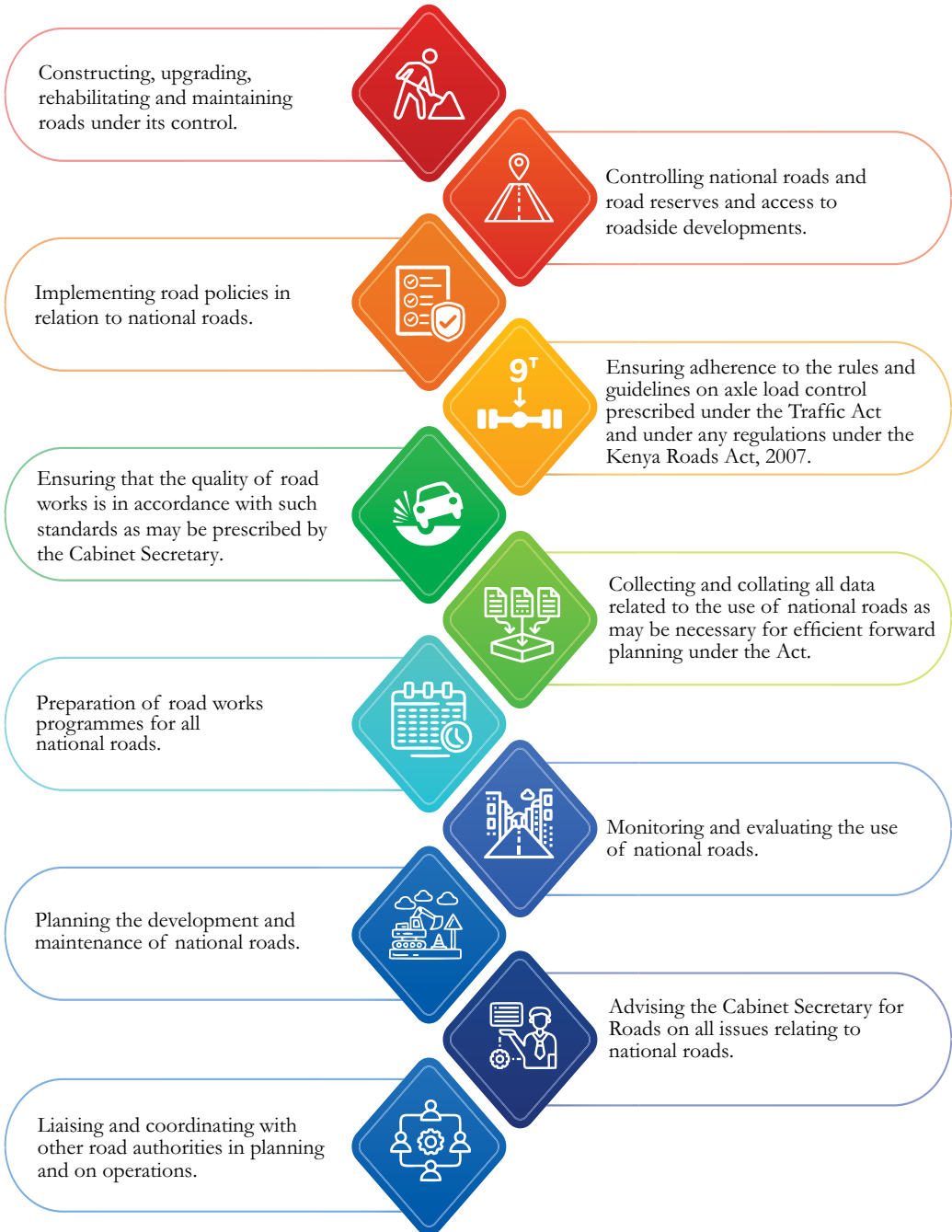
The proportion of paved roads in fair or good condition marginally decreased from 94.6% to 93%, while that of the unpaved road network increased from 63% to 68%. The condition was sustained through cost-effective maintenance approaches and performance-based contracts. A significant proportion of the road network features ageing pavements that have increased the maintenance backlog and maintenance costs.

The Authority aims to generate additional own-source revenue to meet maintenance financing requirements and to continuously innovate cost-effective road maintenance approaches that guarantee value for money. The Authority is also developing a Road Asset Management System to inform proactive maintenance interventions, ensuring the optimal maintenance of the national trunk road network.

The Authority will continue to implement measures to improve axle load compliance, including establishing additional weighbridge stations, increasing surveillance, and raising stakeholder awareness to minimise damage to existing road infrastructure. The Authority has mapped its road network, identified the sections most exposed to climate hazards, and will focus maintenance efforts on climate-proofing infrastructure to reduce damage from adverse weather events.

1.4 Functions of the Authority

The functions and responsibilities of the Authority are defined in the Kenya Roads Act, 2007. They include:





Mombasa - Mtwapa

CHAPTER

2

Turbi - Moyale Road at Odda



2. CORPORATE GOVERNANCE

2.1 Governance Structure

KeNHA operates within a strong, transparent governance framework that ensures adequate oversight, strategic alignment, and operational efficiency. This structure is based on the principles of accountability, integrity, and transparency. It clearly defines the roles and responsibilities across three key tiers of the Board of Directors, Board Committees, and the Senior Management Team. These governance levels work together to advance the Authority's mandate and strategic objectives.

2.1.1 The Board of Directors

The Board of Directors oversees the Authority's strategic direction and policy decisions. It consists of nine members, including a non-executive Chairperson and the Director General, who serves as the Board's Secretary. Members are selected from key government agencies and professional organisations, such as the National Treasury, the State Department for Roads, the Kenya Association of Manufacturers, the Institution of Surveyors of Kenya, the Institute of Certified Public Accountants of Kenya, the Law Society of Kenya, and Academic Institutions. The Board is responsible for ensuring KeNHA's strategies support national development goals and that the Authority complies with legal, regulatory, and governance requirements.

2.1.2 Board Committees

To enhance its oversight capacity, the Board has established specialised committees, each tasked with focused responsibilities in key operational areas. These committees enable the Board to address complex issues with greater depth and agility, thereby strengthening governance and decision-making processes across the Authority.

Figure 2 1: Board Committees

Technical Procurement & Disposal Oversight Committee



The Committee reviews and approves the Authority's consolidated annual procurement and disposal plans, revisions, and quarterly performance reports for Board submission. It also provides policy guidance on key technical issues like road construction, maintenance, and reviews awarded contracts for compliance.



Finance, Strategy and Risk Committee



The Committee's core responsibility is to oversee and review the Authority's Finance, Risk, and Strategy functions and management systems. They recommend Board approval for policies and reports covering financial statements, budgets, risk mitigation, strategic planning, and business re-engineering.

Human Resource & General Purpose Committee



The committee advises the Board of Human Resource Management, Legal, ICT, Administration, Corporate Communication and Performance and Change Management Monitoring



Audit & Governance Committee



The committee assists the Board in fulfilling its oversight responsibilities by providing independent assurance and assistant, control and governance including compliance and other accountability responsibilities.

2.1.3 The Management

The Management comprises the Senior Management, who oversee the executive role, and the management team, comprising Deputy Directors, Regional Directors, and Corridor Directors. The Authority’s Senior Management is led by the Director General and supported by seven functional Directors, the Deputy Director, Corporate Secretary/Head of Legal Services, and the Deputy Director, Supply Chain Management.

The Management function is decentralised into ten regional offices and three strategic corridors, including Corridors A, B, and C, each overseen by a Regional Director and a Corridor Director, respectively. The regional offices are located in Nairobi, Mombasa, Kisumu, Nakuru, Eldoret, Machakos, Isiolo, Garissa, Nyeri, and Kakamega. This decentralised structure enhances service delivery, promotes regional responsiveness, and supports the realisation of infrastructure projects across the country. Detailed organisational charts for both headquarters and regional operations are provided in Figures 2.2 and 2.3 below.



Figure 2 2: KeNHA Organogram

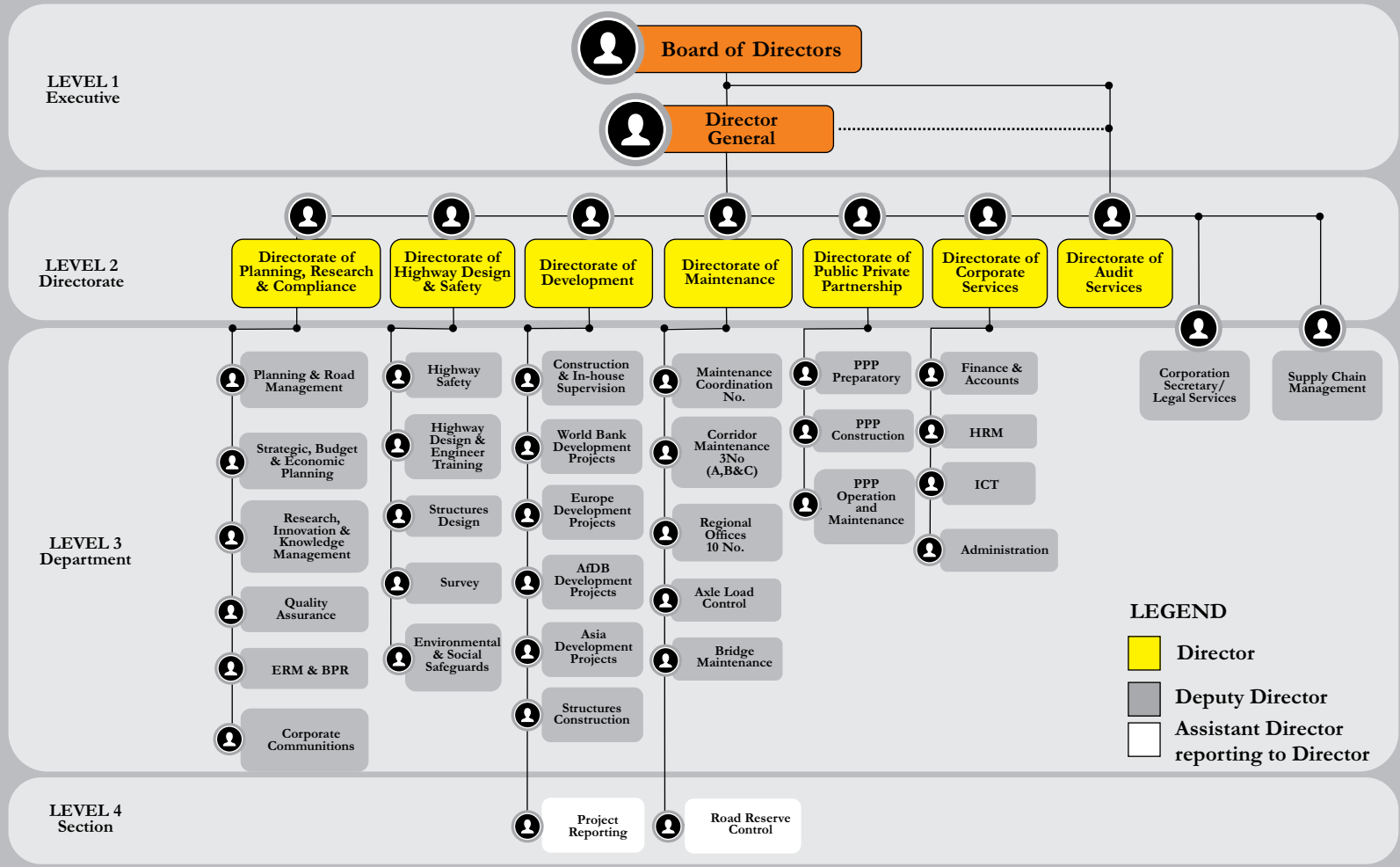


Figure 2 3: Regional Office structure

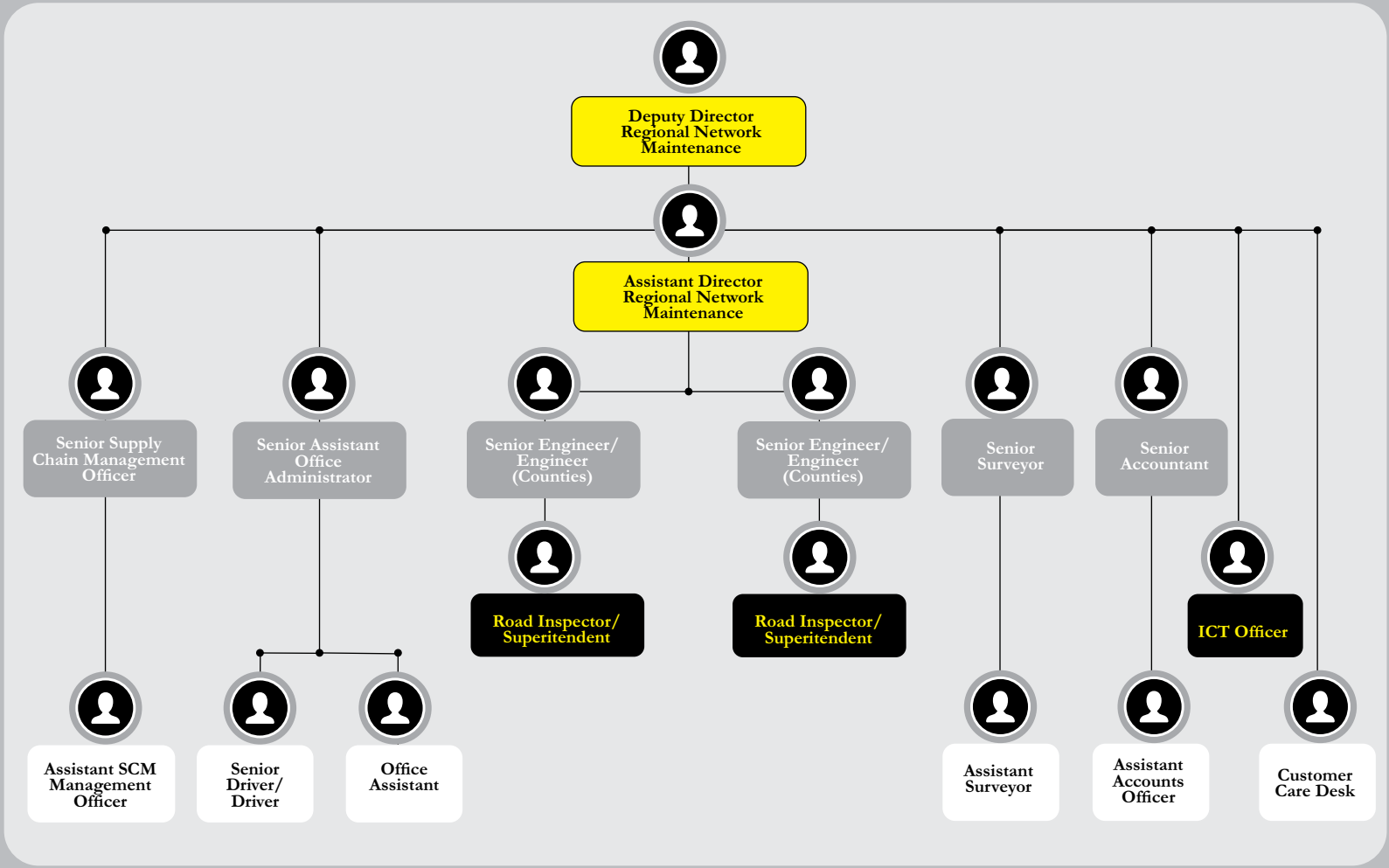
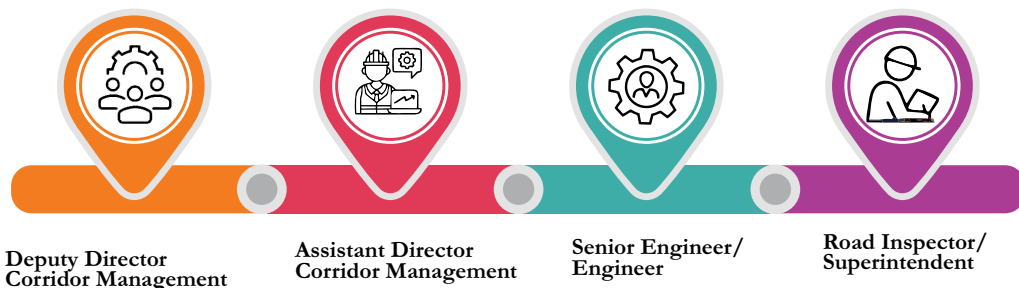


Figure 2 4: Corridor Office Structure

CORRIDOR OFFICE STRUCTURE (3 CORRIDOR OFFICES)



2.2 Stakeholder Engagement, CSI, Compliance & Integrity

Stakeholder engagement, integrity and accountability, and corporate social investment form a core part of the Authority’s operations, promoting sustainability as well as ethical and responsible conduct across all activities.

2.2.1 Stakeholder Engagement

The Authority adopted a thorough stakeholder engagement process to better understand the diverse needs, expectations, and concerns of its stakeholders during the planning, development, and execution of road infrastructure projects. This approach also helped raise awareness of the Authority’s mandate and responsibilities. By maintaining transparent communication channels and encouraging proactive interactions, the Authority fostered strong, trust-based relationships with the public and other key partners. The insights gathered from these interactions played a crucial role in shaping strategic priorities and guiding decisions. Additionally, new initiatives were launched to improve engagement, aiming to promote transparency, mutual trust, and ongoing collaboration.

2.2.2 Compliance with Regulatory and Policy Framework

The Board of Directors and Management are dedicated to ensuring the Authority complies with all relevant laws, policies, and standards that oversee its operations and infrastructure projects. This commitment is based on the Authority’s responsibility to operate according to key national legislation and attendant regulations, which include the Roads Act, Public Finance Management Act, Public Procurement and Asset Disposal Act, Environmental Management and Coordination Act, and Data Protection Act.

