



DISCLOSURE ON THE PROJECT AGREEMENT FOR GILGIL – NAKURU – MAU SUMMIT (A8) PPP ROAD PROJECT

A: BACKGROUND:

The Kenya National Highways Authority (KeNHA) received a Privately Initiated Proposal (PIP) from Shandong Hi-Speed Road & Bridge International Engineering Co. Ltd (SDRBI) for the Design, Build, Finance, Operate, Maintain and Transfer (DBFOMT) of the Gilgil - Nakuru - Mau Summit (A8) Road i.e. approximately 94 Km of the A8 Highway between Gilgil and Mau Summit. The Project road traverses two counties namely Nakuru and Baringo. The PIP was granted conditional approval to proceed to Project Development Phase (PDP) by the PPP Committee after which the Project Proponent undertook Project Development Phase (PDP) activities/ Feasibility Studies and submitted a Feasibility Study Report.

Pursuant to the submissions, the Contracting Authority evaluated the Project Development Phase documentation in accordance with the provisions of Section 43(9) of the PPP Act, Cap 430. The Evaluation Report, prepared in compliance with Section 43, identified Shandong Hi-Speed Road & Bridge International Engineering Co. Ltd (SDRBI) as the Preferred Proponent to undertake the project road section, as per Section 55(1)(d) of the PPP Act. The PPP Committee subsequently delivered its decision during its 48th Extraordinary PPP Committee meeting held on 10th November, 2025 to the effect that the Committee adopted the recommendations of the Evaluation Report, which identified SRDBI as the Preferred Proponent for the Gilgil - Nakuru - Mau Summit (A8) Road, subject to the fulfilment of the conditions outlined in the Evaluation Report.

The Contracting Authority commenced negotiations with the Proponent and subsequently submitted the Project and Financial Risk Assessment Report together with the initialed Project Agreement to the PPP Directorate for its recommendations, and thereafter to the PPP Committee for approval in accordance with Section 58 (1) and 58 (2) of the PPP Act, Cap 430.

B: NOTICE TO THE PUBLIC:

In this regard, the Contracting Authority (KeNHA), the PPP Directorate, and the PPP Committee have undertaken the necessary processes and procedures in line with the provisions of the PPP Act, Cap 430 in processing the Privately Initiated Proposal and hereby notify the public of the following:

The PPP Committee delivered its decision during its 56th Ordinary meeting held on 25th November, 2025 to the effect that the Committee:

- Approved** the Project and Financial Risk Assessment Report and the execution of a Project Agreement between the Contracting Authority and the SDRBI pursuant to section 59 (2) of the PPP Act, Cap 430.
- Directed** the Contracting Authority to publish a disclosure notice disclosing all information permitted for publication under the PPP Act, the PPP Regulations and applicable confidentiality provisions.

Following the initialed Project Agreement, the Contracting Authority (KeNHA) signed an Early Works Agreement and has subsequently executed the Project Agreement with the Project Proponent (SDRBI) to enable the commencement of the Works.

The Project Agreement, as highlighted in the background above, covers a total of 94 kilometers on the A8 Road. The project will be delivered by Shandong Hi-Speed Road & Bridge International Engineering Co. Ltd (SDRBI) under a Design, Build, Finance, Operate, Maintain, and Transfer (DBFOMT) PPP arrangement for a period of thirty (30) years.

Summary of Key Project Features:

Feature	Project Information
Nature of the Project and Key Terms of the Project Agreement	The Project is being implemented as a Design, Build, Finance, Operate, Maintain and Transfer (DBFOMT) Public Private Partnership (PPP) for the development of the Gilgil - Nakuru - Mau Summit (A8) Road. The Project Agreement provides for the design, financing, construction, operation, maintenance and eventual transfer of the Project assets to Kenya National Highways Authority (KeNHA) at the end of the concession period.
Works to be Developed / Public Services to be Performed	The Project comprises the design, financing, construction, operation and maintenance of approximately 94 kilometers of the A8 Road, including associated interchanges, viaduct in Nakuru City, bridges, drainage structures, tolling infrastructure, road safety features, and other ancillary facilities required to provide a safe and efficient highway service.
Successful Bidder / Project Proponent	Shandong Hi-Speed Road & Bridge International Engineering Co. Ltd (SDRBI)
Amount of Public Funds Committed to the Project	The Government's financial commitments under the Project Agreement are limited to those expressly provided for therein. The Project is primarily financed by the Private Party, with any Government support being subject to the provisions of the Project Agreement and applicable law.
Project Tariff	The Project will operate as a toll road. Applicable toll tariff is KES 8.50, and any future adjustments shall be implemented in accordance with the Project Agreement and applicable Government approvals and regulatory requirements.
Government Support Measures	Government support measures, where applicable, are provided in accordance with the Project Agreement and the PPP Act, Cap 430, and may include contractual undertakings necessary to facilitate implementation of the Project and manage agreed project risks.
Social and Economic Benefits	The Project is expected to improve road safety, reduce travel time and vehicle operating costs, enhance connectivity between Nairobi and the Rift Valley region, facilitate trade and tourism, create employment opportunities during construction and operation, and stimulate regional economic growth and investment.
Duration of the Project	Thirty (30) years, inclusive of the design, construction, operation, and maintenance period, after which the Project assets will be transferred to KeNHA in accordance with the Project Agreement.
Expected Asset Quality at Handback	Upon expiry or termination of the concession, the Project assets shall be transferred to KeNHA in the condition and quality prescribed under the Project Agreement, having regard to the applicable handback requirements, performance standards and remaining asset life.
Project Monitoring and Reporting	The Project will be monitored by KeNHA throughout the concession period in accordance with the Project Agreement. Monitoring will include compliance with design and construction standards, operational performance indicators, maintenance standards, safety obligations, environmental and social requirements, financial reporting obligations and other contractual performance requirements. The Private Party will be required to submit periodic reports as stipulated in the Project Agreement.

This disclosure is made pursuant to Section 69 (1) of the Public Private Partnerships Act (Cap 430) to notify members of the public of the PPP Committee's decision approving the Project and Financial Risk Report, and the subsequent execution of the Project Agreement between the Kenya National Highways Authority (KeNHA) and the Shandong Hi-Speed Road & Bridge International Engineering Co. Ltd (SDRBI).

Further, this disclosure is made in line with The National Treasury Circular dated 24th April, 2025 on Public Disclosure on Privately Initiated Proposals (https://pppkenya.go.ke/ova_doc/circular-on-public-disclosure-of-privately-initiated-proposals-pips/) and in line with Government of Kenya's desire for transparency in all its initiatives.

KeNHA remains committed to strictly adhering to the provisions of the PPP Act, Cap 430 and further assures the public that it will endeavor to abide by the provisions of the PPP Act Cap 430. The Government of Kenya, similarly remains committed to

delivering critical infrastructure to Kenyans.

Any clarifications or feedback may be channeled through the following contact details:

CONTRACTING AUTHORITY CONTACT DETAILS	
Contact Person:	Eng. Luka Kimeli
Designation:	Director General, Kenya National Highways Authority [KeNHA]
KeNHA Tel No:	020-4954000
E-mail:	dg@kenha.co.ke ; Copy to: ppp@kenha.co.ke