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POLITICS AND POLICY

Global firms battle for Sh24bn Nairobi rail tender

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Nairobi commuters sit on top of a crowded RVR passenger train. Photo/FILE Nation Media Group

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IN SUMMARY

Kenya is also seeking to reduce overreliance on the road transport system which carries more than 90 per cent of cargo, reducing the lifespan of the highways.

Leading players in global infrastructure projects are jostling for a Sh24 billion Nairobi commuter rail improvement contract.

Tender submissions for the projects show that 17 companies including Hyundai, Samsung and POSCO from Korea and leading rail companies from China and Europe have applied to lay the railway.

South-Africa based Aveng Grinaker and Basil Read also submitted their tenders, showing the global interest the project has attracted. The deadline for submitting the tender was October 12.

“The level of response and interest and the quality of firms and consortia that responded to the prequalification phase is high,” said Gad Cohen, a partner with eleQtra, the manager of InfraCo Africa, which is developing the Nairobi Commuter Project jointly with Kenya Railways.

The partners in July advertised a tender for the rehabilitation and upgrading of the railway line, construction of new stations, maintenance and fuel depots, and procurement of new rolling stock.

The Sh24 billion commuter rail project has been divided into four phases, connecting the Central Business District (CBD) to Syokimau, Ngong, Kiserian Kikuyu and the Jomo Kenyatta International Airport.

The first phase includes approximately 62 kilometres of railway line and the doubling of approximately 15 kilometres of existing railway lines and the construction of a new 6.5 kilometre line connecting the mainline at Embakassi station to the Jomo Kenyatta International Airport.

The procurement process started with a prequalification round for the selection of a consortium of the engineering, procurement and construction (EPC) contractor and an operator, the deadline for prequalification was October 12, 2012.

The first phase also includes the construction of stations and workshops, and the provision of purpose-built rolling stock such as locomotives and rail road cars among others.

The operator will be the contract operator for a long-term period after the commissioning of the commuter rail system. “We are pleased with the results of the first round of bidding which closed on October 12, 2012” said Mr Cohen.

The repairs are expected to improve transit speeds from 30km per hour to 70km per hour, enhancing the flow of traffic.

The contractor would provide the detailed engineering design of the railway project, procure all components, including rolling stock, and build the rail system.

Kenya Railways and InfraCo Limited signed a Joint Development Agreement on April 15, 2009, and the Project Development Plan for the project was approved by the Government of Kenya in May of 2011.

InfraCo Limited is a project development company funded by donor agencies of the European Union.

The project is expected to reduce congestion on several major roads and provide a direct rail link between the Jomo Kenyatta International Airport (JKIA) and the city centre.

Kenya is also seeking to reduce overreliance on the road transport system which carries more than 90 per cent of cargo, reducing the lifespan of the highways.

Kenya Railways Corporation imported materials worth Sh340 million for the construction of a new commuter line in Nairobi in July this year.

A local firm, Elnoor General Contractors, completed the construction of a modern railway station at Syokimau in Nairobi which is waiting for