

REPORT OF THE INSPECTION VISIT OF ONGOING PROJECTS AT THE JOMMO KENYATTA INTERNATIONAL AIRPORT (JKIA) IN NAIROBI CITY COUNTY BY THE TRANSPORT, PUBLIC WORKS AND HOUSING COMMITTEE ON 18th JULY, 2013

1.0 PREFACE

Committee Mandate

The Departmental Committee on Transport, Public Works & Housing is established under Standing Order No. 216, and its mandate amongst others, as outlined under Standing Order 216 (5)(e) includes *“investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as may be referred to them by the House.”*

Committee Membership

The Committee on Transport, Public Works & Housing was constituted by the House on Monday 20th May, 2013 comprising of the following Members:-

1. The Hon. Maina Kamanda, M.P. – (Chairperson)
2. The Hon. Eng. Mahamud Maalim, M.P.–(Vice Chairperson)
3. The Hon. Eng. Stephen Ngare, M.P.
4. The Hon. Ali Wario, M.P.
5. The Hon. Arch. David Kiaraho, M.P.
6. The Hon. Cecily Mbarire, M.P.
7. The Hon. Capt. Clement Wambugu, M.P.
8. The Hon. Eng. John Kiragu, M.P.
9. The Hon. Gideon Konchella, M.P.
10. The Hon. Barchilei Kipruto, M.P.
11. The Hon. Mark Lomunokol, M.P.
12. The Hon. Grace Kipchoim, M.P.
13. The Hon. Mathias Robi, M.P.
14. The Hon. Joseph Lomwa, M.P.
15. The Hon. Peter Shehe, M.P.

16. The Hon. Stephen Manoti, M.P.
17. The Hon. Emmanuel Wangwe, M.P.
18. The Hon. K.K. Stephen Kinyanjui Mburu, M.P.
19. The Hon. Suleiman Dori, M.P.
20. The Hon. Edick Omondi Anyanga, M.P.
21. The Hon. Simon Nyaundi Ogari, M.P.
22. The Hon. Johnson Manya Naicca, M.P.
23. The Hon. Mishi Juma, M.P.
24. The Hon. Aduma Owuor, M.P.
25. The Hon. Chachu Ganya, M.P.
26. The Hon. Omar Mwinyi, M.P.
27. The Hon. Ahmed Abbas Ibrahim, M.P.
28. The Hon. Omulele Christopher, M.P.
29. The Hon. Mukwe James Lusweti, M.P.

2.0 INSPECTION OF JKIA PROJECTS, NAIROBI CITY COUNTY

The Committee on Transport, Public Works and Housing conducted an assessment visit to the Jommo Kenyatta International Airport (JKIA) on the 18th July, 2013. The visit was meant to familiarize Members of the Committee with the status of various ongoing projects at the Airport.

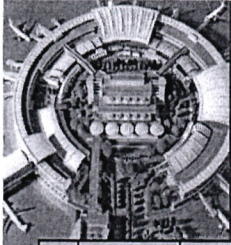
The Kenya Airports Authority(KAA) is currently responsible for the management of:-

- Jomo Kenyatta International Airport (JKIA),
- Moi International Airport (MIA),
- Eldoret International Airport (EIA),
- Kisumu International Airport (KIA),
- Wilson Airport (WAP),
- Malindi Airport,
- Lokichogio Airport,
- Wajir Airport and
- Ukunda, Kitale, Lodwar, Garissa, Kakamega and Manda Airstrips.
- In addition, KAA is responsible for maintenance of all public airstrips, which are financed directly from the exchequer.

Ongoing projects at the Airport include:-

- The Greenfield Terminal
- Second Runaway
- Remote Stands
- Terminal Four and Parking Garage

- JKIA Expansion Packages



JKIA Expansion Packages

no	Project Name	Brief description	Total cost (US\$M)	Source of funding	Amount Spent	Current status	Challenges	Recommendations
1	Pckg 1	Construction of 275,000 sm of pavement and fuel hydrant	40	KAA	40	Completed in 2008 increasing in stands from 23 to 37, and new fuel hydrant		
2	Pckg 2	Construction of terminal unit 4, the multi-storey car park (1,500 slots) and the grade parking (400 slots).	117.04	KAA-12.31 AFD- 92.63 WB-12.10	48.6	<ul style="list-style-type: none"> • Building works in progress at 88% • No objection awaited from the World Bank to award the contract for Baggage Handling System, Passenger Boarding Bridges and Integrated Security • No objection is also awaited from the WB to tender for Information Technology System and seats • Completion is expected in July 2014 	<p>delay is due to redesign from domestic to international, relocation of services and lengthy approval process by the financing partners.</p>	<p>Regular liaison with the Banks through monthly meetings and involvement of Project Oversight Committee under chairmanship of PS Roads</p>