The Board is responsible for creating and upholding strong governance frameworks that ensure transparency, accountability, and alignment with the Authority’s mission and strategic goals. This involves implementing effective monitoring and evaluation systems to proactively identify and mitigate risks related to non-compliance, thereby protecting public resources and interests.

To strengthen good governance and regulatory consistency, the Board actively engaged with key stakeholders, including government agencies, development partners, local communities, and the private sector, aiming to ensure the Authority’s actions align with both legal requirements and societal expectations.

During the reporting period, the Board implemented internal controls to ensure regulatory compliance. The Board offered recommendations to mitigate some of the risks that could impact compliance. The key risk areas, as identified by the internal audit, being addressed to ensure compliance include:

- a. **Budgetary Constraints:** A reduction in the Road Maintenance Levy Fund (RMLF) allocation, against the expansion of the road network, led to delays in maintenance activities.
- b. **Contract Variations:** Absence of a clear policy to manage Variation of Prices (VOP) in contracts resulted in significant price overruns.
- c. **Stalled Projects:** Several development projects stalled due to funding limitations, leading to increased project costs.
- d. **Design Revisions:** Late-stage design changes resulted in increased contract sums and project delays.
- e. **Joint Venture Oversight:** The absence of a management framework for Joint Venture (JV) agreements between foreign and local contractors undermined the intended skills transfer objectives.
- f. **Land Management Challenges:** Delays in titling acquired land, insufficient controls, and increasing encroachments affected the management of land assets.
- g. **Regulatory Gaps:** The delayed enactment of updated regulations created legal uncertainty.
- h. **Data Protection Compliance:** Non-adherence to the Data Protection Act, including failure to obtain consent from data subjects and a lack of Data Protection Impact Assessments (DPIAs) for key systems and processes.
- i. **Security Controls:** Weak physical access controls to the Authority’s premises posed potential security and data protection risks.
- j. **PPP and Annuity Project Terminations:** The termination of one Public-Private Partnership (PPP) and two annuity projects resulted in substantial financial penalties.

- k. **Human Resource Constraints:** Severe staffing shortages across multiple Directorates hindered service delivery and project implementation.
- l. **ERP System Underutilisation:** Insufficient use of the Enterprise Resource Planning (ERP) system in financial reporting hampers efficiency and transparency.
- m. **Land Acquisition Delays:** Caused project setbacks, legal conflicts, and suspension of contracts due to prolonged acquisition and compensation procedures.
- n. **Pending Bills and Contractor Claims:** Rising interest on delayed payments contributed to a surge in pending bills and contractor claims, straining financial sustainability.

2.2.3 Integrity and Accountability

The Authority is dedicated to enhancing the Government’s anti-corruption initiatives by fortifying its corporate governance frameworks and encouraging ethical conduct among its board members, staff, clients, suppliers, and partners. In executing its duties, the Authority complies with all applicable legal requirements and maintains the highest standards of integrity. It persistently endeavours to cultivate a culture grounded in transparency, trust, and ethical principles across all its operations.

2.2.4 Corporate Social Investment

The Authority is committed to creating shared value through sustainable investments that address social, economic and environmental needs. The Authority has incorporated corporate social responsibility (CSR) initiatives into its road development projects to improve the well-being of communities along project corridors. These CSR initiatives, developed through participatory planning processes, help create development zones that benefit local populations, encourage economic growth, promote social cohesion, and raise overall community living standards.

The Authority continued to dedicate a portion of its annual resources towards high-impact social investments with measurable outcomes and a focus on long-term sustainability. By doing so, we aim to make a meaningful contribution to improving lives, enhancing social equity, and promoting inclusive economic growth.

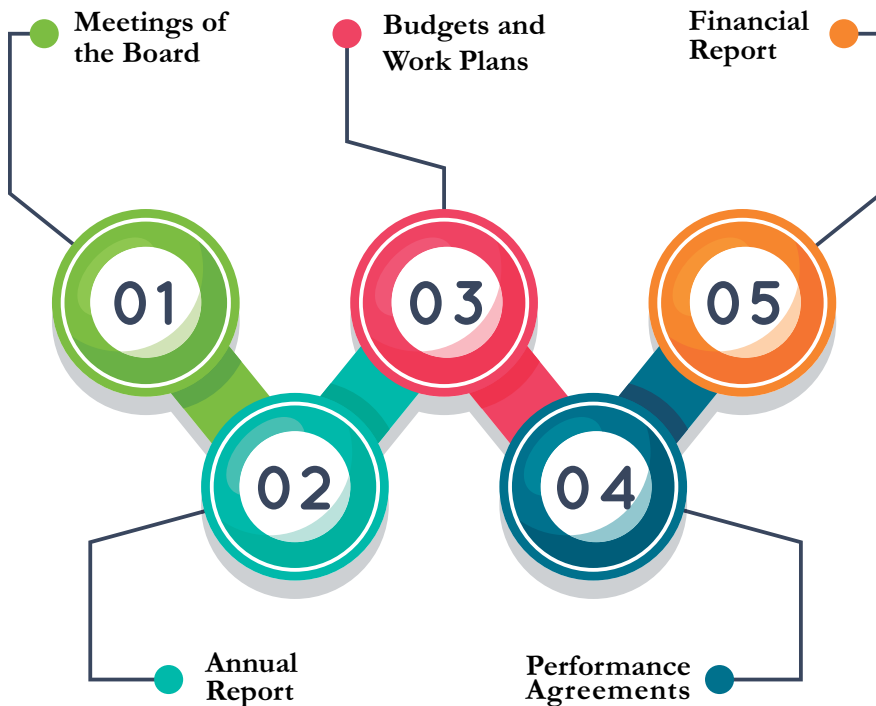
2.2.5 Top Ten Procurements

The Authority carried out the procurement of major projects to support its mandate. It ensured integrity and accountability throughout the procurement process, making sure it complied with legal and regulatory standards to deliver value for money. The key procurements are summarised in Table 2-1 below.

Table 2 1: Key Procurements

S/No	Tender Number	Project Description	Contractor	Contract Sum
1.	KeNHA/ SPP/2834/2025	Construction of Illasit – Njukini – Taveta (B55) Road 66.5km (Fidic Epc/ Turnkey)	M/s. Sinohydro Corporation Limited	9,412,218,177.58
2.	KENHA/2822/2024	Request for Proposals for Management, Operation, and Maintenance of Athi River, Isinya, Juja and Kanonyo Weighbridge Stations and the 3935 Km Adjacent Road Network	M/s Danka Africa K	2,401,871,508.28
3.	KENHA/2823/2024	Request for Proposals for Management, Operation, And Maintenance of Gilgil and Mai Mahiu (Suswa) Weighbridge Stations and the 1324 Km Adjacent Road Network	M/s Danka Africa K	1,495,572,887.10
4.	KENHA/2821/2024	Request for Proposals for Management, Operation, and Maintenance of Mariakani, Mtwapa and Dongo Kundu Weighbridge Stations and the 1466 Km Adjacent Road Network	M/s Ebenezer Commercial Works Ltd	1,414,020,353.48
5.	KENHA/2825/2024	Construction of Busia, Rongo and Awendo Weighbridge Stations	M/s Gokhan Technical Services Ltd	1,326,860,937.05
6.	KeNHA/2862/2025	Re-Alignment of Homa-bay Rongo (B3) Road at Kabunde Airstrip	M/s. Henan Highway Engineering Co. Limited	1,285,748,140.02
7.	KENHA/2824/2024	Request for Proposals for Management, Operation, And Maintenance of Webuye Weighbridge Station and the 2073 Km Adjacent Road Network	M/s Savory Agencies Limited	785,667,202.59
8.	KeNHA/ R5/211/2024	Performance-Based Contract for The Maintenance of Bomas - Kiserian (B19) Road	M/s. Sihaam Limited	514,199,366.42
9.	KeNHA/ R4/313/2024	Periodic Maintenance of Ndeffo -Mau Narok (B18) Road	M/s. Shawasha Company Limited	490,861,364.50
10.	KeNHA/ R2/147/2024	Periodic Maintenance of JNC A1 (Chavakali) – JNC B12 (Chepsonoi) (B128) Road	M/s. Wolf paving Works Kenya Limited	469,416,442.75

2.3 Fulfilment of the Objectives of the Kenya Roads Act, 2007



2.3.1 Meetings of the Board

In accordance with the Kenya Roads Act, 2007, and the Third Schedule, Section 7(1), the Kenya National Highways Authority (KeNHA) Board of Directors held all their scheduled meetings during the reporting period. These sessions were key to offering strategic leadership and guiding policies for the Authority. The governance structure was strengthened through consistent meetings of the Board’s specialised committees, which were vital in assisting the Board with oversight duties.

The Mwongozo Code of Governance directs the Authority’s governance practices, requiring compliance with the Constitution of Kenya, relevant statutory frameworks, and internationally recognised governance standards. In the 2024/2025 financial year, the Authority conducted a thorough governance audit to evaluate its adherence to these standards. The audit utilised globally benchmarked frameworks, including the ICS Governance Audit Standards and Guidelines, the King IV Report on Corporate Governance (South Africa, 2016), the ASX Corporate Governance Principles (2019), and ISO 37001:2021 Governance of Organisations.

The Authority evaluated 56 governance parameters during the audit, achieving full

compliance in 32 (57.14%), partial compliance in 21 (37.5%), and non-compliance in 3 (5.36%). In response to the audit findings, the Authority introduced corrective measures to address identified risks, strengthen internal controls, and improve overall governance performance. These efforts highlight KeNHA's commitment to ongoing improvement, institutional accountability, and alignment with the objectives of the Kenya Roads Act.

2.3.2 Annual Report

The FY 2024/2025 Annual Report was prepared and submitted to the Cabinet Secretary, Ministry of Roads and Transport, as required by Section 44 of the Act.

2.3.3 Budgets and Work Plans

Pursuant to Section 35 of the Act, the Authority prepared and submitted the Annual Budget for FY 2024/2025 to the Ministry of Roads and Transport and the National Treasury. Furthermore, in line with Section 36 of the Kenya Roads Act and Regulation 40 (1) of the Public Procurement and Asset Disposal Regulations 2020, the Authority developed and submitted the Annual Work Plans and the Annual Procurement Plan to the Ministry of Roads and Transport, the Kenya Roads Board (KRB), and the Public Procurement Regulatory Authority (PPRA).

2.3.4 Performance Agreements

The Authority's FY 2024/2025 Performance Contract with the Cabinet Secretary, Ministry of Roads and Transport, was prepared and signed in accordance with the 21st cycle performance contracting guidelines. The Authority's performance, based on the evaluation of the FY 2024/2025 Performance Contract, was 2.8966, categorised as "Very Good".

2.3.5 Financial Report

Over the past year, the Authority prepared and submitted the FY 2024/2025 financial statements to the Auditor General, in accordance with the requirements of Section 38 of the Kenya Roads Act, Section 81 of the Public Finance Management Act, 2012, and Section 14 of the State Corporations Act. It is now awaiting the Auditor General's audit opinion the unaudited accounts listed in Annex I.



Nairobi Expressway

CHAPTER

3

Lodwar - Kalobeiyei - Nadapal Road



3. PERFORMANCE OF THE AUTHORITY




The financial year 2024/2025 represented the second year of implementing the Authority's 4th Generation Strategic Plan, which is based on five Key Result Areas (KRAs). These KRAs emphasise planning and development, road asset management, operational efficiency, sustainability, and institutional capacity enhancement. Throughout the year, the Authority focused on completing existing road construction initiatives while launching new infrastructure programs to meet the increasing demand for a dependable and extensive road network.

In order to facilitate the effective implementation of these strategic priorities, the Authority has implemented targeted policy measures focused on fortifying internal capacity, optimising operational processes, and increasing resource mobilisation. These initiatives have been designed to ensure that the Authority remains aligned with national development objectives while upholding exemplary standards of governance, performance, and service delivery.

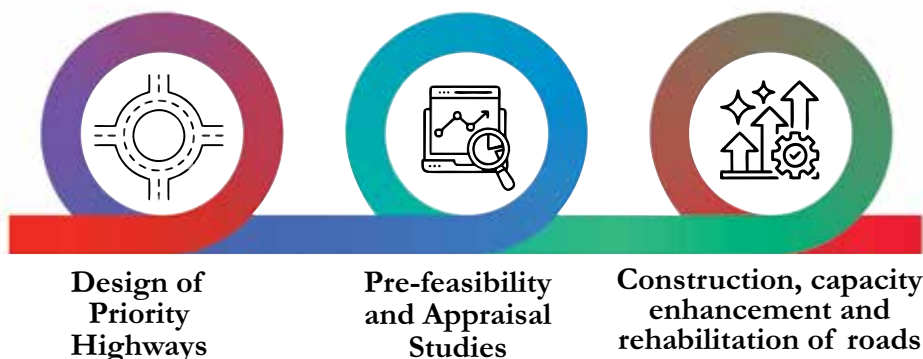
3.1.1 Key Result Areas

The financial year marked the second year of implementing the authority's FY 2023/2024–2027/2028 Strategic Plan, which outlines the authority's roadmap for achieving its strategic goals over the five years. The Strategic Plan highlights the key areas of focus and their relationship to the current findings on the condition and progress of the road network expansion.

Figure 3 1: Relationship between Strategic Issues and Goals with KRAs

	 Strategic Issue	 Goal	 Key Result Areas
KRA 1	Quality National Trunk Roads	Provide adequate infrastructure that meets stakeholder needs	Planning & Development
KRA 2	Protection/ Preservation of the Road Asset	Ensure the road network maintains its functionality and durability	Road Asset Magement
KRA 3	Effective & Efficient Systems	Increase effectiveness and efficiency in operation	Effective & Efficiency
KRA 4	Environmental & Social Issues	Enhance Environmental & Social Sustainability	Sustainability
KRA 5	Institutional Capacity	Improve capacity in development and management of national Trunk Roads	Institutional Capacity

3.2 KRA 1: Planning and Development



The first Key Result Area (KRA) of the Authority’s Strategic Plan concentrates on delivering high-quality road infrastructure that meets the changing needs of stakeholders and supports national development. This result area is achieved

through a structured approach to planning, designing, and expanding the National Trunk Road Network to improve capacity, connectivity, and user experience. It also includes the routine maintenance and rehabilitation of ageing infrastructure. Additionally, the Authority emphasises the development of related structures such as bridges and interchanges to ensure seamless mobility. Core activities under this KRA include strategic road planning and design, acquiring right-of-way for priority corridors and bypasses, constructing new roads, upgrading existing routes, and rehabilitating ageing infrastructure.

To ensure value for money and alignment with performance targets, the Authority employs rigorous project evaluation mechanisms throughout each initiative's lifecycle. These assessments are designed to evaluate technical quality, cost-effectiveness, and socio-economic impact, thereby strengthening accountability and promoting continuous improvement. Through this KRA, the Authority aims to deliver infrastructure that is not only responsive to current needs but also resilient and prepared for future demand.

3.2.1 Design of Priority Highways

The Authority continued to develop designs for priority road links to enhance the national road network and improve regional connectivity. Significant progress was recorded across various design projects. The design for three (3) road projects was completed, including the Final Design for Eldoret Eastern Bypass (40 km), Katulani–Kavisuni–Wote and Wikiliye–Katulani (B61) Road and spur roads (100 km), and Eldoret Town Road (36 km). The remaining three (3) projects reached the Draft Final stage, which include Kitui Turnoff (A9/A3) Junction – Ukasi Town (A3) Road (Lot 1) (105 km), Dif - Wajir (A14) Road, Wajir - Buna (A14) Road, and Buna - A2 Moyale (A14) Road (250 km), as well as Ukasi Town-Garissa-Modika Junction (A3) Road (Lot 2) (135 km).

3.2.2 Pre-feasibility and Appraisal Studies

The Authority as part of its strategic planning and infrastructure development mandate, conducted comprehensive pre-feasibility and appraisal studies to evaluate the viability of proposed highway investments. These studies are vital for prioritising and scheduling future projects within the National Trunk Road Network, ensuring resources are allocated to corridors with the greatest potential impact.

During the year, the Authority completed pre-feasibility assessments covering a total of 811 kilometres across two major corridors. The corridor one spans from Namanga through Mashanini Gate, Kimana Gate, Amboseli Junction, Iltlal Junction, Chyulu Gate, Man Eaters, Manyani Junction, Sala Gate, and terminates in Malindi. The second corridor includes segments from Lwakhakha to Kamukunywa via Wamomo, Sirisia, Kapsakwony. It extends through Kehancha, Lolgorian, Kawai, Lemek, Ololunga (B3JNC/B1), Ewaso Nyiro, Narosura, Entesekera, Oloiboltoto, Magadi, Ol Tepesi to Corner Baridi (B19).

In addition to corridor studies, the Authority conducted 20 pre-feasibility assessments for bridge projects to enhance connectivity and address critical infrastructure gaps. Furthermore, full feasibility studies were completed for the Biretwo–Aror–Chesongoch and Kimondi–Baraton–Turbo road sections, providing detailed insights into the technical, environmental, and economic viability of these road sections. These evaluations form a critical foundation for informed decision-making, enabling the Authority to align future investments with national development priorities, optimise resource allocation, and ensure sustainable infrastructure growth in full compliance with the Public Finance Management (Public Investment Management) Regulations 2022.

3.2.3 Construction, capacity enhancement and rehabilitation of roads

These strategies are implemented through different programmes and projects designed to achieve the specific desired objectives. The Authority remained committed to providing adequate infrastructure by constructing 155.4 Km of new roads against a target of 415.9 Km, inadequate budget and high stock of pending bills hampered performance.

