

## SPECIFIC TERMS OF REFERENCE

### Capacity Needs Assessment Study for the 10<sup>th</sup> EDF Transport Sector Institutional Capacity Building and Formulation Studies Component

#### 1. BACKGROUND

Transport Infrastructure is the first focal sector<sup>1</sup> of the 10<sup>th</sup> EDF Kenya Country Strategy Programme/National Indicative Programme (CSP/NIP, 2008-2013) with a €126.8 million allocation.

This is consistent with the first medium term plan (2008 -2012) of the *Kenya Vision 2030*, the country's long-term national development blue-print, that identifies transport infrastructure as among the critical constraints for socio-economic development. At present, roads remain the dominant transport mode in Kenya, accounting for roughly 80% of all freight and passenger traffic. The other transport modes being air transport, maritime transport, railway, and oil pipeline.

Over the last 20 years, policy development and institutional reforms in the road sub-sector has been the subject of continuous dialogue and joint efforts between the international donors and the Government of Kenya (GoK). Key milestones in the reform process include the endorsement in 2006 of a *Road Sector Policy*<sup>2</sup>, followed by enactment of the *Kenya Roads Act 2007* which established three new road authorities with legal, financial and managerial autonomy and a clear mandate to manage, develop, rehabilitate and maintain the road network in Kenya as follows:

- Kenya National Highways Authority (KeNHA) responsible for the national road network (Class A, B and C roads) with a total length of about 14,000 km (almost 50% paved roads), and to be managed from 10 regional offices
- Kenya Rural Roads Authority (KeRRA) responsible for the rural road networks (Class D, E and unclassified roads) to be managed from 45 regional offices, responsible for altogether about 150,000 km road length;
- Kenya Urban Roads Authority (KURA) responsible for road networks in cities and municipalities (Class UA, UC and UL), with a total length that remains to be determined (estimated between 9,000 and 15,000 km) and to be managed from 10 regional offices with sub-regional offices in selected towns.

The three Road Authorities were launched in September 2008 and are in the process of establishment and transition to assuming their roles as defined by the Roads Act. The staff recruitment phase began with appointment of Director Generals, followed by first and second level managers and eventually the other staff.

In this process the authorities are guided by the recommendations of the Interim Management Committee (IMC)<sup>3</sup> which was appointed in July 2007 by the Minister of Roads to draw up transition modalities and the institutional framework for the three new road authorities. The anticipated final staffing levels are follows;

- KeNHA: 397 staff including 29 managers and 68 professionals
- KeRRA: 613 staff including 64 managers and 165 professionals

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<sup>1</sup> The other being Agriculture/Rural Development

<sup>2</sup> Sessional Paper No. 5 (2006) on the Development and Management of the Roads Sub-sector for Sustainable Economic Growth

<sup>3</sup> Completion Report by IMC on Transition Arrangements for the KeNHA, KeRRA and KURA – February 2008

- KURA: 327 staff including 29 managers and 92 professionals

Under the new institutional arrangement the Roads Department of the Ministry of Roads will retain a lean establishment of not more than 16 senior professionals under the Chief Engineer (Roads)<sup>4</sup> and a changed role with residual responsibilities for Policy, standards and regulation; overall road sector planning and budgeting, including liaison with development partners; and monitoring and evaluation, including auditing and performance assessment.

The new road sector management structure has a major impact on the existing key institutions namely:

- The Roads Department of Ministry of Roads that was hitherto responsible for all classified National and Rural roads; the Mechanical and Transport Department; the Materials Testing and Research Department; and the Kenya Institute of Highways and Building Technology. The latter two departments are in the process of being transformed into Semi Autonomous Government Agencies (SAGA),
- The Kenya Roads Board established under the Kenya Roads Board Act of 1999, to manage the Road Maintenance Fuel Levy (RMFL) Fund.