JKIA Expansion Packages cont'd

no	Project Name	Brief description	Total cost (US\$M)	Source of funding	Amount Spent	Current status	Challenges	Recommendations
3	Pckg 3a	Construction of arrivals hall adjacent to terminal unit 4	25.8	EIB	0	<ul style="list-style-type: none"> Tender documents complete and submitted to the banks for no objection to tender. Works are expected to commence in November 2013 for 12 months 	Lengthy approval process	See item 2 above
4	Pckg 3b	Renovation and re-organization of terminal unit 1, 2, 3 and arrivals building including construction of new infill building	97	EIB-93 KAA-4	0	<ul style="list-style-type: none"> RFP for technical and financial proposals issued to shortlisted consultants on 13th July 2013 and expected on 14th August 2013. Works are expected to commence in February 2015 after completion of designs and tendering 	Working in an operational airport	<ul style="list-style-type: none"> Proper planning to minimize disruptions to operations Involvement of stakeholders during planning and execution

JKIA Expansion Packages cont'd

no	Project Name	Brief description	Total cost (US\$M)	Source of funding	Amount Spent	Current status	Challenges	Recommendations
5	Pckg 4a	Rehabilitation and upgrading of aircraft pavements and upgrading of Instrument Landing System (ILS) system from CAT I to CAT II	60	KAA and others to be determined	0	Tendering and evaluation complete. Works expected to commence in March 2014.	Working in a operational runway which would need closure at night and shortening the length.	Work closely with airlines for the implementation programme
6	Pckg 4b	Construction of 16 No. remote aircraft stands complete with fuel hydrant	29	KAA	12	<ul style="list-style-type: none"> • Works is progress at 75%. • Completion expected in October 2103 	Inclement weather and unexpected ground conditions	Optimizing good weather



JKIA Expansion Packages cont'd

Project no	Project Name	Brief description	Total cost (US\$M)	Source of funding	Amount Spent	Current status	Challenges	Recommendations
7	Pckg 5	Greenfield Terminal complex. 178,000SM, 50 check in position, 32 contact gates and 45 stands, including domestic terminal	654	KAA- and others	0	<ul style="list-style-type: none"> Contract signed on 9th September 2012 and is under review with AG. Discussion on financing in progress with China Exim Bank and Treasury Supervision consultant commissioned and ESIA in progress 	Expediting financing	Inclusive stakeholders consultations
8	Pckg 6	2 nd Runway	200	GOK	0	<ul style="list-style-type: none"> Tender documents for design and build contract completed in February 2013 Tendering awaiting confirmation of budgetary allocation by Treasury 	<ul style="list-style-type: none"> Funding Need to acquire some land in inhabited Syokimau to avoid noise hazard on the neighboring community. 	<ul style="list-style-type: none"> GOK to expedite funding arrangements Other noise attenuation measure, like buffer wall being considered to minimize on land acquisition
9	Packg 7	Domestic Terminal	15	GOK	0	<ul style="list-style-type: none"> Tender Documents ready 	Funding	<ul style="list-style-type: none"> GOK to expedite funding

I. Overview and Description of the Projects

As shown from the above table, there are a total seven (7) ongoing projects meant to meet the rising challenges of the Airport in the 21st Century. These include construction of the second runway to cater for increased passenger traffic, repair on the other existing runways, Remote Stands, Terminal Four and Parking Garage and the Greenfield Terminal. Design for a new runway has already been done. The total cost of the projects is \$200 million. These projects are expected to increase capacity for Passenger handling at the Airport.

Progress can be summed up as follows:-

A. Terminal 4 and Parking Garage

The Committee heard that the Kenya Airports Authority plans to build an additional terminal at Jomo Kenyatta International Airport to handle the increasing domestic traffic. The new Domestic Passenger Terminal will cover a floor area of about 8000 square meters on two levels and will have 26 domestic check-in points and four remote gates lounges.