Figure 3 2: Development Programs



HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT

- Isiolo – Kulamawe (77km)
- Kulamawe – Modogashe Road and Garbatulla Spur Road (128 Km)
- Wajir – Tarbaj (A13) Road and Tarbaj Spur Road (57 Km)
- Tarbaj – Kotulo (A13) Road (64 Km)
- Kotulo-Kobo Road (38km)
- Kobo-El Wak Road (26km)
- Including El Wak Loop



EASTERN AFRICA REGIONAL TRANSPORT, TRADE AND DEVELOPMENT FACILITATION PROJECT

- Lokichar – Lodwar – Nadapal/Nakodok (288Km)



SIRARI CORRIDOR

- Isebania – Kisii - Ahero road (170Km)



COASTAL CORRIDOR DEVELOPMENT

- Mombasa – Mtwapa – Kwa Kadzengo - Kilifi road (54Km)



MOMBASA PORT AREA ROAD DEVELOPMENT (MPARD)

- Access to Dongo Kundu SEZ (4.6Km)
- Mombasa Gate Bridge Project
- Mwache – Mteza – Kibundani (15.82Km)



GOK FUNDED PROJECTS

- Mau Mau roads (503Km), Kinyona - Gatura – Njabini Road (58.8Km)
- Uplands – Githunguri – Ruiru (47Km)
- Barpello (Moru) – Tot – Marich pass (124.5Km)
- Mamboleo Junction – Miwani – Chemelil – Kipsitet (60Km)
- Marsabit – Segel – Maikona (97.8Km),
- Kwale – Kinango (29Km)
- Thika-Magumu (67Km)
- LAPSSET (Lamu –
- Garissa – Isiolo – 603Km)



CHINA EXIM

- Kibwezi - Mutomo - Kitui-Migwani (225Km)
- Nairobi Western Bypass (17Km)



KFW

- Kwa Jomvu- Mariakani (30Km)
- Kitale- Morpus road (75Km)



AfDB

- Kenol – Sagana – Marua (84Km)
- Kitale – Endeless – Suam (45Km)

The Authority substantially completed the construction of thirteen (13) road projects at a contract sum of KSh. 113,161,636,050.29, delivering a total of 378.58 Km. Details on the road projects are presented in Table 3-3 below.

Table 3-3: Substantially Completed Projects

No.	Project Road	Contract Sum (KES)	Funding	Length (Km)
1	Lot 1; Mombasa – Kwa Jomvu Section	11,406,306,760.74	AfDB/GoK	12
2	Rehabilitation of Isebania – Kisii	11,000,819,890.42	AfDB/Gok	86
3	Rehabilitation of Kisii - Ahero	11,819,206,364.11	AfDB/Gok	82.76
4	Dualling of Lot 2: Sagana - Marua	9,146,922,301.01	AfDB/Gok	36
5	Kitale – Endeless - Suam	4,474,991,402.73	AfDB/GoK	45
6	Construction of Kisumu Boys-Mamboleo	1,314,945,368.98	GoK	4.7
7	Dualling of Athi-River Machakos Turnoff	6,229,173,462.86	GoK	21
8	Capacity Enhancement of James Gichuru-Rironi	20,414,794,997.52	GoK	25.3
9	Dualling of Magongo Road Phase II	2,464,287,937.25	TMEA/GoK	5
10	Kericho and Ahero Interchange	1,388,321,424.24	WB/GoK	0
11	MPARD - Package 2: Mwache -Tsunza – Mteza (Dongo Kundu)	24,236,394,854.45	JICA/GoK	8.96
12	MPARD Package 3: Mteza (Dongo Kundu) - Kibundani	4,790,479,883.25	JICA/GoK	6.86
Total		113,161,636,050.29		333.58

The Authority plans to construct 1,077.6 Km of various roads. Details on the road sections planned for construction are provided in Table 3-4 below.

Table 3-4: Summary of Planned Projects

No.	Project Name	Counties	Funding	Length (Km)
1.	Lesseru – Kitale	Uasin Gishu, Trans Nzoia	AfDB/GoK	55
2.	Morpus - Kainuk	West Pokot, Turkana	AfDB/GoK	62
3.	Kainuk - Lokichar	Turkana	AfDB/GoK	73
4.	Mombasa Gate Bridge (MGB)	Mombasa	JICA/GoK	0
5.	Access Road to the Dongo Kundu Special Economic Zone	Mombasa	JICA/GoK	4.6
6.	Kakamega Airstrip – Shinyalu – Chepsonoi	Kakamega	GoK	25
7.	JN (A4) Kisima - Sura - Aduru Road	Samburu	GoK	20
8.	Maralal - Sayuni Road (A4)	Samburu	GoK	30
9.	Junc. A8 (Turbo) – Junction. A1 (Shikendu)	Uasin Gishu, Kakamega, Bungoma	GoK	34
10.	Rironi – Mau Summit Road Project	Kiambu, Nakuru, Kericho	PPP	178
11.	Nairobi – Mombasa Road Project	Nairobi, Machakos, Makeni, Kajiado, Taita Taveta, Mombasa	PPP	390
12.	Gari-Rhamu	Mandera	AfDB/GoK	68
13.	Upgrading of Kotulo- Kobo (A13) Road	Wajir and Mandera	IDA	38
14.	Upgrading of Kobo-El Wak (A13) Road	Mandera	IDA	26
Total				1077.6

A total of 2,398.04 Km of the National Trunk Road network is currently under construction at a contract sum of Kshs 214 billion. The Authority’s FY 2024/2025 development budget is Kshs 104.35 billion. Details on the ongoing development projects is presented in Table 3-5 below:

Table 3-5: Status of ongoing projects

Ref.	Project Name/Activity	Region/ County	Funding Model	Contract sum (KES)	Road Length (Km)	Cum. Achieved	% Physical progress to date	Achievements To date
1.	Uplands - Githunguri – Ruiru	Kiambu	GoK	3,988,058,395.00	47.00	0	64%	27
2.	Mau Mau Road Lot1A: Kiambu - (Gataka-Iria Ini - Kagaa-Matimbei-Kamahindu & Spur roads)	Kiambu	GoK	4,567,887,149.89	105.00	10.675	64%	64.34
3.	Mau Mau Road Lot1B: Kiam-bu (Kamahindu - Gatamai-yu-Nduriri-Nyanduma-Wan-gui-Mataara-Gatakaini & other spur roads)	Kiambu	GoK	4,555,618,959.84	112.6	14.16	60.50%	43.5
4.	Kinyona - Gatura - Njabini	Muranga & Nyandarua	GoK	3,179,046,481.92	58.8	3.9	50.50%	18.8
5.	Thika - Magumu Road	Kiambu/ Nyandarua	GoK	2,582,553,064.63	67.6	0	70.30%	32.86
6.	Marsabit - Segel (B75)	Upper Eastern/ Marsabit	GoK	2,277,575,191.93	23.5	0	84.62%	21
7.	Maikona - Segel	Upper Eastern/ Marsabit	GoK	7,836,751,654.30	74.3	0	10.20%	0
8.	Mau Mau Road Lot2 – Murang’a (Mairi-Kinyona-Mununga-Ichici-Tuthu-Wanjere-re- Kagongo -Kairo)	Muranga	GoK	6,428,041,423.20	153.8	2.6	55.91%	48.772
9.	Mau Mau Road Lot3: Nyeri (Kairo-Kabebero-Munyan-gi-Gituiga-Ihithe -Miagayuini-Ihururu-Nyarugumu-Njengu & other spur roads)	Nyeri	GoK	5,148,443,339.55	100.7	0	59.50%	55.94

Ref.	Project Name/Activity	Region/ County	Funding Model	Contract sum (KES)	Road Length (Km)	Cum. Achieved	% Physical progress to date	Achievements To date
10.	Isiolo – Kulamawe	Trans Nzoia	World Bank	7,982,654,036.00	77.00	3.47	46.34%	1.2
11.	Kulamawe - Modogashe	Turkana	World Bank	11,014,771,037.00	128.00	3.6	31.30%	5.2
12.	Kopasi River - Marich Pass	Isiolo	GOK	4,419,968,777.00	38.20	0	37.00%	0
13.	Sagana – Marua	Isiolo	AfDB/GoK	9,146,922,301.01	36.00	4.14	82.00%	29.94
14.	Mombasa - Mtwapa	West Pokot/ Elgeyo Marakwet	AfDB/EU	7,590,747,593.00	13.5	1.463	13.00%	2.49
15.	Mtwapa - Kilifi	Machakos	AfDB/EU	7,546,323,677.00	40.4	16.47	60.00%	36.08
16.	Kibwezi - Mutomo – Kitui - Migwani – Mbondoni	Kisii/Migori	Exim/GoK	21,545,912,342.94	225	0	29.6% - Addendum three	201.71
17.	Lot 1: Barpello (Moru) – Tot Junction	Kiambu/ Muranga	GoK	4,542,284,928.28	40.3	0	7.90%	3.97
18.	Lot 2: Tot Junction – Ches- egon – Kopasi River	Muranga/ Nyeri	GoK	5,603,042,198.29	46	0	8.07%	0
19.	Lot 1: Mamboleo Junction (A12) – Miwani	Mombasa	GoK - 100%	5,194,524,145.57	12.6	0	14.30%	0
20.	Lot 2: Miwani – Chemelil Road	Kilifi	GoK - 100%	4,964,716,883.42	27.4	0	11.68%	0
21.	Lot 3: Chemelil – Kipsitet Road	Makueni/Kitui	GoK - 100%	5,720,767,704.00	20	0	24.17%	0
22.	Construction of Kwale - Kinango (B92) Road	Kisumu	GoK - 100%	3,070,675,495.68	29	0	15.80%	0
23.	Lamu-Ijara-Garissa(A10) Road & Associated Spur / roads to / all Weather Gravel Standards.	Mombasa	GoK - 100%	17,960,846,926.17	453	0	48.67%	33.65

Ref.	Project Name/Activity	Region/ County	Funding Model	Contract sum (KES)	Road Length (Km)	Cum. Achieved	% Physical progress to date	Achievements To date
24.	Garissa -Isiolo Road & Associated Spur /roads to /all Weather Gravel Standards.	Kericho	GoK - 100%	9,453,650,604.69	150	8	50.30%	1.5
25.	Upgrading and Landscaping of Kenyatta Road (C565) EPC Turnkey Commercial Contract	Kisumu	GoK - 100%	1,754,918,022.00	21	0	23.56%	5.5
26.	Construction of Kwa Jomvu-Mariakani	Kisumu	KfW/EIB/GoK	10,338,651,593.00	30	14.565	28.87%	16.5
27.	Kitale - Morpus	Baringo	KfW/EIB/GoK	15,424,461,082.00	72.34	0	2.03%	0
28.	Wajir – Tarbaj (A13) Road and Tarbaj Spur Road	West Pokot, Elgeyo Marakwet	IDA	9,114,696,296.88	57	0	5.20%	0
29.	Tarbaj – Kotulo (A13) Road	Kisumu	IDA	9,045,172,216.30	64	0	13.58%	0
30.	Elwak-Gari	Mandera	AFDB/GoK	9,380,020,751.00	74	0	0.00%	0
Total				214,190,235,736.72	2398.04			649.952

3.2.4 Construction of Road Structures

The development of essential infrastructure such as river bridges, footbridges, culverts, and drainage systems play a pivotal role in ensuring safe, reliable, and efficient transportation networks. These structures not only facilitate seamless connectivity but also significantly improve the safety and mobility of people and goods. Through these strategic investments, KeNHA strengthens access to previously underserved and remote regions, unlocking opportunities for education, healthcare, trade, and employment. Moreover, bridges and related structures enhance disaster preparedness and resilience by serving as critical access routes during emergencies such as floods and other natural calamities. Their integration into the landscape also contributes to environmental harmony and visual appeal, promoting tourism and attracting economic activity. The progress and status of bridge construction projects during the reporting period are detailed in Table 3-6.

Table 3-6: Status of ongoing structures projects

No	Project	Progress (%)	Time Lapsed (%)
1.	Construction of Endau Bridge and Approach Roads along Marigat - Marich Pass (B17) Road	93%	258%
2.	Construction of Dhogoye Bridge and Approach Roads on Kisian- Usenge - Osieko (B10)	46%	80%
3.	Construction of Makupa Bridge and Approach Roads (FIDIC EPC / TURNKEY BASED)	99%	100%
4.	Construction of Kambu River Bridge and Approach Roads	71%	93%
5.	Construction of Bilbil Bridge along Madogo - Hola (B89) Road	39%	127%
6.	Construction of three pedestrian overpasses along Athi River – Museum Hill – James Gichuru junction A8 Road	65%	95%
7.	Construction of footbridge at Juja Highpoint (Centurion) on Thika Superhighway S1 Road	94.2%	100%
8.	Construction of Greenpark Terminus Pedestrian Underpass Network (EPC / Turnkey)	91%	88.3%
9.	Tana River bridge along Mwingi – Madogo- Garissa A3 road	43%	53.1%
10.	Construction of the Lesongoy River Bridge along Namanga – Amboseli Gate (B54).	20%	32%
11.	Maintenance of Structures Along Thika – Mwingi - Garissa (A3) Road	11.2%	38.2%
12.	Maintenance of Sabaki Bridge along Garsen – Malindi (A7) Road	100%	100%

3.2.5 Monitoring and Evaluation of Projects

The Authority recognizes the critical role of Monitoring and Evaluation (M&E) in ensuring strategic oversight and continuous improvement of infrastructure projects.

In this regard, the Board of Directors undertook a comprehensive inspection of road development projects in Corridor C and the Upper Eastern region from May 14th to 16th 2025. This inspection aimed to assess the progress of project implementation, identify operational challenges, and provide strategic guidance for resolution. Additionally, the Board sought to document best practices for replication across other projects to enhance overall project delivery.

The inspection focused on flagship initiatives under the Authority, namely the Kenol – Sagana – Marua Highway improvement project, the Isiolo – Kulamawe – Modogashe Road (HoAGDP), and the Sections Maikona – Segel and Segel - Marsabit sections of the North Horr – Marsabit (B75) Road. These projects are critical to enhancing regional connectivity and strengthening economic integration.

During the visit, the Board made key observations and issued policy-level recommendations across several thematic areas:

- (a) **Strategic Planning:** Emphasis was placed on aligning project planning with value-for-money principles and exploring innovative, cost-effective solutions to optimize resource utilization.
- (b) **Institutional Communication:** The Board underscored the importance of evidence-based storytelling to build public trust and reinforce institutional credibility.
- (c) **Road Reserve and Asset Management:** Concerns over encroachment and vandalism led to directives for a structured asset protection strategy and a monetization framework to safeguard public investments.
- (d) **Road Safety:** Persistent vandalism of road signage prompted recommendations for the adoption of alternative materials and the development of a National Road Safety Charter to guide safety interventions.
- (e) **Project Management:** Issues such as project delays, financial claims, and contractor performance were highlighted, with a call for a robust performance evaluation framework to enhance accountability.
- (f) **Quality Control and Assurance:** The Board endorsed the adoption of a Zero-Fault Audit approach to reinforce quality standards across all project phases.
- (g) **Human Resource and Regional Capacity:** Gaps in staffing and resource deployment were noted, leading to recommendations for targeted recruitment and optimal utilization of project campsites to support effective implementation.

Through this inspection, the Board reaffirmed its commitment to proactive oversight, strategic guidance, and institutional learning to ensure the successful delivery of transport infrastructure projects.

Figure 3-3: Board Inspection of ongoing projects

 **Inspection**



Board Inspection of Marsabit - Segel **Engagement with the CEC Lands (Meru County) over the disputed section of Isiolo – Kulamawe Lot 1.**

Courtesy call 



Courtesy call to the County Commissioner office, Marsabit County, during the Board Inspection of Corridor C and North Eastern region development Projects.

 **Inspection**



Bridge Inspection along the Isiolo – Kulamawe Lot 1

The Authority continues to prioritize proactive risk management as a cornerstone of effective project delivery and institutional resilience. During the year, the Authority undertook a comprehensive review of its corporate risk profile, maintaining a consistent approach to monitoring, reporting, and mitigating risks that could impede achievement of strategic objectives.

The Authority identified nine key corporate risks and put in place mitigation measures to address them; these are in Contract and Project Management, Business Continuity, Human Capital, Organizational reputation, Organizational Culture, Data Governance, Public-Private Partnerships (PPP), Road Asset Management and Financial Sustainability.

To strengthen risk oversight, the Authority maintained departmental and project-level risk registers, enabling targeted tracking and mitigation of risks across operational units. Staff were sensitized on risk management principles and trained on the ISO 9001:2015 Quality Management System and ISO/IEC 27001:2022 Information Security Management System (ISMS), reinforcing a culture of compliance and resilience.

Risk assessments were conducted for 40 road projects, providing valuable insights into project-specific vulnerabilities. Additionally, two staff sensitization sessions were held to address emerging risks and integrate audit recommendations, which the Board fully adopted. The Board of Directors, senior management, and staff also underwent training in Enterprise Risk Management (ERM), enhancing institutional capacity to anticipate and respond to risks effectively.

Looking ahead to the 2025/2026 fiscal year, the Authority plans to automate the risk management function, enabling more robust quantitative risk assessments to complement existing qualitative approaches. A review of the Business Continuity Management Policy is also scheduled, alongside the development of an implementation framework to ensure operational continuity in the face of disruptions. Through these initiatives, the Authority reaffirms its commitment to embedding risk management into its strategic and operational processes, thereby safeguarding public investments and ensuring the sustainable delivery of transport infrastructure.

3.2.7 Quality Assurance

The Authority remains committed to upholding the highest standards of quality in road infrastructure development through rigorous technical oversight. As part of its quality assurance framework, the Authority conducted periodic technical audits to verify that road construction activities and contract deliverables conform to established specifications and engineering standards. These audits serve as a critical mechanism for ensuring compliance, enhancing accountability, and reinforcing public confidence in the integrity of road projects.

During the year, the Quality Assurance team undertook 38 technical audits across various project categories, comprising 18 (No) road construction projects, 2 (No) road design projects and 18 (No) road maintenance projects.

These audits provided valuable insights into the technical soundness of project execution and highlighted areas for improvement in design, implementation, and maintenance practices. The findings informed corrective actions and contributed to continuous improvement in project delivery. Through quality assurance, the Authority continues to foster a culture of excellence, ensuring that infrastructure investments deliver long-term value. The Authority remains focused on strengthening its audit mechanisms and integrating quality assurance into every phase of the project lifecycle.