The three road authorities are gradually building their capabilities with a view to being fully operational during the 2009/2010 financial year. In order for the new authorities to function well, however, it is of paramount importance that they establish a firm foundation from the outset in terms of clarity of vision and mission, human and financial resources, institutional efficiency, operational systems and procedures, as well as sound organizational culture attune to the overall national objectives and corporate governance principles.

Under the Transport Infrastructure component of the 10<sup>th</sup> EDF Kenya Country Strategy Programme/National Indicative Programme (CSP/NIP, 2008-2013), the European Union has earmarked €7.55 million for technical assistance on capacity building and formulation studies, targeting the Road Authorities, Ministry of Roads and Ministry of Transport.

In order to identify the immediate and long term needs each of the above beneficiaries, it was deemed necessary to carry out a preparatory study to formulate the Capacity Building and Formulation Study technical assistance package.

## **2. DESCRIPTION OF THE ASSIGNMENT**

### **➤ Global objective**

The objective of Capacity Building and Formulation Studies package is to support to the implementation of GoK policy and institutional reforms in order to improve road network management, road safety and intermodal linkages.

### **➤ Specific objective(s)**

The preparatory study will provide the decision-makers in the Government of Kenya and the European Commission with sufficient information and documentation to allow a sound procurement and implementation of services and supply contracts related to the Capacity Building and Formulation Studies package under the 10<sup>th</sup> EDF CSP/NIP.

### **➤ Requested services, including suggested methodology**

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<sup>4</sup> In addition, there would be the usual (small) support staff (ICT, Accounts, Administration, Procurement and Human Resources).

The scope of the preparatory study consultancy service includes the review of all aspects of the functions of the target institutions and identification of capacity gaps and needs. The Institutions are: Roads Department of Ministry of Roads, Materials Testing & Research Department of Ministry of Roads, KeNHA, KeRRA, KURA, City Council of Nairobi, Kenya Roads Board and Ministry of Transport. Areas to be looked at include but not limited to the following:

- 1) Institutional setup
  - Policy and strategy development attune to changed roles
  - Effectiveness and efficiency of existing organizational setup
  - Job descriptions of all employees
  - Performance standards for job categories
- 2) Administration setup
  - Operational procedures guidelines/manuals, e.g., HRD, Finance, Audit, Legal
  - Communication strategy including ICT policy
  - Automated Financial and Human Resource Management System which can be integrated to overall management system
  - Procurement procedures
  - Training programme development and management
- 3) Operational capacity
  - Technical & management procedure and guidelines for Road maintenance, construction, survey, quality assurance and procurement of works
  - IT based road management system including the Road Maintenance Management System (RMMS) which already is in place
  - Productivity and cost norms (schedule of rates)
  - Performance monitoring and quality assurance
  - Research and development

In order to achieve the above stated objective the consultant shall carry out, inter alia, the following activities:

- 1) Literature review including the EC's Transport Sector Evaluation study report <sup>5</sup>, the IMC report, and the relevant road sector policy document and Road Act.
- 2) Consult the beneficiary authorities and Ministries, and other sector stakeholders including development partners active in the sector
- 3) Identify immediate needs of the new authorities particularly with respect to improving internal and external communication using Information and Communication Technology (ICT) and establishment of basic financial and human resource management systems, formulate appropriate interventions.
- 4) Identify all capacity gaps in the target public bodies and determine the short and long term institutional capacity building support inputs to ensure timely operational establishment of the new authorities and the implementation of relevant reform actions; and a smooth transition process in the changing roles between the Ministry of Roads (policy, regulation), the new Road Authorities (services provision) and the Kenya Roads Board (fund manager).
- 5) Identify appropriate service providers including local universities and training institutions and organizations.