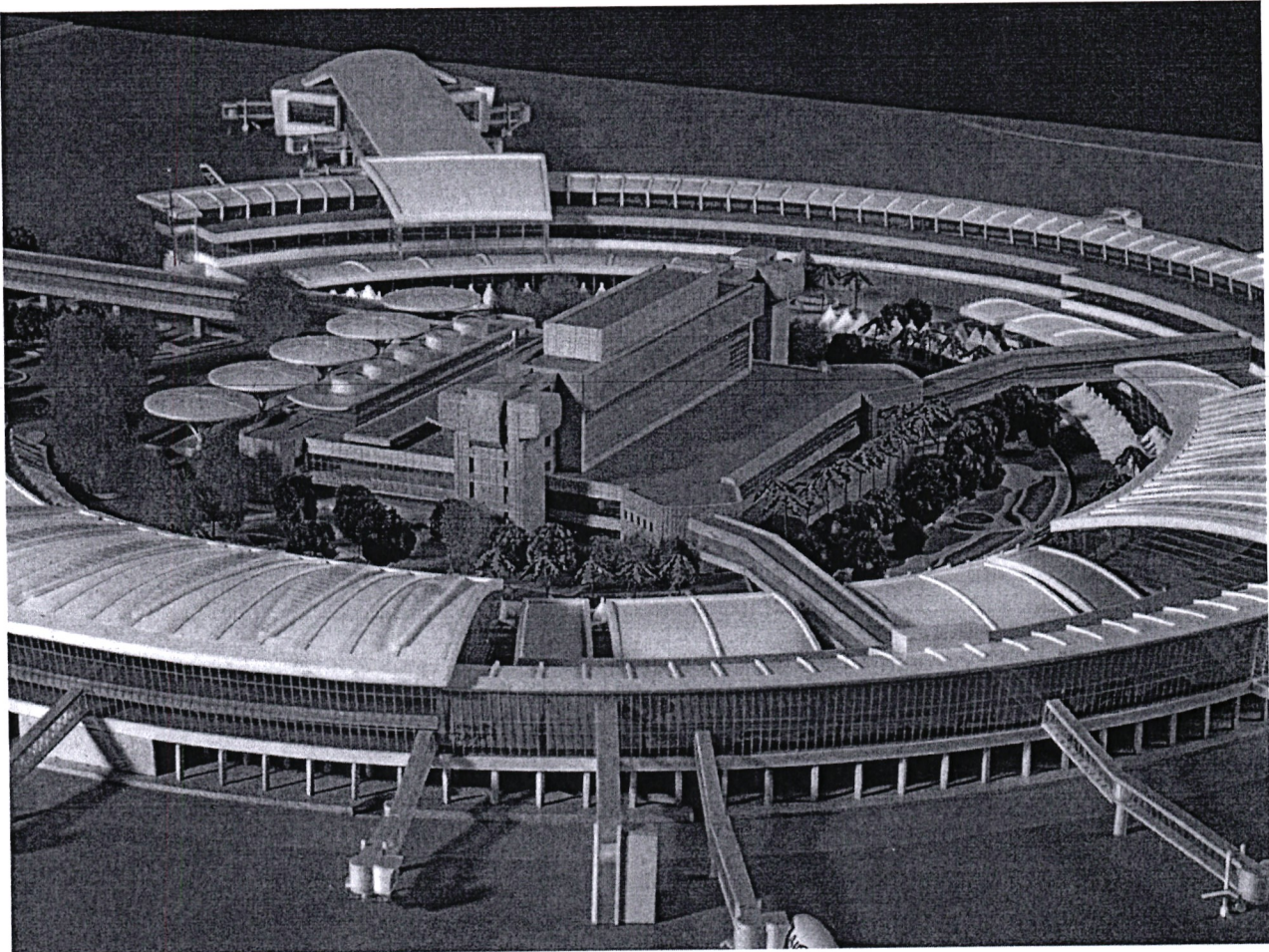
KAA invited international firms to bid for the design and construction of the terminal building and commissioning of the new terminal. The Kenya airports authority intends to enhance its passenger handling capacity and improve on the efficiency of hub operations at Jomo Kenyatta International Airport.

The committee heard that the facility will be constructed of prefabricated wall panel, quick erect steel or aluminum frames and insulated roof panels with aesthetical acoustic ceiling in a bid to meet energy efficiency requirements. The construction of JKIA's Terminal 4 is going on and is projected to be completed by August 2013. It includes 37,500 square metres of floor space and parking space for 1,500 cars. The project began at the end of August 2010. Terminal 4 will have a capacity of 2.5 million passengers.

B. The Greenfield Terminal

The 178,000 square meters terminal, which is expected to cost Sh55.6 billion, will give JKIA an extra handling capacity of 20 million passengers annually while boosting the airport's status as a regional hub of international standard.