3.3 KRA 2: ROAD ASSET MANAGEMENT



The Authority remains committed to ensuring the sustainability, reliability, and optimal performance of the national road network through strategic road asset management. This Key Result Area focuses on preserving the functionality and structural integrity of road infrastructure, thereby maintaining its serviceability for economic, social, and logistical purposes. The overarching objective is to safeguard the National Trunk Road Network and protect the Authority's physical assets from deterioration, misuse, and external threats. To achieve this, the Authority has implemented a comprehensive set of strategies, including routine and periodic road maintenance, preservation of major structures, protection of road reserves, enhancement of riding comfort, expansion of axle load monitoring coverage, enforcement of axle load compliance, and securing critical infrastructure assets.

Central to these efforts is the deployment of the Road Asset Management System (RAMS) which is a robust, data-driven platform designed to collect, manage, and analyze road condition data. RAMS enables evidence-based planning and prioritization of maintenance interventions, ensuring that resources are allocated efficiently and that road assets are managed proactively throughout their lifecycle. Through this strategic approach, the Authority continues to reinforce its commitment to delivering a resilient, safe, and high-performing road network that meets national development goals and user expectations.

3.3.1 Securing Road Reserves

The Authority continues to implement strategic measures aimed at safeguarding road reserves, which are critical to the long-term sustainability and expansion of the national road network. Recognizing the growing threat of encroachment and asset degradation, the Authority has prioritized the protection of these corridors through a combination of technical interventions, public engagement, and institutional coordination.

Key initiatives undertaken during the reporting period included public sensitization campaigns to raise awareness on the importance of preserving road reserves, the installation of boundary marker posts, and the mapping and titling of road reserve corridors and depot camps. These efforts were designed to reinforce legal ownership, prevent unauthorized development, and facilitate future infrastructure planning.

The Authority submitted Cadastral Survey Computations for 303 km exceeding the 300 km target to the Director of Survey, demonstrating its commitment to formalizing

land records. In addition, a total of 1,091.88 km of road reserve corridors were mapped, comprising 788.88 km digitized internally and 303 km mapped by survey consultancies, surpassing the annual target of 700 km. To enhance visibility and physical demarcation, 514 km of road reserve were marked using 3,626 boundary posts, spaced at 250-meter intervals, against a target of 1,000 km.

Further, the Authority updated 715.88 km of road reserve data in its GIS database, integrating centre-line information and land acquisition records for newly secured sections. These digital records are essential for planning, monitoring, and defending the Authority's land assets.

Despite these achievements, the Authority continues to face persistent challenges related to encroachment, which often result in disruption of livelihoods and escalated compensation costs during road expansion projects. Addressing these issues will require sustained public engagement, inter-agency collaboration, and the strengthening of legal and policy frameworks to protect road reserves from unauthorized use.

3.3.2 Road Maintenance

The Authority continues to prioritize the maintenance of the national trunk road network as a critical function to ensure roads remain safe, motorable, and economically viable. This responsibility is spearheaded by the Maintenance Directorate, which oversees the implementation of a wide range of maintenance interventions aimed at preserving road quality and enhancing user experience. To fulfill this mandate, the Authority deployed a comprehensive suite of maintenance strategies, including pothole patching, shoulder reinstatement, surface dressing, overlays, base and sub-base repairs, and full reconstruction and rehabilitation works. In addition to structural interventions, the Authority placed strong emphasis on road safety enhancements, such as the installation and replacement of road signage, guardrails, and road markings to improve visibility and reduce accidents.

Table 3 7: Road Maintenance Intervention Achievements

No.	Maintenance Intervention	Target(km)	Achievement(km)
1.	Periodic Maintenance	165	162.90
2.	Paved Routine Maintenance	439.35	287.44
3.	Unpaved Routine Maintenance	5,812.43	2,331.6
4.	Performance-Based Contracts	8,977	7,867.2
Total Road Maintenance		15,193.25	10,649.14

Source: Annual PC Report

During the financial year, as shown in the table above, a total of 10,649.14 km of road was maintained, representing significant progress toward the annual target of 15,193.25 km. A key innovation in the maintenance strategy was the continued rollout of Performance-Based Contracts (PBCs) for routine maintenance of paved trunk roads. This approach holds contractors accountable for maintaining high service levels, with contractual obligations to keep roads free of potholes, obstructions, and overgrown vegetation, and to ensure proper drainage.

PBCs have proven to be a cost-effective and sustainable solution, as they transfer financial risk to contractors and incentivize timely defect resolution. Contractors who fail to meet agreed performance standards face penalties and additional costs, thereby reinforcing accountability and service quality. This model has also contributed to improved road safety through continuous surveillance and reduced encroachment.

Through these efforts, the Authority continues to uphold its commitment to delivering a reliable and safe road network, ensuring that infrastructure investments yield long-term value and support national development objectives.

3.3.3 Axle Load Control

KeNHA is mandated to preserve road infrastructure by regulating axle loads in compliance with the Traffic Act (Cap. 403) and the East African Community Vehicle Load Control Act. The Authority operates 13 weighbridge stations across the country, comprising Static weighbridges, which provide precise axle weight measurement, and Virtual Weigh stations (VWS), a technology-driven platform for remote load assessment and enforcement support without halting traffic flow.

The Authority completed the construction of Kanyonyo Weighbridge, which was operationalized during the financial year, enhancing axle load enforcement along the Thika–Garissa corridor. Kamagambo (Virtual) and Meru (Virtual) were also installed during this period. The national axle load compliance rate improved to 98.43% on the 10,776 Km monitored road network, as a result of sustained public awareness, enforcement efforts, and stakeholder collaboration.

The Authority engaged private investors to manage and operate the weighbridge infrastructure. This approach has enhanced operational efficiency, reduced congestion, and improved cargo truck turnaround time. The Authority also held five (5) Stakeholder sensitization sessions on axle load compliance.

Despite these efforts, the Authority encountered budget constraints affecting the operation and maintenance of existing stations, the provision of police housing, and the modernisation of multi-deck scales.

3.3.4 Securing Authority’s Assets

Initiatives were implemented to secure land assets, a critical component for road network integrity and safeguarding land for future development. The Authority valued 693 kilometres of road reserve corridors, against a target of 500 kilometres and eight (8) road camps, including Mlolongo weighbridge, Mweiga, Thika Corridor C, Mwingi Corridor C, Dongo Kundu, and Mackinon. Approval, surveys, and boundary resolutions are still ongoing for the remaining assets.

3.4 KRA 3: EFFECTIVENESS AND EFFICIENCY



Enhance ICT Process Automation



Research and Innovation

This Key Result Area underscores the Authority’s commitment to delivering high-quality services while ensuring optimal use of resources. It aims to enhance the efficiency and effectiveness of road infrastructure development, maintenance, and internal operations. The Authority implemented a range of strategic initiatives designed to streamline processes, reduce operational costs, and maximise value for money. These include the modernization of disaster recovery systems, the automation of core ICT processes, and the reinforcement of cybersecurity measures. Additionally, the Authority is embracing business process re-engineering, adopting cutting-edge technologies and innovations, expanding the use of data analytics for informed decision-making, and upgrading internet connectivity to support seamless operations. Collectively, these efforts are geared toward building a more agile, responsive, and performance-driven organization.

3.4.1 Enhance ICT Process Automation

As part of the Authority’s strategic focus on improving operational efficiency and service delivery under KRA 3, the Authority has prioritised enhancing ICT process automation. This initiative leverages technology to streamline workflows, reduce operational costs, and accelerate decision-making across key functions, including project management, road maintenance, and performance monitoring. By deploying advanced automation tools, the Authority has significantly minimized manual interventions, thereby reducing errors and improving turnaround times.

To strengthen disaster recovery capabilities, the Authority successfully installed and continues to maintain up-to-date operational backup software, ensuring business continuity in the face of disruptions. A comprehensive network security audit was conducted, resulting in the development of 2 No. Biannual network monitoring reports that inform ongoing cybersecurity improvements. In addition, 4 No. staff sensitization sessions were held to raise awareness on internet safety and cybersecurity best practices, reinforcing a culture of digital vigilance.

Further bolstering its cybersecurity infrastructure, the Authority procured and installed an additional firewall to enhance network protection. Progress in digitizing contract documents reached 85%, marking a significant milestone in reducing paper-based processes and improving document accessibility.

In alignment with data protection regulations, the Authority registered with the

Office of the Data Protection Commissioner and conducted 2 No. sensitization sessions to educate staff on the provisions of the Data Protection Act. To advance its data analytics capabilities, 60 No. staff members were trained and the Authority developed a centralized database, enabling evidence-based and data-driven decision-making across departments.

These concerted efforts reflect our commitment to building a digitally empowered, secure, and responsive organization that delivers value efficiently and effectively.

3.4.2 Research and Innovation

In pursuit of greater efficiency and effectiveness under KRA 3, the Authority continues to prioritize research and innovation as key pillars of its strategic transformation. These efforts enable the Authority to remain adaptive and forward-looking, embracing cutting-edge technologies, materials, and methodologies that enhance the construction, maintenance, and operation of the national trunk road network.

Through targeted research, the Authority gathers critical data on traffic behaviour, road safety, and infrastructure needs, which inform evidence-based planning and policy decisions. The Authority's commitment to continuous improvement is reflected in its collaborative engagements with institutions such as KENIA and NACOSTI, focusing on intellectual property (IP) management and commercialization. These partnerships foster knowledge exchange and capacity building, ensuring the Authority remains aligned with global best practices.

In support of climate resilience and sustainable infrastructure, the Authority developed 4 No. climate financing proposals, one of which was submitted to GIZ in February 2025. This proactive approach demonstrates the Authority's dedication to integrating environmental considerations into its strategic planning.

Moreover, the Authority has successfully installed various proprietary products across its road network, following rigorous evaluation to ensure compliance with Ministry standards and adherence to engineering, economic, and environmental benchmarks. These installations underscore the Authority's emphasis on quality assurance and innovation-led procurement. The following are the proprietary products installed in the various road networks.

- (a) Geomembrane Installation 76 Km on Kericho–Nyamasaria Road): This synthetic, impermeable liner was strategically applied to mitigate water ingress and subgrade saturation which are common causes of road deterioration. By creating a moisture barrier, the geomembrane enhances structural integrity and extends the road’s lifespan, representing a long-term investment in durability.
- (b) Stone Mastic Asphalt (SMA) Application (67.5 km on Mombasa Routes): SMA, a high-performance surfacing material, was selected for its superior resistance to rutting and enhanced skid safety which is critical for high-traffic corridors such as the Port of Mombasa access roads (A8) and the tourist-heavy A7 route to Kilifi. Though costlier upfront, SMA offers extended service life and reduced maintenance needs, aligning with the Authority’s goal of minimizing disruptions and optimizing lifecycle costs.

Table 3 8: Testing of Proprietary Products

No.	Maintenance Intervention	Areas Installed	Road Selected	Achievement(km)
1.	Geomembrane	Kericho – Kisumu Counties	Kericho – Nyamasaria (A1/B1) Road	76 Km
2.	Stone Mastic Asphalt	Mombasa	Mombasa – Kwa Jomvu (A8) Road	11 Km
		Mombasa- Kilifi	Mombasa-Mtwapa	16 Km
			Mtwapa – Kilifi (A7)	40.5 Km

These strategic deployments reflect the Authority’s shift from conventional solutions to modern, engineered interventions that prioritize long-term performance, safety, and cost-effectiveness. By integrating research and innovation into its operational framework, the Authority is building a resilient, data-driven, and future-ready road network that supports national development objectives.

3.5 KRA 4: SUSTAINABILITY



The Authority focus on sustainability to ensure that road infrastructure development and maintenance deliver lasting benefits to beneficiary communities. The Authority is dedicated to creating transport systems that are not only economically viable but also environmentally responsible and socially inclusive. By embedding sustainability principles into every stage of road network planning and execution, the Authority aims to safeguard natural ecosystems, promote equitable access, and support long-term national development goals.

To achieve this, the Authority has adopted a range of targeted strategies designed to build a resilient and future-ready road network, one that meets the needs of today while preserving opportunities for future generations. These strategies are geared toward enhancing environmental stewardship, strengthening social safeguards, and ensuring that infrastructure investments yield enduring value for all stakeholders.

3.5.1 Environmental Sustainability

The Authority remained steadfast in its commitment to ensuring that transportation infrastructure projects are environmentally responsible and contribute positively to ecological well-being. Throughout the year, it implemented a series of targeted initiatives aimed at minimizing adverse environmental impacts while promoting long-term sustainability. These efforts were designed to integrate environmental safeguards into project planning and execution, ensuring that road development not only meets infrastructure needs but also supports the preservation and restoration of natural ecosystems.

3.5.1.1 Environmental Conservation and Restoration

As part of its commitment to environmental stewardship, the Authority prioritized the restoration and rehabilitation of vegetation within road project corridors to support sustainable development and ecological conservation. In collaboration with the Kenya Forest Service (KFS), it organized 3 (No) tree planting and growing events, resulting in the planting of 279,327 tree seedlings. These initiatives contributed to advancing national efforts in environmental restoration and beautification.

The tree planting activities, conducted under the MPARD project and in partnership with KFS, align with the Presidential directive to achieve 30% forest cover by 2032. They also reinforce the Authority's strategic objective of promoting environmental sustainability across its operations.

In addition to afforestation efforts, the Authority undertook rehabilitation of material extraction sites associated with key infrastructure projects, including Kitale–Suam, Mau Mau Lot 1A, Mau Mau Lot 1B, EARTIDFP–Lot 4, and Mau Mau Lot 3. These rehabilitation activities were aimed at restoring disturbed landscapes, mitigating environmental degradation, and ensuring compliance with ecological standards.

3.5.1.2 Environmental Audits

The Authority aims at enhancing the environmental and social sustainability of the National Trunk Road Network. A key focus was on ensuring compliance through a robust audit and assessment framework. This included the completion and submission of 8 (No) Environmental and Social Impact Assessment (ESIA) studies to NEMA for key projects including Kwale-Kinango road and Green Park underpass. The Authority also conducted 5 (No) environmental audits such as the Isiolo-Modogashe, Modogashe - Kulamawe roads ensuring that environmental action plans were effectively implemented.

3.4.1.3 Climate Change Initiatives

The trunk road network faced disruptions from extreme weather events leading to widespread flooding and destruction of the road network. The Authority subsequently initiated measures to climate proof the road network and deliver

climate resilient road infrastructure. By proactively integrating Environmental and Social Impact Assessments (ESIA) and Climate Hazard Assessments into project planning, the Authority identified and mitigated risks such as flooding, erosion, and drought along critical road corridors. The Authority proactively embed climate adaptation principles directly into infrastructure design and construction, ensuring the use of resilient materials and engineering techniques that enhance road durability and safety.

Beyond compliance with project-specific environmental standards, the Authority demonstrated its broader commitment to sustainability through strategic climate initiatives. Notably, it developed and submitted a climate financing proposal to GIZ and actively participated in a climate change conference, reinforcing its role in national and international climate discourse. On the ground, tangible progress was made through the planting of over 279,000 tree seedlings, further supporting reforestation and carbon sequestration efforts.

Recognizing that institutional capacity is key to delivering climate-resilient infrastructure, the Authority invested in staff development through the HoAGDP training program. This initiative enhanced internal expertise in climate resilience and vulnerability analysis, equipping teams with the skills needed to design and implement adaptive road projects that can withstand the evolving impacts of climate change.

3.5.2 Social Sustainability

In fulfilling its mandate, the Authority is committed to fostering a socially inclusive and equitable environment through its road infrastructure initiatives. It ensures that all individuals regardless of background or location have fair access to project resources, opportunities, and benefits. By actively promoting stakeholder engagement and inclusive decision-making processes, the Authority empowers communities to participate meaningfully in the planning and implementation of road projects. This approach not only strengthens social cohesion but also ensures that infrastructure development contributes to a balanced and thriving society where no one is left behind.

3.5.2.1 HIV and AIDS Mainstreaming

As part of its commitment to social sustainability, the Authority has mainstreamed HIV/AIDS prevention and response measures across all ongoing road development

projects. These initiatives are designed to mitigate the spread of HIV/AIDS and reduce its socio-economic impact on communities and project stakeholders. By integrating gender and HIV/AIDS considerations into project planning and execution, the Authority ensures that infrastructure development contributes to healthier, more resilient communities.

In line with this commitment, the Authority developed and implemented comprehensive protocols addressing Gender-Based Violence (GBV), Sexual Exploitation and Abuse (SEA), and Sexual Harassment (SH) for the Kitale–Morpus project. These safeguards promote safe and inclusive work environments, particularly for vulnerable groups, and reinforce the Authority’s zero-tolerance stance on abuse and discrimination.

HIV/AIDS interventions were operationalized through subcontractors on key infrastructure projects, including Kitale – Morpus, Tana River Bridge, Elwak–Rhamu, and the HoAGDP initiative. This decentralized approach ensures that awareness, prevention, and support services are accessible at the grassroots level, directly benefiting workers and surrounding communities.

Through these efforts, the Authority continues to demonstrate leadership in integrating public health and social protection into infrastructure development, contributing to the well-being of all stakeholders involved.

3.5.2.2 Resettlement of Project Affected Persons

To uphold social sustainability in its infrastructure development, the Authority ensures that all road projects are guided by comprehensive Resettlement Action Plans (RAPs). These plans are designed to safeguard the rights and livelihoods of project-affected persons (PAPs), minimizing the social and economic disruptions caused by involuntary displacement. The RAP framework provides clear guidelines for compensation, relocation, and livelihood restoration, ensuring that affected individuals are treated fairly and supported throughout the transition process.

During the reporting period, the Authority actively monitored the implementation of RAPs for key projects, including Lot 1 Isiolo–Kulamawe, Lot 2 Kulamawe–Modogashe, and Kwa Jomvu–Mariakani. This oversight ensured that resettlement activities were carried out in accordance with established standards, with a focus

on transparency, community engagement, and long-term well-being of the affected populations.