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<sup>5</sup> Road Transport Sector Policy Support Programme (SPSP) Formulation Study Formulation Report March 2009

- 6) Identify the technical assistance support requirements for the Ministry of Transport with respect to road safety as an integral part of sustainable road transport management in the context of the recently established National Road Safety Council. In particular the capacity for implementation of Road Safety Audits established.
- 7) Assess the existing gaps in inter-modal transport infrastructure facilities and transport logistics chain along the main transport corridors and draw up ToRs and implementation programme for possible technical assistance that can be covered under the 10<sup>th</sup> EDF to develop strategic recommendations for improving inter-modal transport network integration and operations
- 8) Present and discuss findings and recommendations to the Steering Committee

A Steering Committee has been established under the chair of Roads Secretary, representing the Permanent Secretary, Ministry of Roads, to coordinate the capacity building support activities for the sector. The Kenya Rural Roads Authority will act as secretariat and the Consultant is therefore be assisted by KeRRA on his day to day activities including introduction to the relevant authorities and acquisition of information.

The Consultant is required to maintain close liaison with the Ministry of Roads, Ministry of Transport, Roads Department, Kenya Roads Board and the three Road Authorities. The Consultant will be required to consult with other Development Partners represented in Nairobi about possible parallel or overlapping capacity building programmes for the road sector institutions.

The Consultant is expected to carry out all works in a professional and timely manner as well as with due diligence and transparency.

All documentation that results from the execution of the consultancy shall be the property of the contracting authority and shall be handed over to the same at the end of the assignment.

#### ➤ **Required outputs**

A comprehensive report, detailing the proposed Capacity Building and Formulation Study technical assistance package, to be financed under the 10<sup>th</sup> EDF CSP/NIP.

The report will include recommendations and relevant procurement documents, proposed implementation programmes and budgets for short-term interventions and long term (3 years) technical assistance service contracts in the area of institutional and organizational development to provide strategic advice and support with regard to the transition period, the development of decision support and institutional management systems, development of work plans in conformity with the Road Sector Investment Plan, human resources training curricula, design of diverse short-term TA to provide on-the-job training support in specialised areas (e.g. legal, financial, human resources, road maintenance management systems, performance monitoring etc.).

The report should also present recommendations, specifications, budget and implementation programme for ICT system software and hardware supply and training packages.

With regard to activities for MoT, recommendations should be given for appropriate technical assistance for capacity building and training related to road safety (traffic regulation and enforcement, licensing, road safety audits etc). The Consultants should also draw up ToRs for the intended inter-modal transport network integration formulation study that may comprise data collection, processing and analysis, application of forecasting methodologies etc.

### 3. EXPERTS PROFILE

#### ➤ **Number of requested experts per category and number of man-days per expert and Profile required**

The study will be implemented over a period of two from January 2010. The mission will be composed of 4 experts with the following profiles and qualifications:

#### **Expert 1: Senior Transport Engineer/Team Leader - Category 1 (35 days input)**

Relevant university education, extensive and relevant experience (minimum 15 years) in transport /road sector administration, including broad knowledge of inter-modal transportation systems.

*Specific professional experience:* Be familiar with ICT based Road Management Systems development systems and adequately experienced in institutional reform issues in the road sub-sector.

#### **Expert 2: Financial Systems Manager - Category 2 (35 days input)**

University education, extensive and relevant experience (minimum 10 years) in the corporate financial services management.

*Specific professional experience:* Sound knowledge of government/quasi government financing and budgeting practices. Specific experience in the transport sector related public organisations environment is desirable.

#### **Expert 3: Institutional Development Specialist - Category 2 (35 days input)**

University education, extensive and relevant experience (minimum 10 years) in institutional and human resource development and corporate governance.

*Specific professional experience;* Must have relevant working experience with institutional reforms in transport sector related public organisations (Government/quasi-Government, Ministries of Works and Transport, Road Agencies, etc.).

#### **Expert 4: Information Communication Technology (ICT) Expert - Category 2 (35 days input)**

Relevant University education, extensive experience (minimum 10 years) on design of ITC systems and development of specifications for public and/or private administrations.

*Specific professional experience;* Previous experience with specialised ICT systems for transport sector related public organisations is desirable.

#### **Common features:**

- minimum experience in Sub-Sahara Africa of 3 years,
- full working knowledge of English
- excellent report writing and communication skill,
- excellent computer skill.