On completion in 2017, Greenfield Terminal will comprise 50 international check-in counters, eight air bridges for aircraft to dock, 45 aircraft parking stands on the linked apron space and an additional runway



C. Second Runaway

The Jomo Kenyatta International Airport will get a second runway as part of its expansion. The ongoing construction at the airport, which involves the building of an additional unit and eventually an additional, Greenfield Terminal, is meant to expand capacity at the overworked

airport, which is the main gateway to Kenya. JKIA, which was designed to handle much smaller passenger numbers than it currently does, has been cited as the main impediment to the starting of direct flights between Kenya and destinations such as the United States. The second runway is also sorely needed, as blockages of the only runway have meant the shutting down of the airport for long periods. The construction has progressed in fits and starts, with disputes about its financing threatening to tie it up in legal knots.

D. Remote Stands

Ongoing work includes construction of remote stands for parking aircraft fitted with fuel hydrants and equipped with apron buses for ferrying passengers from the terminal building. Work started in March and so far, 45 per cent is complete. The remote stands are meant to decongest the airport.

E. Airstrip Projects

A number of public airstrips are maintained by the Authority, on agency basis, for administrative, humanitarian, security operations and tourism purposes. Airstrips outlined below are either operational or under development for the aforementioned purposes:

Airstrip Projects

AIRPORT	DESCRIPTION	STATUS
Isiolo Airstrip:	Runway construction	Construction of the runway is complete.
	Terminal building	Land already acquired for facility development. Construction of terminal building commenced in April 2013.
Nyeri Airstrip:	Runway and terminal building	Complete
		Installation of water tank will be done in the current financial year. More land required for further expansion
Embu Airstrip:	Construction of the runway	Construction of the runway is complete
	Land acquisition for facility expansion	In progress
	Terminal building construction	At tendering stage.
Lodwar Airstrip:	Runway resurfacing and facility fencing	Complete
	Construction of the terminal building	Planned for next financial year.
Kakamega Airstrip:	Runway resurfacing	Complete
	Terminal building extension	Ongoing
Eldoret Airstrip:	Terminal building construction	Complete
Other Airstrips:	Airstrips such as Nakuru, Tseikuru, Mitunguu, Suneka, Homa Bay, Kitale, Garissa and Wanguru are undergoing various infrastructure and facility facelift	

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F. Issues noted by the Committee

a) Challenges in Land Acquisition/Encroachment

The Committee expressed fears that there is rampant encroachment on land designated as Airstrips across the Country. The committee heard that the KAA has had lots of challenges with regard to encroachment on its land and acquisition of land for projects. The process for recovering for recovering lost land has been slow and expensive. The Committee was further informed that there is need for government support to fast track land acquisition or recovery of land.

b) Status of Airstrips Across the Country

The Committee expressed concern at the run down status of Airstrips across the Country. The Committee was informed that the government's policy is to have a workable Airstrip in each County. However, the KAA noted that funding remains the biggest hurdle to attaining this reality. Other than just Airstrips, the Committee was informed that there are plans to have a Helipad in at least in each County for purposes of emergency rescue, as well as the Airport Authority's administrative purposes. It was noted that enhancement works are ongoing at various Airstrips across the Country.

c) Controversy Regarding Duty Free Shops

The Committee expressed concern regarding the drawn out duty free shops controversy at the Country's Airports. The Committee heard that World Duty Free Shops, owned and operated by one Mr. Kamlesh Patni, was awarded a monopolistic contract to operate all duty free shops at Kenya Airports in 1989. The Committee was informed that the controversy and award of the contract has been quite detrimental to public good than helpful. The K.A.A, it was noted, has appointed a team of lawyers that are currently handling the matter.

d) Category 1 Status for U.S. Flights

The Committee noted that the attainment of Category 1 status for U.S. is taking longer than had been initially anticipated. The Committee was however informed that the U.S. government is helping Kenya to attain F.A.A. Category 1 status, for purposes of their own safety. The Authority expects the Airport to attain Category 1 status in the next six months.

e) Greenfield Terminal Controversy

The Committee was concerned that the Greenfield Terminal controversy risks derailing the completion of the critical project. The Committee however heard that the tendering process was above board, having been approved by the Kenya Anti-Corruption Commission and the AG. The project is on course to be implemented. The KAA is currently in discussion with the Exim Bank of China for funding. It was noted that the project could be on course as soon as in the next three months. The Committee heard that the completion of the Greenfield Terminal will enable Kenya Airways compete favorably against Ethiopia, which had experienced a 40% rise in Traffic with the construction of a new terminal.

3.0 RECOMMENDATIONS