3.5.2.3 Corporate Social Investment

Corporate Social Investment (CSI) has become an essential element of the Authority’s corporate responsibility by playing a significant role in enhancing the livelihoods of communities. The CSI projects primarily focus on community development, encompassing various activities such as infrastructural upgrades and investments in capacity enhance through technical training sponsorship, economic empowerment through the provision of market stalls and environmental conservation. The Authority catalyzes economic growth and social advancement across various regions by upgrading infrastructure and ensuring access and connectivity to essential services. Moreover, initiatives provide the Authority a platform to cultivate deeper relationships and partnerships with stakeholders, including local communities, government bodies, and non-profit organizations. Through active collaboration, the Authority can leverage its stakeholders’ collective expertise and resources to deliver more effective and sustainable solutions to its challenges. During the monitoring phase, 4 No. CSI projects were implemented. These investments have predominantly benefited the communities in the project areas. A summary of various CSI initiatives is provided in the table below.

Table 3 9: CSR activities

Project Name	CSI program implemented in the project	Beneficiaries
Isebania – Kisii	Construction of a modern market at Migori Town.	<ul style="list-style-type: none"> Community County Government
Kenol – Sagana	Construction of 20 Km of access road to public institutions	Community
Lamu - Ijara – Garissa	<ul style="list-style-type: none"> Grading of Access roads at Bura and Masabubu areas Medical clinic at campsite 	Community
Sagana – Marua	<ul style="list-style-type: none"> Construction of 18km of access road to public institutions Construction of 5 no. boda boda sheds Provision of equipment and furniture for the completed Autism Unit at Karatina Special School. 	Community

3.5.2.4 Socio-Economic Infrastructure

In line with its commitment to social sustainability, the Authority made significant strides through the implementation of the Eastern Africa Regional Transport,

Trade and Development Facilitation Project (EARTDFP), also known as the South Sudan Link Project. This transformative, decade-long initiative integrates road infrastructure development with socio-economic upliftment in Kenya's remote northwest, particularly in Turkana and West Pokot Counties. The project aims to enhance regional connectivity, stimulate trade, and improve access to essential services for marginalized communities.

The project was executed through a multi-stakeholder approach involving KeNHA, County Governments of Turkana and West Pokot, local political leaders, and community representatives. Through extensive stakeholder engagement and prioritization exercises, 26 socio-economic infrastructure projects were identified and implemented to complement the road works. These facilities were strategically located within a 10km corridor along the A1 Road, stretching from Kainuk to Nadapal, and covering seven sub-counties across the two counties.

Funded by the International Development Association (IDA – World Bank) and the Government of Kenya, and implemented by KeNHA, the project was executed under two contracts which include Lot 1 by CCCC and Lot 2 by CICO, with supervision by Egis International and Egis Kenya Ltd. The completed infrastructure includes:

- (a) 6No. Secondary Schools, 3No. Primary Schools, and 1No. Teachers' Training College to expand access to education.
- (b) 6No. Health Centres to improve healthcare delivery.
- (c) 4No. Water Supply Projects to enhance access to clean water.
- (d) 1No. ICT Hub to promote digital inclusion.
- (e) 3No. Truck Parking and Rest Stops to support logistics and trade.
- (f) 1No. Livestock Market to boost local economies.
- (g) 1No. Police Post to strengthen community security.

Notable facilities include Ngamia 1 Girls Secondary School, Aroo Teachers College, Napetet ICT Hub, and the Nadapal Livestock Market, each designed to address specific community needs and foster peace, education, and economic empowerment. As of March 23, 2025, Lot 1 works were 100% complete, and Lot 2 reached 96.9% completion, with final activities focused on solarization and water system commissioning. A joint inspection conducted in May 2025 by the Authority, relevant ministries, and county governments confirmed the readiness of the facilities for handover. Full operationalization of all 26 projects is expected by June 2025, marking

a major milestone in the Authority’s efforts to integrate infrastructure development with inclusive social progress.

3.5.2.5 Road Safety Interventions

The Authority continues to prioritize road safety as a cornerstone of sustainable infrastructure development. During the FY 2024/2025, the Authority conducted comprehensive road safety audits on a sample of development and maintenance projects across the National trunk road network. These audits were designed to evaluate post-construction safety conditions, monitor ongoing works, and assess the effectiveness of Work Zone Traffic Management Plans (WZ-TMPs). A key component of the assessment involved analyzing crash trends categorized as minor, major, and fatal and tracking total crash occurrences to inform future safety interventions and design improvements.

Table 3-10 below presents the Road Safety Audits/Assessments conducted during the FY 2024/2025;

Table 3 10: No. of Crashes per Road Project

No.	Road Safety Audit/Assessment (RSA)	Minor	Major	Fatal	Total
1.	Post Construction Road Safety Assessment of Isebania – Kisii – Ahero (A1) Road	58	97	67	222
2.	Road Safety Audit of Athi River-Namanga (A2) Road	16	25	35	76
3.	Road Safety Assessment of Kampi ya Moto- Eldama Ravine (B77) and Eldama Ravine – Kamwosor – Eldoret (B124) Road	4	5	9	18
4.	Road Safety Assessment of Nyeri – Othaya – Kiraini – Kangema Gacharage (B23) Road	6	13	18	37
5.	Road Safety Inspection of Migaa along the Nyahururu Interchange – Mau Summit Road	2	5	7	14
6.	Road Safety Audit of Eldoret – Kapsabet (B8) and Kapsabet – Chavakali (B12) Road	4	7	15	26
7.	Road Safety Assessment of Mariakani – Kwa Jomvu (A8) Road	7	12	33	52
8.	Road Safety Assessment of Mom-basa Southern Bypass	2	1	3	6

No.	Road Safety Audit/Assessment (RSA)	Minor	Major	Fatal	Total
9.	Road Safety Assessment of Narok -Ngoswani - Sekenani (B131) Road	0	1	3	4
10.	Road Safety Assessment of Narok –Mau Narok – Mwisho Wa Lami – Njoro Interchange Road	0	2	1	3
11.	Road Safety Assessment of Londiani – Kipkelion - Muhoroni (B123) Road	19	37	20	76
12.	Road Safety Assessment of Mau – Elburgon – Njoro (B219) Road.	1	8	8	17
13.	Work Zone – Traffic Management Plan (WZ-TMP) Road Safety Audit of Kitale – Morpus (A1) Road	4	16	13	33
Total		123	229	232	584

The findings from these audits indicate that fatal incidents accounted for 39.7% of all reported crashes, major injury cases 39.2% while minor injuries 21.1%. The Authority will implement measures to enhance road safety on its road network. The outcomes in post-construction audits underscores the limitations of reactive safety measures and signals an urgent need for a shift toward proactive, preventative road safety planning. In response, the Authority is reinforcing its approach by mandating Road Safety Audits at the design and pre-construction stages of all projects. This ensures that potential hazards are identified and mitigated before roads are built, embedding safety into the infrastructure from the outset. The Authority is also adopting safer design standards, traffic calming measures, and user-centric engineering solutions to reduce crash severity and enhance overall road safety.

Complementing these strategic measures, the Authority implemented physical safety enhancements, including the installation of over 21,000 guardrails, 1,415 road signs, and 506 cat eyes across various road sections. These interventions are aimed at improving visibility, guiding driver behavior, and reducing the likelihood of collisions especially in high-risk zones.

Through these comprehensive efforts, the Authority is advancing a data-driven, safety-first approach to road infrastructure, ensuring that Kenya’s national trunk road network not only supports mobility and economic growth but also protects the lives of all road users.

3.5.2.6 Resolution of Public Complaints

In line with its mandate from the Government of Kenya and its commitment to responsive governance, the Authority has continued to prioritize the timely resolution of public complaints and the facilitation of access to information during the FY 2024/2025. Guided by its Customer Service Delivery Charter and the protocols established by the Commission on Administrative Justice (CAJ), the Authority has demonstrated a proactive approach to addressing concerns raised by stakeholders whether submitted directly or referred through CAJ.

To further enhance stakeholder engagement, the Authority processed all requests for access to information under the principle of reactive disclosure, ensuring that citizens and stakeholders could obtain relevant project data and updates in a timely and transparent manner.

Performance monitoring reports submitted quarterly to CAJ reflected the Authority's strong track record in complaint resolution, with 96% of complaints resolved in Q1, 98% in Q2, and 98% in Q3. These figures underscore the effectiveness of the Authority's feedback mechanisms and its dedication to maintaining open, respectful, and responsive communication with the public.

The Authority's successfully resolved all complaints received during the year, implementing corrective measures to prevent recurrence and improve service delivery. The majority of complaints related to delays in land acquisition, disputes over road reserve boundaries, compensation for project-affected persons, road safety concerns, road conditions, and operations at weighbridges. By addressing these issues promptly and effectively, the Authority reinforced its commitment to public accountability and operational transparency.

Through these efforts, KeNHA continues to uphold the principles of good governance, public participation, and social accountability ensuring that infrastructure development is not only technically sound but also socially inclusive and citizen-centered.

3.5.2.7 Stakeholder Engagement

The Authority remains firmly committed to engaging stakeholders throughout the lifecycle of its road infrastructure projects, in accordance with Article 10 of

the Constitution of Kenya, which emphasizes public participation, transparency, and accountability in governance. During FY 2024/2025, the Authority conducted 34 stakeholder engagement forums focused on the Road Tolling Policy, ensuring that diverse voices were heard and considered in shaping policy direction and implementation strategies.

To further institutionalize stakeholder engagement, the Authority developed three draft Communication and Stakeholder Engagement Strategies, which are currently under review and awaiting presentation to senior management and the Board for approval. These strategies aim to formalize and strengthen the Authority's approach to stakeholder relations, ensuring consistent, inclusive, and effective communication across all projects and operational areas.

The core objective of these engagements is to understand and address the needs, expectations, and concerns of various stakeholders including local communities, government agencies, civil society, and private sector partners. By fostering open dialogue and collaborative relationships, the Authority builds trust and transparency, which are essential for the successful delivery of infrastructure projects.

Effective stakeholder engagement also enables the Authority to gather valuable insights that inform project design, implementation, and policy decisions. This participatory approach not only enhances project outcomes but also promotes long-term social sustainability by ensuring that infrastructure development reflects the priorities and aspirations of the people it serves.

3.6 KRA 5 - INSTITUTIONAL CAPACITY



To effectively deliver on its mandate and achieve strategic objectives, the Authority places strong emphasis on building and maintaining robust institutional capacity. This involves the continuous development of sound policies, streamlined procedures, and integrated systems that enhance organizational performance. Strengthening institutional capacity enables the Authority to improve productivity, cultivate staff competencies, and foster a culture of innovation and accountability.

Key outcomes of this strategic focus include increased employee satisfaction, enhanced knowledge sharing, and improved financial management practices. It also supports the reduction of pending bills, promotes the adoption of Public-Private Partnerships (PPPs) as viable funding mechanisms, and ensures efficient handling of legal matters. Additionally, the Authority is committed to growing internally generated revenue, reinforcing internal controls, and advancing leadership excellence across all levels of the organization.

Through these efforts, the Authority is building a resilient, agile, and future-ready

institution capable of delivering high-impact infrastructure solutions that support national development.

3.6.1 Policies and Procedure Manuals

The Authority strengthened its operational framework and improved service delivery by developing new policies and reviewing existing policy documents and manuals. During the year, the Board approved the Transport Management policy and Records Management Policy.

3.6.2 Maintenance of the Quality Management System

The Authority continues to uphold its commitment to delivering high-quality services by maintaining compliance with the ISO 9001:2015 Quality Management System (QMS). This internationally recognized standard ensures that the Authority consistently meets stakeholder expectations while adhering to statutory and regulatory requirements. Throughout FY 2024/2025, the Authority successfully conducted both internal and external ISO audits, reaffirming its conformity to quality standards and reinforcing a culture of continuous improvement.

As part of its quality assurance framework, the Authority undertook 2No. surveillance audits and a series of internal quality audits to assess the effectiveness of its systems and processes. These evaluations provided valuable insights into operational performance and helped identify areas for enhancement.

Additionally, the Authority conducted targeted QMS audits to measure the system's effectiveness in achieving organizational objectives and maintaining high levels of customer satisfaction. These audits serve as a critical tool for ensuring that service delivery remains consistent, efficient, and aligned with the Authority's strategic goals. By embedding quality management into its institutional framework, the Authority continues to strengthen accountability, improve operational efficiency, and foster stakeholder confidence in its infrastructure development initiatives.

3.6.3 Training and Mentorship

As part of its commitment to strengthening institutional capacity and fostering national development, the Authority invested significantly in staff development and

youth empowerment during FY 2024/2025. A total of 364No. staff members were trained in both technical and non-technical disciplines, enhancing their professional competencies, boosting productivity, and improving overall operational efficiency across the Authority.

In addition to internal capacity building, the Authority actively supported the development of young professionals through structured training, internship, and apprenticeship programs. These initiatives are designed to equip youth with practical skills and industry exposure, preparing them for future careers in infrastructure development and public service. Notably, the Authority provided 342 No. internship and attachment opportunities, surpassing its annual target of 300 No. This achievement reflects the Authority dedication to nurturing the next generation of engineers and other professionals.

By investing in both staff and youth development, the Authority continues to build a skilled, motivated, and future-ready workforce capable of delivering high-impact infrastructure solutions that support Kenya's long-term growth.

3.6.4 Staff Establishment

As of 30th June 2025, the Authority had a total of 474 members of staff against the approved establishment of 732. The technical staff in the Authority represent 52.73%, while the non-technical staff represent 47.27%. Technical officers within the Authority include Engineers, Surveyors, Geoinformation Systems Officers, Land Valuers, Physical Planners, Road Superintendent/Inspector, Draughtsman, Economist, Budget and Corporate Planning Officers, Statisticians, M&E Officer, Environmentalist, Sociologist, Risk Management and Business Process Reengineering Officers, and Business Development Officer. Non-technical cadres include Legal Officers, Auditors, Accountants, Supply Chain Management Officers, Human Resource Management Officers, ICT Officer, Communication Officer, Administrative Officer, Office Administrator, Records Officer, Knowledge Management Officer, Librarian, Security Officer, Clerical Officer, Driver and Office Assistants. Details on the approved establishment and in-post per cadre is provided in Table 3.11 below;

Table 3 11: Staff establishment – In-post

Cadre	Approved Establishment	Optimal Staffing	In Post	Variance
1	1	1	1	0
2	8	7	6	(1)
3	45	44	33	(11)
4	88	88	43	(45)
5/6	305	292	167	(125)
7/8	199	237	181	(56)
9/10	69	73	43	(30)
Totals	732	742	474	(268)

Based on the staff establishment table, the Authority is facing a severe human resource deficit, with a massive overall vacancy rate of 36% (a shortfall of 268 staff against the optimal requirement of 742), which critically undermines its capacity to manage and maintain the national trunk road network effectively. The shortfall is most acute in the technical and mid-level operational cadres (4, 5/6, and 7/8), which form the backbone of the Authority’s functions, with a staggering combined shortfall of 226 staff. This immense gap in key roles directly threatens the Authority’s ability to conduct its operations. While senior leadership positions (Cadres 1-3) are relatively well-filled, the enormous vacancies in the junior and support staff levels (Cadres 9/10) further strain the organization’s operational efficiency, indicating an urgent need for a strategic and accelerated recruitment drive to bridge this capacity gap and ensure the Authority can fulfil its mandate.

3.6.5 Internal Controls

The Authority continued to strengthen its internal control environment and governance structures during FY 2024/2025, ensuring transparency, accountability, and operational integrity across all functions. A comprehensive Governance Audit was conducted by an independent auditor, covering the period from 1st July 2022 to 20th June 2024. The audit assessed the Authority’s adherence to governance and compliance standards in accordance with applicable laws, regulations, and internal policies.

The audit was guided by the Mwongozo Code of Governance, and benchmarked against global best practices including the ICS Governance Audit Standards and Guidelines, King IV Report on Corporate Governance (South Africa), ASX

Corporate Governance Principles (Australia), and ISO 37000:2021 Standards. Key parameters evaluated included leadership and strategic management, transparency and disclosure, legal compliance, stakeholder communication, board systems and procedures, value enhancement for stakeholders, and corporate social responsibility. Out of 56No. governance parameters assessed, the Authority achieved full compliance in 32No. parameters (57.14%), partial compliance in 21No. parameters (37.5%), and non-compliance in 3No. parameters (5.36%). These results reflect a strong governance foundation and identify areas for targeted improvement.

Complementing the governance audit, the Authority executed its full Annual Audit Workplan, conducting 24No. routine audits, 4No. special/ad hoc audits, and 24 No. follow-up audits. These audits provided critical insights into the adequacy, efficiency, and effectiveness of the Authority's internal controls, risk management strategies, and governance systems.

The Authority achieved an average Current Audit Score (CAS) of 80%, indicating a satisfactory level of control effectiveness and a risk score of 46%, reflecting moderate exposure. Additionally, the Prior Audit Issue Implementation Score (PAIS) stood at 84%, demonstrating strong responsiveness to high-risk audit recommendations and directives issued by the Board Audit Committee.

These internal control and governance assurance activities underscore the Authority's commitment to maintaining a robust accountability framework, enhancing institutional resilience, and ensuring that public resources are managed with integrity and efficiency.

3.6.6 Corporate Governance

The Authority upheld strong corporate governance practices during the FY 2024/2025, ensuring transparency, accountability, and strategic oversight in its operations. The Board of Directors actively discharged its fiduciary responsibilities by convening regular meetings to review policies, assess organizational performance, oversee budget execution, and evaluate project outcomes. The Board also conducted field inspections and addressed key human resource matters, reinforcing its role in guiding the Authority's strategic direction.