#### **Special features:**

The composition of the team of experts should be balanced to allow for complete coverage of the different aspects of the preparatory study as set out in these terms of reference, including cross-cutting issues (gender equity, good governance, environmental issues).

#### ➤ **Working language(s)**

English

#### 4. LOCATION AND DURATION

➤ **Starting period**

January 2010

➤ **Foreseen finishing period or duration**

2 months

➤ **Planning including the period for notification for placement of the staff**

The Consultants will hold an inception meeting in Nairobi with the Steering Committee established for this project under the chair of Roads Secretary, Ministry of Roads.

During their assignment, the Consultants will hold regular briefing sessions for the Steering Committee at least once every two weeks to inform about work progress in relation to the work planning and of any circumstance or event that may affect the development of the mission, or its outcome.

Upon completion of the Draft Report, the mission will provide all the parties with the draft final report and convene a final meeting of stakeholders incorporating the Steering Committee and other interested parties to be invited to make a PowerPoint presentation of the Consultants' key-findings, conclusions and recommendations.

➤ **Location(s) of assignment**

The Consultants will be based in Nairobi until presentation of the Draft Report 6 weeks after the start of the assignment. The Final Report may be prepared and submitted from the home country of the Consultants.

#### 5. REPORTING

➤ **Content**

**Inception Report** of maximum 12 pages to be produced after 2 weeks from the start of the Consultants' mission. In the report the Consultants shall describe the first finding of the study, status of staff mobilization, programme of work, specific data and information required from the major stakeholders, and any difficulties encountered or foreseen.

The Consultants shall proceed with his work without waiting for comments to the inception report.

**Draft Report** of maximum 50 pages (main text, excluding annexes) containing a sufficiently detailed description of the proposed project with the elements mentioned under 2. DESCRIPTION OF THE ASSIGNMENT Required Outputs above. The detailed analyses which underlie the Consultants' recommendations will be presented in annexes to the main report.

**Final Report** corresponding to the Draft Report, and incorporating any comments received from the concerned parties (and consolidated by the Contracting Authority/EC Delegation) on the Draft Report.

➤ **Language**

The consultant will submit the reports in English:

➤ **Submission/comments timing**

The Consultants will submit the inception report 2 weeks after the start of their assignment.

Draft Report will be submitted 6 weeks after the start of their assignment. Comments received from the steering committee and other concerned parties shall be consolidated by the Contracting Authority/EC Delegation and sent by e-mail to the Consultants within 2 weeks of submission of the draft report

Final report to be presented within 2 weeks after receipt of comments on the draft report.

➤ **Number of report(s) copies**

The consultant shall produce 10 copies of each report and distribute as follows:

- Contracting Authority/EC Delegation 2 copies
- NAO 1 copy
- Ministry of Roads 3 copies
- KeNHA, KeRRA and KURA, 1 copy each
- Ministry of Transport 1 copy

The Consultants shall further submit 2 electronic copies of the final documentation prepared in the course of the consultancy work to the Contracting Authority/EC Delegation.

## **6. ADMINISTRATIVE INFORMATION**

➤ **Interviews if necessary indicating for which experts/position**

n/a

➤ **Language of the specific contract**

English

➤ **Other authorized items to foresee under ‘Reimbursable’**

n/a

➤ **For riders only : operational conditionality for intermediary payment if foreseen**

n/a

➤ **Others**

n/a

### **References:**

1. Operational Status Reports on the situation at KeNHA, KeRRA and KURA as per July 2009.
2. Road Transport Sector Policy Support Programme (SPSP) Formulation Study Formulation Report March 2009
3. Sessional Paper No. 5 (2006) on the Development and Management of the Roads Sub-sector for Sustainable Economic Growth
4. Completion Report by IMC on Transition Arrangements for the KeNHA, KeRRA and KURA – February 2008
5. Draft Legal Notice on Proposed Authority (Materials Testing & Research Dept.) – May 2009