At the executive level, Senior Management held strategic planning sessions to steer operational priorities. These meetings focused on reviewing internal policies and

manuals, monitoring performance metrics, resolving operational and HR challenges, and managing institutional assets and contracts. This collaborative leadership approach ensured alignment between strategic goals and day-to-day execution.

To further strengthen governance structures, the Authority undertook both a Governance Audit and a Legal and Compliance Audit. These assessments evaluated the effectiveness of the Authority's governance framework and confirmed adherence to applicable laws, regulations, and internal policies. In addition, targeted training programs were conducted to enhance the Board's capacity, and a formal performance evaluation was carried out to measure its effectiveness and identify areas for improvement.

Through these initiatives, the Authority continues to demonstrate its commitment to sound governance, ethical leadership, and institutional accountability which are pillars for delivering sustainable infrastructure and public value.

3.6.7 Resources Mobilization

During the FY 2024/2025, the Authority advanced its strategic objective of mobilizing alternative financing and delivering high-quality national trunk roads through Public Private Partnerships. The Authority undertook a range of activities across project monitoring, development, procurement, capacity building, policy formulation, and fund mobilization.

The Authority monitored the operation and maintenance of the Nairobi Expressway, producing a quarterly report for January–March 2025. Procurement of new Independent Expert (IE) services is underway, with associated costs covered by the Project Company.

Feasibility studies were evaluated for the Nairobi–Mombasa PPP project, including a Privately Initiated Proposal (PIP) for the USAHIHI Expressway. Conditional approval was granted for progression to the Project Development Phase (PDP), which was completed and submitted by June 2025. In-house pre-feasibility studies for tolling on the Juja–Kenol–Marua and Mombasa Southern Bypass corridors confirmed viability under PPP or Management Contracts. Bidding documents for the latter are currently under preparation.

The Illasit–Njukini–Taveta Road was restructured from a PPP Annuity model to an

EPC Turnkey Contract. Procurement was finalized, with the Works Contract signed on 14th March, 2025, and construction commencing on 20th June, 2025. Design review and supervision contracts were also signed by 25th June, 2025.

To strengthen internal PPP expertise, the Authority trained 8No. members of staff, including 5No. intern engineers, 1 No. intern administrator, and 7No. permanent staff, enhancing technical capacity in PPP project delivery.

Proposals were submitted to Development Finance Institutions (DFIs) such as AfDB, Africa 50, and AIIB to secure funding for Transaction Advisory Services and project preparation. The Authority also submitted proposals under the ADF Project Preparation Facility and NEPAD-IPPF Special Fund for key corridors including Mombasa–Nairobi (A8), Mau Summit–Kericho–Kisumu–Busia (A12), and Nairobi Bypasses. The KeNHA Board approved 3No. projects for support under the National Treasury’s Project Facilitation Fund.

Progress was made on the Draft Road Tolling Policy, with public participation held from 24th February to 12th March, 2025. The draft policy and public feedback report were submitted in April 2025, and highlights were presented to the Parliamentary Transport and Infrastructure Committee.

The Authority managed the termination of several PPP agreements, including the Nairobi–Nakuru–Mau Summit project, Annuity Lot 32 and Lot 3. These projects are being restructured under the EPC model. A contingent liability of USD 4.2 million arising from protestor actions on the Nairobi Expressway during the financial year.

3.6.8 Knowledge Management

The Authority recognises knowledge management as a strategic asset essential for informed decision-making, operational efficiency, innovation, and continuous improvement. By fostering a culture of learning and collaboration, it ensures that institutional knowledge is effectively captured, shared, and utilized to maintain a competitive edge and drive sustainable development.

During the FY 2024/2025, the Authority undertook several initiatives to strengthen its knowledge management framework. The Research, Science, Technology, and Innovation (RSTI) Mainstreaming Strategy was reviewed and updated to reflect

emerging priorities, and subsequently approved by the Board. Similarly, the Research and Innovation (R&I) Policy underwent revision and received Board approval, reinforcing the Authority's commitment to evidence-based practices and innovation-led growth.

To promote internal learning and idea exchange, the Authority hosted 4 No. quarterly knowledge-sharing forums at Barabara Plaza, held on 12th September 2024, 28th November 2024, 13th March 2025, and 29th June 2025. These sessions, marked by the 3rd to 6th editions, provided a platform for staff to share insights, lessons, and innovations across departments.

The Authority also conducted 4 knowledge harvesting activities, including a specialised training on Intellectual Property (IP) management and commercialisation facilitated by the Kenya National Innovation Agency (KENIA) from 6th to 8th November 2024. Additionally, lessons learned from 5 No. completed projects were documented to preserve institutional memory and inform future project planning. To support these efforts, the Knowledge Management team enhanced the Authority's digital platforms, including the Knowledge Repository and Innovation Management Portal. These systems were upgraded with improved user interfaces and strengthened information security protocols. Notably, 22 No. new ideas were submitted and processed through the innovation portal, reflecting a growing culture of creativity and continuous improvement within the organization.

Through these initiatives, the Authority continues to build a knowledge-driven institution that leverages its intellectual capital to deliver smarter, more resilient infrastructure solutions.

3.6.9 Financial Management

In FY 2024/2025, the Authority continued to uphold sound financial management practices, ensuring compliance with statutory requirements and alignment with national planning frameworks. The Authority successfully prepared its Annual Budget in accordance with Section 35 of the Kenya Roads Act, 2007, and submitted it to both the Ministry of Roads and Transport (MoR&T) and the National Treasury for approval. This budget serves as a critical tool for resource allocation, enabling the Authority to deliver on its infrastructure development mandate efficiently.

Additionally, the Annual Works Programme was developed and submitted to MoR&T and the Kenya Roads Board (KRB), in accordance with the provisions of Section 36 of the Kenya Roads Act, 2007. This programme outlines the planned road development and maintenance activities, ensuring strategic alignment with national transport priorities.

To reinforce procurement integrity and transparency, the Authority submitted its Consolidated Annual Procurement Plan to the Public Procurement Regulatory Authority (PPRA) in compliance with Clauses 40(3) and 40 (4) of the Public Procurement and Asset Disposal Regulations, 2020. This plan provides a structured framework for procurement activities, promoting value for money, accountability, and timely delivery of goods and services.

During the period, the Authority received KES. 56.9 billion GoK Exchequer. The total development budget was 82.4 billion. Pending bill decreased from KES 88.8B as of July 1, 2024, to KES 75.6B as of the end of June, 2025, representing a total reduction of KES 13,211,392,220, which is 15% of the budget. The Authority’s historical budgetary allocations for road construction and maintenance are provided in Table 3.12 below.

Table 3 12: Annual Budget for FY2020/2021 – FY 2024/2025 in KES Billions

Budget Item	FY 2020/ 2021	FY 2021/ 2022	FY 2022/23	FY 2023/24	FY 2024/25
Development Budget	80.1	86.4	81.2	37.8	82.4
Recurrent Budget	31.8	28.3	25.5	28.0	30.0
Total	111.9	114.7	106.7	65.8	112.4

The Authority is focused on using its resources wisely and keeping costs low. To help with this, project teams were strengthened to prevent projects from going over budget or incurring unnecessary extra costs. The Authority used Earned Value Analysis to assess project progress in terms of time and cost. This helped find any differences between the planned budget and schedule. Two important measurements were used: The Cost Performance Index (CPI) and Cost Variance (CV). A CPI above one means the project is using money efficiently and staying on budget. A positive CV means the project is costing less than expected.

The CPI and CV for sampled projects is presented in Table 3-13 below.

Table 3 13: CPI and Cost Variance

No.	PROJECT NAME	CPI	CV
1.	Kwa Jomvu-Mariakani	0.43	(2,031,633,131)
2.	James Gichuru-Rironi	1.02	410,828,919.70
3.	Garissa-Isiolo	0.86	(662,017,516.48)
4.	Kwale-Kinango	1.00	2,055,488.46
5.	Kinyona-Gatura-Njabini	0.92	(124,505,168.6)
6.	Mau Mau Lot 2B	0.03	(371,472,720.02)
7.	Sagana-Marua	0.95	(88,629,848.63)
8.	Kenol-Sagana	0.93	(525,078,694.20)
9.	Isebania-Kisii	1.13	1,582,209,619.71
10.	Mombasa-Kwa Jomvu	0.10	(7482835671)
11.	Mau Mau Lot 1B	1.12	200,631,698.4
12.	Dhogoye Bridge	1.24	82,707,354.67
13.	Maikona - Segel	0.35	(783,640,941.10)
14.	Kula Mawe-Modogashe	0.74	(1,698,866,832)
15.	Isiolo-Kulamawe	0.81	(1,081,319,212)
16.	MPARD 2	1.16	3,192,582,345.95
17.	Chemelil-Muhoroni-Kipsitet Lot 3	0.83	(221,050,664.14)
18.	Mamboleo Junction-Miwani: Lot 1	0.57	(518,970,065.90)
19.	Miwani-Chemelil: Lot 2	0.29	(496,187,480)
20.	Kopasi River-Marich Pass: Lot 3	0.69	(544,870,692.10)
21.	Tot Junction-Kopasi River: Lot 2	0.14	(620304974.7)
22.	Barpello-Tot: Lot 1	0.42	(472,282,544.10)
23.	Thika-Magumu	0.80	(322424012.50)
24.	Mau Mau Lot 3	1.37	833,054,001.90
25.	Mau Mau Lot 1A	0.97	(76,329,350.22)
	FY 24/25 Average	0.75	(472,734,003.60)

During FY 2024/2025, the Authority closely monitored the financial performance of its ongoing projects using key metrics such as the Cost Performance Index (CPI) and Cost Variance (CV). Analysis of the data revealed that 28% of the projects recorded a CPI greater than 1, indicating that actual expenditures were lower than budgeted costs. This reflects effective cost control and efficient utilization of allocated resources within those projects.

However, the overall CPI across all projects stood at 0.75, accompanied by a negative cost variance of KShs. 472.7 million. This suggests that, on average, actual

project costs exceeded budgeted estimates, pointing to cost overruns. The primary contributing factor to this variance was the slow progress of works, largely attributed to delayed payments, which disrupted project timelines and increased operational costs.

These insights underscore the importance of timely financial disbursements and proactive cost management strategies. The Authority remains committed to improving budget adherence and enhancing financial efficiency through strengthened project monitoring, streamlined payment processes, and early identification of cost risks.

3.7 TECHNICAL, OPERATIONAL AND PERFORMANCE CHALLENGES



Budgetary Constraints



Delays in Land Acquisition, compensation and Delay in relocation of services



Maintenance Backlog and aged pavements



Increasing the road network without commensurate budget allocation



Encroachment on road reserves

During FY 2024/2025, the Authority encountered a range of technical, operational, and performance-related challenges that impacted the timely and efficient delivery of its mandate. These challenges, which were cross-cutting in nature, affected various aspects of project implementation, service delivery, and institutional performance. In response, the Authority undertook a thorough root cause analysis to understand the underlying issues and developed targeted interventions to address them. This proactive approach reflects the Authority's commitment to continuous improvement, resilience, and adaptive management in the face of evolving operational demands.

The challenges experience are shown below.

3.7.1 Budgetary Constraints

During FY 2024/2025, the Authority faced significant financial limitations that adversely affected the timely execution of its infrastructure development programs.

Insufficient budget allocations led to delays in project completion, accumulation of pending bills, and a slowdown in the realization of anticipated socio-economic benefits. Additionally, the constrained funding environment contributed to the deterioration of road conditions, resulting in increased maintenance costs and reduced service levels across the national trunk road network. These challenges not only hindered operational efficiency but also impacted the Authority's ability to meet stakeholder expectations and strategic targets.

In response to these financial challenges, the Authority has initiated measures aimed at diversifying its funding sources and enhancing financial sustainability. Key among these is the exploration of alternative financing mechanisms, including Public-Private Partnerships (PPPs), to support the delivery of bankable road projects. Furthermore, the Authority advanced the development of a Road Tolling Policy, which reached the public participation stage during the reporting period. These strategic interventions are expected to unlock new revenue streams, reduce reliance on exchequer funding, and ensure the continued development and maintenance of critical road infrastructure in a fiscally responsible manner.

3.7.2 Delays in Land Acquisition, compensation and Delay in relocation of services

During FY 2024/2025, the Authority experienced significant delays in land acquisition and the relocation of utility services, which adversely affected the implementation of several road projects. These challenges resulted in the lack of adequate Right of Way (RoW), hindering contractors from accessing project sites and commencing works as scheduled. The delayed possession of RoW not only slowed down project timelines but also led to increased costs due to extended mobilization periods and contractual claims. Consequently, the realization of project benefits was postponed, and the overall efficiency of infrastructure delivery was compromised.

To address these challenges, the Authority has adopted a proactive approach aimed at minimizing disruptions and accelerating project execution. Key mitigation measures include the advance acquisition of RoW and timely compensation of Project Affected Persons (PAPs) to ensure smooth site handover. Additionally, the Authority is prioritizing the early relocation of utility services located within project corridors to avoid delays during construction. These interventions are expected to streamline project implementation, reduce cost escalations, and enhance the timely

delivery of road infrastructure, thereby supporting the Authority's broader goal of sustainable and inclusive development.

3.7.3 Maintenance Backlog and aged pavements

During FY 2024/2025, the Authority faced persistent challenges stemming from a growing maintenance backlog and the aging condition of key road segments across the national trunk network. These issues contributed to accelerated deterioration of road infrastructure, resulting in more frequent and costly repairs. The compromised road conditions also led to reduced safety for road users, longer travel times, and increased vehicle maintenance costs which are negatively impacting both economic productivity and public satisfaction. The cumulative effect of deferred maintenance has placed additional strain on the Authority's resources and hindered the realization of optimal service levels.

To address these challenges, the Authority is adopting a more proactive and data-driven approach to road asset management. The Authority is leveraging advanced asset management systems to prioritize maintenance interventions based on road condition assessments and lifecycle cost analysis. This strategy enables timely and targeted repairs, reducing long-term costs and improving road performance. Additionally, the Authority is exploring alternative financing mechanisms, including Public-Private Partnerships (PPPs), to mobilize resources for large-scale rehabilitation and maintenance programs. These measures are expected to enhance the sustainability of the road network and ensure safer, more reliable transport infrastructure for all users.

3.7.4 Increasing the road network without commensurate budget allocation

During the FY2024/2025, the Authority faced significant challenges stemming from the expansion of the road network without a corresponding increase in budget allocation. This imbalance has led to a strain on existing resources, particularly in road maintenance. As the network grows, the demand for timely interventions to preserve road quality intensifies. However, with limited funding, many roads have experienced delayed or entirely absent maintenance, resulting in accelerated deterioration. This not only compromises road safety and usability but also increases long-term rehabilitation costs, undermining the sustainability of infrastructure investments.

To address this challenge, the Authority proposed that there is a need to lobby for an increase in the Road Maintenance Fuel Levy allocation. This strategic measure aims to secure additional funding dedicated specifically to maintenance activities, ensuring that the expanding road network receives adequate support. By aligning financial resources with infrastructural growth, the Authority can enhance operational efficiency, improve road conditions, and uphold performance standards. Strengthening advocacy efforts and engaging stakeholders including policymakers and the public will be crucial in demonstrating the economic and social value of sustained road maintenance funding.

3.7.5 Encroachment on road reserves

During FY2024/2025, the Authority encountered widespread encroachment on road reserves. This issue has significantly impacted road functionality and safety, particularly in urban areas where congestion and traffic snarl-ups have become more frequent. Encroachments not only obstruct planned road expansions and maintenance but also pose serious safety risks to motorists and pedestrians. Additionally, the financial burden of relocating and compensating Project Affected Persons (PAPs) has escalated, straining the Authority's budget and delaying critical infrastructure projects.

To mitigate these challenges, the Authority has proposed a multi-pronged approach focused on public sensitization and physical clearance of encroachments. Continuous awareness campaigns will be conducted to educate communities on the dangers and legal implications of occupying road reserves. Simultaneously, targeted clearance operations will be undertaken to restore the integrity of road corridors and improve traffic flow. These measures are expected to enhance road safety, reduce congestion, and ensure that future infrastructure developments proceed without undue hindrance. Strengthening collaboration with local governments and law enforcement agencies will be key to sustaining these efforts and preventing future encroachments.



Lokichar - Lodwar (A1) Road

CHAPTER

4

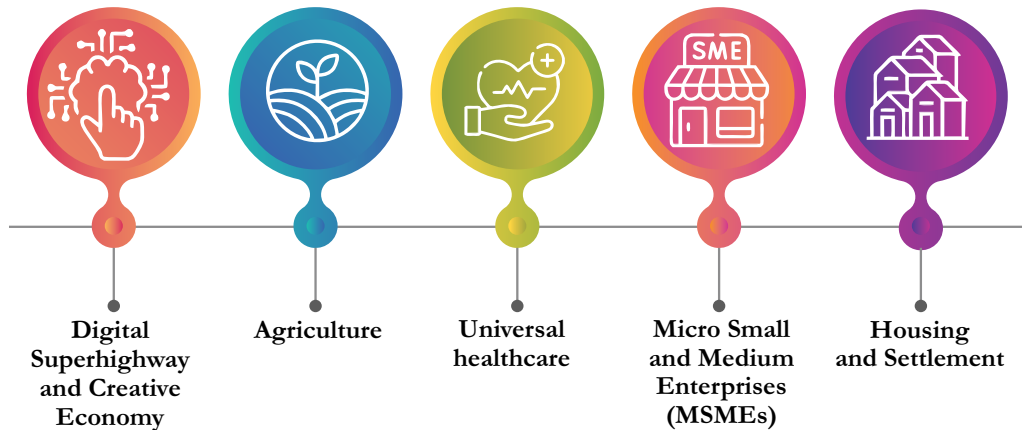
Nairobi Western Bypass



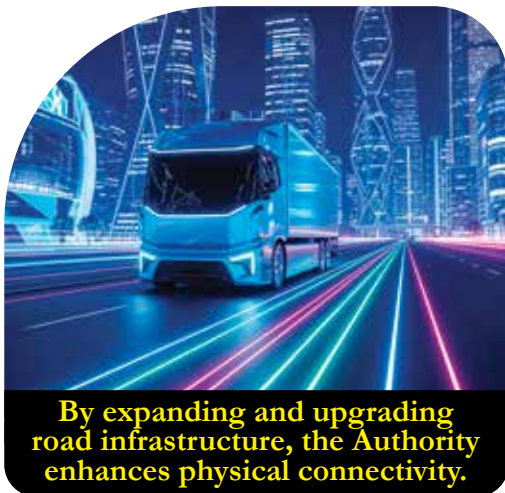
4. ECONOMIC IMPACTS

The Authority plays a crucial role in implementing the Bottom-Up Economic Transformation Agenda (BETA) and other key national development strategies, including Vision 2030. By developing, upgrading, and maintaining the national road network, we facilitate inclusive economic growth, regional integration and service delivery across the country. Roads under the Authority’s mandate connect key production zones, urban centres, border points and underserved regions, directly supporting pillars such as agriculture, healthcare, housing, digital connectivity, MSME growth and security. The improved road infrastructure not only boosts mobility and trade but also empowers communities, enhances productivity, and unlocks investment opportunities that are central to the BETA framework.

4.1 Bottom-Up Economic Transformation Agenda



4.1.1 Digital Superhighway and Creative Economy



The Authority plays a pivotal role in enabling the growth of the Digital Superhighway and Creative Economy through strategic road development and maintenance. By expanding and upgrading road infrastructure, the Authority enhances physical connectivity, which in turn facilitates the rollout of digital infrastructure across the country. Improved road access accelerates urbanization and attracts investment in ICT, creating a conducive environment

for innovation, entrepreneurship, and digital inclusion. These efforts directly contribute to economic empowerment at the grassroots level, supporting job creation and access to digital services in underserved regions.

A key example of this integration is the Authority’s incorporation of fibre-optic duct installations along the Isiolo–Mandera Road corridor, covering critical sections such as Isiolo–Kulamawe, Kulamawe–Modogashe, and Wajir–Tarbaj, among others. Road designs have been technically enhanced to accommodate these ducts within major structures and road reserves, ensuring seamless deployment of high-speed internet infrastructure. This initiative not only supports the Digital Superhighway but also lays the foundation for the Creative Economy by enabling digital content creation, remote work, and e-commerce. Through such forward-looking infrastructure planning, the Authority is actively bridging the digital divide and fostering inclusive economic growth across Kenya.

4.1.2 Agriculture

The Authority has significantly contributed to agricultural development by enhancing transport infrastructure in key production zones. The construction and upgrading of strategic roads have improved access to farms and markets, enabling faster and more efficient movement of agricultural produce. This has helped reduce post-harvest losses, lowered transportation costs, and opened up new market opportunities for farmers, particularly in remote and underserved areas. By facilitating the flow of goods from rural to urban centers, the Authority is directly empowering smallholder farmers and agribusinesses, thereby strengthening food systems and rural economies.

Notable road projects implemented in agriculturally rich regions include the Mau Mau roads, which connect major tea and coffee growing zones; the Garissa–Isiolo road, which supports produce movement from arid counties to national markets;



The construction and upgrading of strategic roads have improved access to farms and markets, enabling faster and more efficient movement of agricultural produce.

and the Barpello–Marichpass road, which traverses the horticulturally vibrant Kerio Valley. Other critical corridors such as Marsabit–Segel–Maikona, Mamboleo–Miwani–Chemelil–Kipsitet, Sagana–Marua, Kisii–Isebania, and Ilasit–Njukiini have improved access to sugarcane, avocado, macadamia, and other high-value crops. These investments have not only boosted agricultural productivity but also enhanced resilience and inclusivity in rural communities. By integrating transport infrastructure with agricultural value chains, the Authority is playing a transformative role in unlocking the economic potential of Kenya’s agricultural sector.

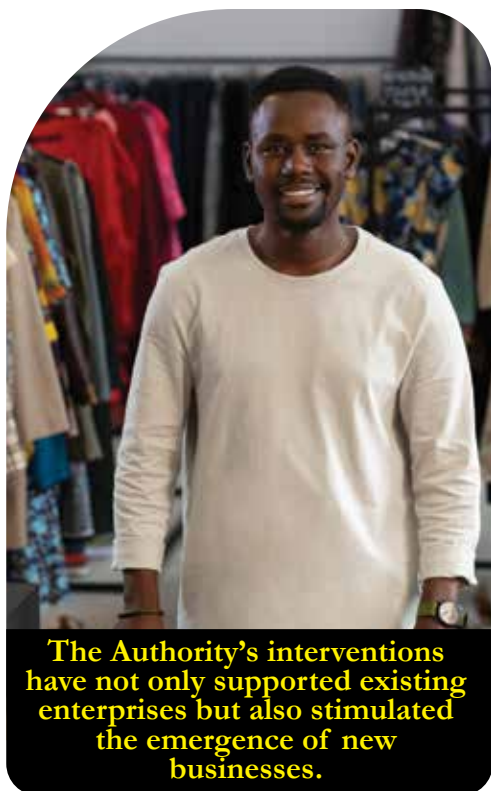
4.1.3 Universal healthcare

The Authority continues to play a vital role in strengthening Universal Healthcare by improving road infrastructure that enhances access to medical services. Reliable and well-maintained roads are essential for connecting communities to health facilities, reducing emergency response times, and ensuring the timely delivery of medical supplies and mobile health services. In contrast, poor road conditions especially in remote and underserved areas hinder access to healthcare, delay life-saving interventions, and compromise the effectiveness of outreach programs. By prioritizing road connectivity in marginalized regions, the Authority is helping to bridge healthcare access gaps and improve health outcomes for vulnerable populations.



A key initiative under this agenda is the Kenol–Sagana road project, where the Authority is constructing and equipping a dedicated post-crash care facility in Sagana. This facility is designed to provide immediate medical attention to road crash victims, significantly enhancing emergency response capabilities along the corridor. By integrating health-focused infrastructure within transport projects, the Authority is not only improving road safety but also contributing to the broader goal of Universal Health Coverage. These efforts reflect a holistic approach to development where transport infrastructure serves as a catalyst for equitable access to essential services, including healthcare.

4.1.4 Micro Small and Medium Enterprises (MSMEs)



The Authority's interventions have not only supported existing enterprises but also stimulated the emergence of new businesses.

The Authority has played a critical role in supporting the growth and sustainability of Micro, Small, and Medium Enterprises (MSMEs) through strategic highway construction and maintenance. Improved road infrastructure enhances access to markets, reduces transportation costs, and shortens travel times factors that are essential for MSMEs to thrive. By facilitating the smooth movement of goods and services across regions, these transport corridors empower small businesses to expand their customer base, improve operational efficiency, and attract new investments. The Authority's interventions have not only supported existing enterprises but also stimulated the emergence of new businesses along key road networks, contributing to job creation and local economic development.

Beyond road construction, the Authority has integrated economic empowerment into its infrastructure projects by developing market facilities such as Kitale and Migori markets, which serve as vital hubs for MSME activities. Major road projects, such as the James Gichuru–Rironi road, have enhanced connectivity within the Nairobi Metropolitan area, linking MSMEs to urban markets and supply chains. Similarly, the Kwa Jomvu–Mariakani road has strengthened trade along the Northern Corridor, while the Mombasa–Mtwapa–Kilifi road has improved access to business parks and manufacturing hubs, including Mzuri Sweets, Dune Packaging, and Vipingo Oils. These developments have created enabling environments for MSMEs to flourish, reinforcing the Authority's commitment to inclusive economic growth and enterprise development across Kenya.

4.1.5 Housing and Settlement

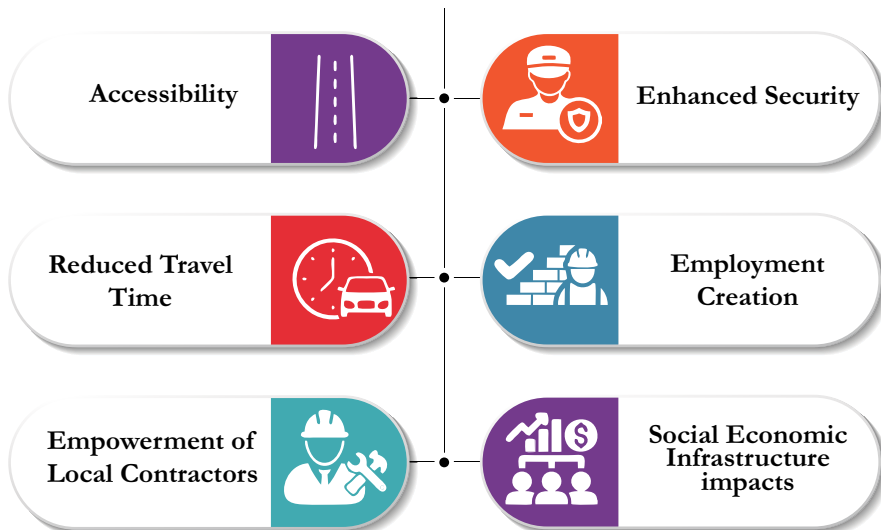
The Authority continues to play a strategic role in shaping housing and settlement patterns by developing efficient road infrastructure. Well-planned and maintained roads enhance accessibility to residential areas, making them more attractive for investment and habitation. This improved connectivity stimulates real estate

development, increases property values, and facilitates the delivery of essential services. Conversely, inadequate road networks hinder access, inflate construction costs, and contribute to the proliferation of informal settlements and substandard housing. By enabling the smooth transportation of construction materials and labor, the Authority's infrastructure projects are instrumental in promoting sustainable, inclusive, and affordable housing solutions.



Key road projects undertaken by the Authority have directly supported the growth of housing zones and urban settlements. The Nairobi Western Bypass has opened up the North-Western corridor of Nairobi, catalyzing residential development in peri-urban sub-counties. Similarly, the Kenol–Sagana–Marua Road has enhanced access to emerging housing areas in Kirinyaga and Nyeri counties, while the Athi River–Machakos Road has improved connectivity to expanding residential zones in the South-East of Nairobi. Additionally, the Authority has prioritized the maintenance of critical linkages to county headquarters, ensuring seamless access to affordable housing projects under the Bottom-Up Economic Transformation Agenda (BETA). These interventions reflect the Authority's commitment to integrating transport infrastructure with national housing goals, fostering well-planned settlements and inclusive urban growth.

4.2 Economic Impacts



4.2.1 Accessibility

In advancing socio-economic development through improved accessibility, the Authority has played a transformative role in unlocking Kenya’s economic potential and fostering inclusive growth. Through strategic road construction and rehabilitation, the movement of people, goods, and services has become more efficient, connecting previously marginalized regions to major urban centers. Projects such as the dualling of Magongo Road (A109L) have significantly eased congestion and improved access to Mombasa, while the Athi River–Machakos Road has enhanced connectivity to Nairobi and surrounding areas. These developments have opened up new opportunities in trade, tourism, and investment, enabling farmers to transport produce to urban markets more efficiently, thereby increasing incomes and strengthening agricultural value chains.



Through strategic road construction and rehabilitation, the movement of people, goods, and services has become more efficient, connecting previously marginalized regions to major urban centers.

Beyond economic benefits, the Authority’s infrastructure initiatives have had far-reaching impacts on community social well-being. Enhanced road networks have improved the responsiveness of security agencies, contributing to safer environments. Children now have better access to schools, supporting improved education outcomes and literacy rates. Additionally, improved roads have facilitated easier access to healthcare facilities, helping reduce infant and maternal mortality rates. Commuting to places of employment has become more reliable, reducing unemployment and promoting stable livelihoods. Through these integrated transport solutions, the Authority is not only enhancing mobility but also laying the foundation for equitable socio-economic development across the country.

4.2.2 Enhanced Security

In support of national security and the Bottom-Up Economic Transformation Agenda, the Authority has made significant strides in enhancing safety and security through the development and maintenance of strategic road infrastructure. A well-connected and properly maintained road network enables faster and more effective

response by law enforcement agencies, even in remote and previously inaccessible regions. This improved mobility has strengthened the ability of security personnel to manage emergencies, conduct patrols, and maintain public order, thereby fostering safer communities and more secure transport corridors.

The Authority has also partnered with security agencies to implement targeted safety enhancements along major highways. These include installing streetlights, establishing emergency response services, and deploying police posts and military patrols, all of which contribute to a safer environment for road

users and surrounding communities. Furthermore, improved road infrastructure has enabled the strategic placement of checkpoints and surveillance systems, disrupting criminal networks and reducing smuggling and illicit trade. Key corridors such as Kitale–Lodwar–Nadapal, Isiolo–Moyale, Loruk–Barpelo–Tot–Marich Pass, Lamu–Garissa, Isiolo–Kulamawe–Rhamu–Mandera, and Garsen–Witu–Lamu have played a pivotal role in enhancing national security and promoting peace and stability in previously vulnerable regions.



4.2.3 Reduced Travel Time

The Authority has significantly reduced travel time by completing key road infrastructure projects, thereby enhancing socio-economic outcomes across the country. By easing traffic congestion, lowering fuel consumption, and minimizing vehicle wear and tear, these improvements have translated into tangible cost savings for commuters and transport operators. The resulting efficiency has made regions more attractive for investment, stimulated local commerce, and improved the overall quality of life for road users.

The reduction in travel time has also had a ripple effect across critical sectors such as manufacturing, tourism, and trade. Enhanced road connectivity enables faster and more reliable movement of goods, boosting productivity and competitiveness for businesses. In tourism, improved access to destinations has increased visitor numbers, supporting local enterprises and generating income for surrounding communities. These developments underscore the Authority’s role in facilitating inclusive growth by ensuring that transport infrastructure serves as a catalyst for economic activity, regional integration, and improved service delivery.

Table 4 1: Travel Time Savings

Project Name	Road Length (KM)	Baseline Travel Time Per KM (Minutes)	December 2024 Travel Time Per KM (Minutes)	Savings (%)
Sagana - Marua	36	1.8	0.8	56%
Mtwapa- Kwa Kadzengo -Kilifi	40	1.1	0.8	27%
Chemelil - Kipsitet	40	1.1	0.8	27%
Thika - Magumu	68	1.1	0.8	27%
Isebania - Kisii	86	1.7	0.9	47%
Mombasa - Mtwapa	14	3.2	1	69%
Kwale - Kinango	26	2.4	2	17%
Kwa Jomvu - Mariakani	30.4	2.5	1.3	48%
Kinyona - Gatura - Njambini	50	2.4	1.2	50%
Miwani - Chemelil	27	2.4	1.5	38%
Mamboleo - Miwani	13	3.8	1.7	55%
Average	430.4	2.1	1.2	46%

During the financial year, the road improvement projects recorded an average time saving of approximately one minute per kilometre. Among the sampled corridors, the highest percentage reduction in travel time was 69% on the Mombasa – Mtwapa route, while the lowest was 17% on the Kwale – Kinango section. The overall average time saving stood at 46%, representing over half of the evaluated projects. These reductions in travel time were largely attributed to effective planning and implementation, minimal disruption to existing traffic during construction, enhanced safety interventions, and strict adherence to quality standards throughout the project lifecycle.

4.2.4 Employment Creation

The Authority has played a vital role in employment creation and economic empowerment through its core mandate of developing, rehabilitating, and maintaining the national road network. During the 2024/2025 financial year, its infrastructure projects have stimulated local economies, especially in communities situated along major highways. Improved accessibility has encouraged the growth of Micro, Small, and Medium Enterprises (MSMEs), leading to increased demand for services in retail, hospitality, construction, and roadside commerce. These developments have opened up diverse employment opportunities, contributing to poverty reduction and inclusive growth.

Moreover, the Authority's road construction and maintenance activities have directly generated thousands of jobs for engineers, contractors, skilled technicians, and casual laborers across the country. The Authority's investments have also catalyzed growth in the logistics and freight sectors, with improved connectivity driving demand for warehousing, transportation, and supply chain services. Through strategic



partnerships, including Public-Private Partnerships (PPPs) and collaboration with local contractors, the Authority has promoted skills development and capacity building, equipping Kenyan workers with technical expertise and enhancing long-term employability. These initiatives underscore the Authority's commitment to leveraging infrastructure development as a driver of job creation, economic resilience, and national development.

4.2.5 Empowerment of Local Contractors

In the 2024/2025 financial year, the Authority has deepened its commitment to empowering local contractors as a key driver of socio-economic transformation.



Through inclusive procurement strategies and targeted contracting policies, the Authority has prioritized the participation of Micro, Small, and Medium Enterprises (MSMEs) in national road infrastructure projects.

Through inclusive procurement strategies and targeted contracting policies, the Authority has prioritized the participation of Micro, Small, and Medium Enterprises (MSMEs) in national road infrastructure projects. This deliberate approach has expanded opportunities for local firms to engage in various stages of road development including construction, maintenance, and the supply of materials and services thereby promoting equitable economic growth across counties and strengthening the domestic construction industry.

A substantial number of ongoing projects have integrated local subcontractors in critical implementation areas such as

earthworks, drainage, landscaping, signage, and routine maintenance. By entrusting these responsibilities to indigenous contractors, the Authority is actively fostering technical expertise, commercial capacity, and long-term self-reliance within the sector. The Authority's emphasis on local content has also triggered a positive multiplier effect in project areas, stimulating community-level commerce, creating jobs, and boosting household incomes. Furthermore, the Authority has facilitated mentorship and capacity-building initiatives by encouraging collaboration between local firms and experienced contractors, enabling skills transfer and enhancing competitiveness. These efforts are instrumental in preparing local contractors to bid for larger tenders in future cycles, ensuring sustained growth and empowerment within Kenya's infrastructure ecosystem.

4.2.6 Social Economic Infrastructure impacts

The construction of socio-economic infrastructure under the Eastern Africa Regional Transport, Trade and Development Facilitation Project (EARTTDFP), also known as the South Sudan Link Project, is a transformative initiative that is reshaping the development landscape in Turkana and West Pokot Counties. By integrating essential facilities such as schools, health centers, water supply systems, and ICT hubs into



By integrating essential facilities such as schools, health centers, water supply systems, and ICT hubs into the broader road infrastructure program, the Authority is addressing long-standing marginalization and unlocking new opportunities for growth and inclusion.

the broader road infrastructure program, the Authority is addressing long-standing marginalization and unlocking new opportunities for growth and inclusion. These 26No. facilities are strategically designed to improve access to education, healthcare, water, security, and economic services, thereby enhancing the quality of life and fostering resilience in some of Kenya's most underserved regions.

The social and economic impacts of these investments are far-reaching. In education, the establishment of 10 schools and a teachers' training college is expected to benefit over 7,000 learners, with institutions like Sangak Primary and Lobokat Girls Secondary School promoting peace and gender equity. Health facilities are projected to serve more than 140,000 patients annually, significantly improving access to medical care in remote areas. Water supply projects will provide clean water to over 7,000 households, addressing a critical need in arid zones. Security is being strengthened through the establishment of police posts, while trade and transport are being boosted by truck parks and a livestock market that support cross-border commerce. The ICT hub in Napetet will connect 50,000 users annually, bridging the digital divide. Additionally, the construction phase has generated employment and supported local businesses, reinforcing the Authority's role in driving inclusive development through integrated infrastructure planning. This initiative exemplifies how road development can serve as a catalyst for holistic socio-economic transformation.

CONCLUSION

During the Financial Year 2024/2025, the Authority continued to implement the strategic priorities outlined in its 2023/2024–2027/2028 Strategic Plan. The Authority constructed 74.4 km of new roads and enhanced the capacity of 49.48 km, while undertaking periodic maintenance on 162.9 km. Routine maintenance covered 2,619 km, and an additional 7,867.2 km were maintained under performance-based contracts. These efforts contributed to a net gain of 59 km of paved roads and improved the condition of unpaved roads, with a reduction in roads rated “Poor” from 37% to 32%.

The Authority demonstrated its commitment to community development through targeted Corporate Social Investment (CSI) initiatives. These included the construction and renovation of schools and police stations, provision of clean water through borehole drilling, and support to local institutions through donations. The Authority also prioritized environmental stewardship by conducting Environmental and Social Impact Assessments (ESIAs), restoring livelihoods of Project Affected Persons (PAPs), and integrating climate adaptation measures into project designs. HIV/AIDS awareness and environmental restoration activities were embedded in project implementation, with active community participation to promote national values and cohesion.

To safeguard road investments, the Authority continued to adopt performance-based contracts and partnered with the private sector to operate and manage weighbridges, ensuring compliance and protecting infrastructure from overloading. The Authority enhanced ICT systems, digitized contract documentation, and deployed innovative materials to improve road durability. It also strengthened governance through regular Board meetings, audits, and internal controls, while reducing pending bills and investing in staff training and youth empowerment.

Despite these achievements, the Authority faced challenges including budget constraints, delays in land acquisition and utility relocation, a growing maintenance backlog, and a 36% human resource deficit. Encroachment on road reserves and the termination of key PPP and annuity projects also posed financial and operational risks.

Looking ahead, the Authority remains committed to strengthening partnerships, diversifying financing mechanisms, accelerating land acquisition, and enhancing maintenance strategies. The Authority will continue integrating climate resilience, automating risk management, and investing in institutional capacity to ensure sustainable infrastructure development.

The Authority extends its sincere appreciation to the Board of Directors, Management, staff, the Government of Kenya, development partners, and stakeholders for their continued support and collaboration in building a connected, productive, and equitable Kenya.

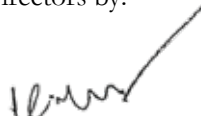
ANNEX 1: AUDITED ACCOUNTS FY 2024/2025


Kenya National Highways Authority


Statement of Financial Performance for the year ended 30 June 2025

	Notes	2024-2025 Kshs	2023-2024 Kshs
Revenue from non-exchange transactions			
Transfers from Development Budget Grants	6	7,678,518,695	306,554,934
Levies, Fines and Penalties	7	27,945,478,268	26,881,204,509
		35,623,996,963	27,187,759,443
Revenue from exchange transactions			
Rental revenue from facilities and equipment	8	7,636,850	5,808,750
Finance income - external investments	9	992,261,896	1,137,134,872
Other income	10	158,525,453	85,323,003
		1,158,424,199	1,228,266,625
Total Revenue		36,782,421,162	28,416,026,068
Expenses			
Road Maintenance and Axle Load Expenses	11	23,019,209,991	27,199,182,636
Use of goods and services	12	1,165,926,133	1,106,412,255
Employee costs	13	1,884,047,154	1,896,410,258
Board Expenses	14	37,973,074	34,856,211
Depreciation and amortization expense	15	441,927,009	455,390,836
Repairs and maintenance	16	284,826,050	266,808,301
Transfers from Development Budget Grants	6	7,678,518,695	306,554,934
Finance costs	17	7,051,193	8,229,707
Total expenses		34,519,479,299	31,273,845,138
Other gains/(losses)			
Loss on sale of assets	18	(3,288)	11,989,907
Loss on foreign exchange transactions	19	(31,761,586)	(16,364,220)
Surplus before tax		2,231,176,989	(2,862,193,383)
Taxation	20	(308,139,133)	(341,195,265)
Surplus/(Deficit) for the year		1,923,037,856	(3,203,388,648)

The Financial Statements set out on pages 85 to 90 were signed on behalf of the Board of Directors by:


 CPA. Isaac Karumba
 Ag. Deputy Director
 (Finance & Accounts)
 ICPAK Member No. 3321


 Eng. Luka Kimeli
 Ag. Director General


 Ms. Winfrida W. Ngumi
 Chairperson of the Board

Date..... **04 DEC 2025**

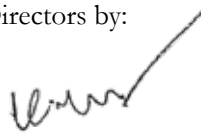
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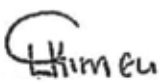
Kenya National Highways Authority
Statement of Financial Position as at 30 June 2025

	Notes	2024-2025 Kshs	2023-2024 Kshs
Assets			
Current Assets			
Cash and cash equivalents	21	15,412,652,711	10,559,627,120
Receivables from exchange transactions	22	5,924,775,600	7,136,530,996
Receivables from non-exchange transactions	23	19,668,783,052	20,567,607,515
Inventories	24	7,457,314	12,840,676
Total Current Assets		41,013,668,677	38,276,606,307
Non-Current Assets			
Property, plant and equipment	25	821,031,847,887	770,377,176,814
Intangible assets	26	200,949,862	200,949,862
Total Non-Current Assets		821,232,797,749	770,578,126,676
Total Assets		862,246,466,426	808,854,732,983
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	27	82,366,719,316	96,442,978,289
Refundable deposits from customers	28	48,635,165	28,846,176
Provisions	29	59,944,610	63,544,610
Taxation	30	31,114,617	7,422,025
Total Current Liabilities		82,506,413,708	96,542,791,100
Non-Current Liabilities			
Long Term Liability	31	106,437,315	59,988,700
Total Non-Current Liabilities		106,437,315	59,988,700
Total Liabilities		82,612,851,023	96,602,779,800
Net assets		779,633,615,403	712,251,953,183
Reserves		764,261,716,510	698,803,092,146
Accumulated surplus		15,371,898,893	13,448,861,037
Total Net Assets and Liabilities		862,246,466,426	808,854,732,983


The financial statements set out on pages 85 to 90 were signed on behalf of the Board of Directors by:


 CPA. Isaac Karumba
 Ag. Deputy Director
 (Finance & Accounts)
 ICPAK Member No. 3321

Date... **04 DEC 2025**


 Eng. Luka Kimeli
 Ag. Director General

Date... **04 DEC 2025**


 Ms. Winfrida W. Ngumi
 Chairperson of the Board

Date... **04 DEC 2025**

Kenya National Highways Authority
Statement of Changes in Net Assets for the year ended 30 June 2025

	Retained earnings	Capital/ Development Grants/Fund	Total
	Kshs	Kshs	Kshs
At July 1, 2023	16,652,249,685	665,171,015,227	681,823,264,912
Deficit for the year	(3,203,388,648)	-	(3,203,388,648)
Capital/Development grants received during the year		33,632,076,919	33,632,076,919
Transfers to accumulated surplus	-	-	-
At June 30, 2024	13,448,861,037	698,803,092,146	712,251,953,183
At July 1, 2024	13,448,861,037	698,803,092,146	712,251,953,183
(Deficit)/Surplus for the Period	1,923,037,856	-	1,923,037,856
Capital/Development grants received during the Period	-	65,458,624,364	65,458,624,364
Transfers to accumulated surplus	-	-	-
At June 30, 2025	15,371,898,893	764,261,716,510	779,633,615,403

Kenya National Highways Authority
Statement of Cash Flows for the year ended 30 June 2025

	Notes	2023-2024 Kshs	2022-2023 Kshs
Cash flows from operating activities			
Receipts			
Transfers from Development Budget Grants	6	7,678,518,695	306,554,934
Fines, penalties and levies	7	27,945,478,268	26,881,204,509
Rental revenue	8	7,636,850	5,808,750
Finance Income	9	992,261,896	1,137,134,872
Other income	10	158,525,453	85,323,003
Profit on foreign exchange translations		-	-
Total receipts		36,782,421,162	28,416,026,068
Payments			
Road maintenance and axle Load expenses	11	23,019,209,991	27,199,182,636
Use of goods and services	12	1,165,926,133	1,106,412,255
Employees Costs	13	1,884,047,154	1,896,410,258
Board Expenses	14	37,973,074	34,856,211
Repairs and Maintenance	16	284,826,050	266,808,301
Transfers from Development Budget Grants-recurrent expenditure	6	7,678,518,695	306,554,934
Finance cost	17	7,051,193	8,229,707
Loss on foreign exchange translations	19	31,761,586	16,364,220
Taxation	20	308,139,133	341,195,265
Total payments		34,417,453,009	31,176,013,787
Net cash flows from/ (used in) operating activities		2,364,968,153	(2,759,987,719)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(51,096,612,369)	(44,198,061,161)
Proceeds from sale of property plant and equipment		11,000	12,132,550
Decrease/(Increase) in current receivables exchange		1,211,755,396	(5,435,515,050)
Decrease/(Increase) in current receivables non exchange		898,824,463	-
(Increase)/ Decrease in trade payables		(14,032,777,392)	12,170,512,494

Kenya National Highways Authority

Statement of Cash Flows for the year ended 30 June 2025 (Continued)

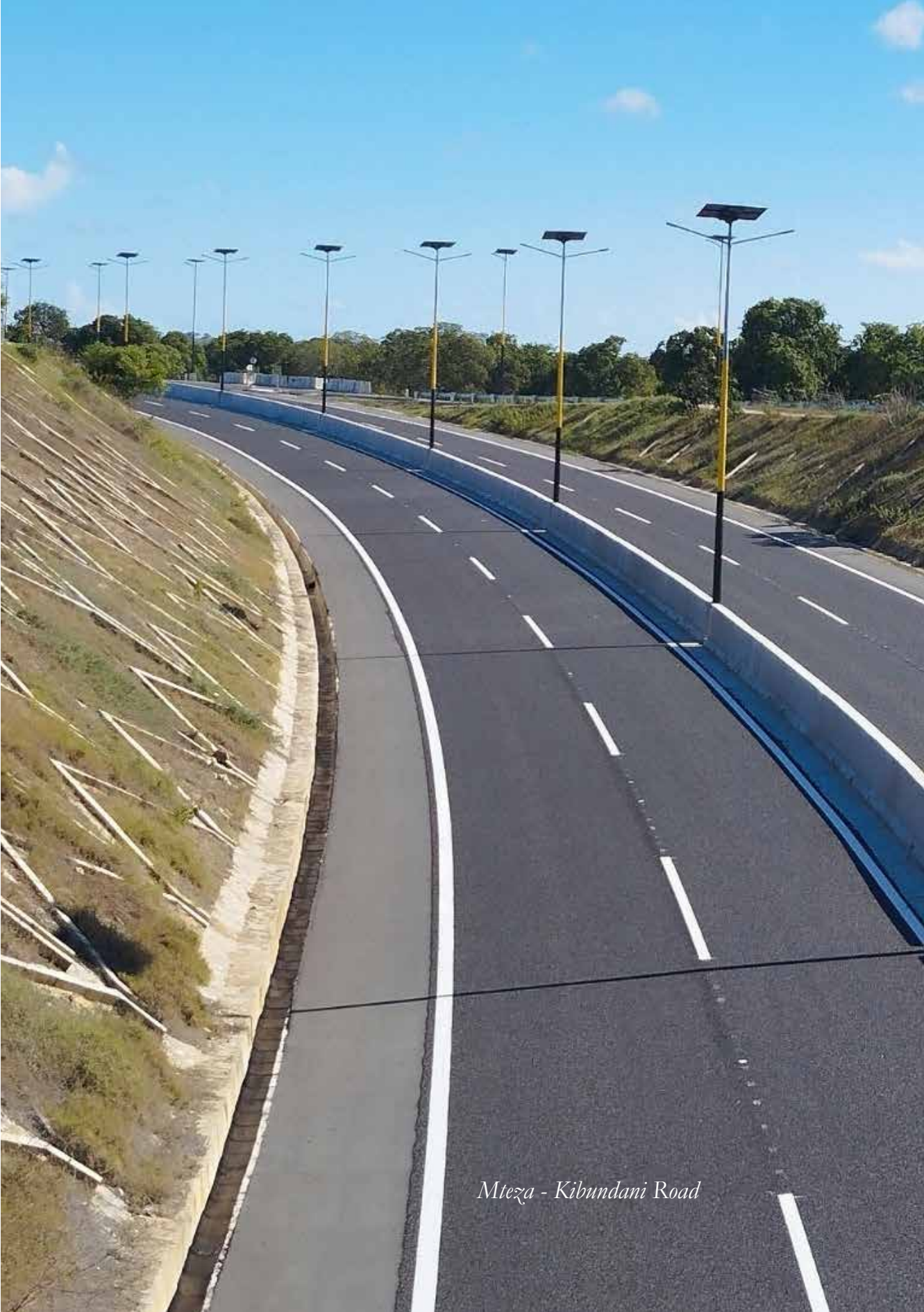
	Notes	2023-2024 Kshs	2022-2023 Kshs
Decrease/(Increase) in Advance Payments Received-Short Term		(3,600,000)	-
Decrease/(increase) in inventory		5,383,361	67,111
Decrease/(increase) in provisions		46,448,615	(89,304,449)
Transfer to Revenue reserves		-	-
Net cash flows from/ (used in) investing activities		62,970,566,926)	(37,540,168,505)
Cash flows from financing activities			
Proceeds from Exchequer/ Development Partners		65,458,624,364	33,632,076,919
Net cash flows from financing activities		65,458,624,364	33,632,076,919
Net increase/(decrease) in cash and cash equivalents		4,853,025,591	(6,668,079,306)
Cash and cash equivalents at the beginning of the year		10,559,627,120	17,227,706,426
Cash and cash equivalents at end of the year	21	15,412,652,711	10,559,627,120

The Authority's cash flow statement is presented using the direct method

Kenya National Highways Authority

Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025

	Original Annual budget	Adjustments	Final Annual budget	Actual on comparable basis	Performance Difference	% of Utilization	Notes
	a	b	c=a+b	d	e=(c-d)	f=d/c*100	
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs		
Transfers from other Development Budget Grants	7,678,518,695	-	7,678,518,695	7,678,518,695	-	100	
Fines, Penalties and Levies	31,305,606,122	(1,120,154,034)	30,185,452,088	27,945,478,268	2,239,973,820	93	
Rental revenue	6,000,000	2,000,000	8,000,000	7,636,850	363,150	95	
Finance Income	1,050,000,000	(50,000,000)	1,000,000,000	992,261,896	7,738,104	99	(a)
Other Income	45,500,000	68,000,000	113,500,000	158,525,453	(45,025,453)	140	(b)
Total income	40,085,624,817	(1,100,154,034)	38,985,470,783	36,782,421,162	2,203,049,621	94	(c)
Expenses							
Road Maintenance and Axle Load Expenses	27,180,715,722	(1,478,234,788)	25,702,480,934	23,019,209,991	2,683,270,943	90	
Use of goods and services	1,523,225,329	(212,160,112)	1,311,065,217	1,165,926,133	145,139,084	89	
Employee Costs	2,138,500,000	(44,384,116)	2,094,115,884	1,884,047,154	210,068,730	90	
Board Expenses	Board Expenses	11,884,116	41,884,116	37,973,074	3,911,042	91	
Transfers from other Development Budget Grants	7,678,518,695	-	7,678,518,695	7,678,518,695	-	100	
Depreciation and amortization expense	-	-	-	441,927,009	-	-	
Repairs and maintenance	333,349,653	(12,645,549)	320,704,104	284,826,050	35,878,054	89	
Finance cost	9,674,500	-	9,674,500	7,051,193	2,623,307	73	
Loss on sale of assets	-	-	-	3,288	-	-	
Loss on foreign exchange transactions	-	-	-	31,761,586	-	-	
Taxation paid	315,000,000	(15,000,000)	300,000,000	308,139,133	(8,139,133)	103	
Total expenditure	39,208,983,899	(1,750,540,449)	37,458,443,450	34,859,383,306	3,072,752,027	93	
Capital Expenditure Payments	49,027,092,372	22,526,143,865	71,553,236,237	65,458,624,364	6,094,611,873	91	
Surplus for the period	876,640,918	650,386,415	1,527,027,333	1,923,037,856	(869,702,406)		



Mteza - Kibundani Road



Makupa causeway bridge

**Kenya National
Highways Authority**

**Headquarters: Barabara Plaza, Block A & C,
Jomo Kenyatta International Airport (JKIA),
Off Airport South Road, along Mazao Road.
PO BOX 49712-00100 Nairobi.**