

Country Name	Project for Technical Assistance to Kenya Ports Authority on <i>Dongo Kundu</i> Port, Mombasa Master Plan
Republic of Kenya	

I. Project Outline

Background	Mombasa Port, located in Mombasa City of Kenya, is the largest port in the East Africa region. Mombasa Port is used not only for the trade of Kenya but also for neighboring inland countries such as Uganda and Rwanda. Due to the rapid economic development in the East Africa region and the increasing container handling volume, JICA supported the Kenya Ports Authority (KPA) in expanding the container terminal on the northern side of the port (“Mombasa Port Development Project” (2007-2016). Also, JICA commenced the “Project on Master plan for Development of <i>Dongo Kundu</i> , Mombasa Special Economic Zone” (2014-2015) for acceleration of economic growth in Kenya and the East Africa region. As the cargo handling volume of Mombasa port was increasing much more than forecast at the time of formulation of this project, it was required to formulate the master plan for development of Mombasa Port which would propose the vision and concept of Mombasa Port development.												
Objectives of the Project	By revising Mombasa Port Master Plan, improving the strategic planning and management system in KPA, improving the future capacity and forecast method in KPA, and preparing the comprehensive Mombasa Port development implementation/investment plan, the project aimed at enhancing the capacity of KPA staff regarding port development.												
	<ol style="list-style-type: none"> Expected Goals through the proposed plan¹: Projects are to be implemented in accordance with the Mombasa Port Master Plan. Expected utilization of the proposed plan: N/A. 												
Activities of the Project	<ol style="list-style-type: none"> Project site: Mombasa Port Main activities: 1) Review and revision of the existing Mombasa Port master plan, 2) Demand forecasting by cargo type, 3) Training of KPA personnel on strategic planning and management and demand forecast, 4) Development of port development implementation and investment plan, etc. Inputs (to carry out above activities) <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Japanese Side</td> <td style="width: 50%;">Kenyan Side</td> </tr> <tr> <td>1) Mission members: 12 persons</td> <td>1) Staff allocated: 10 persons.</td> </tr> <tr> <td>2) Training in Japan: 8 persons</td> <td>2) Land and facilities: Office space, equipment, vehicles, etc.</td> </tr> <tr> <td>3) Equipment: office equipment, etc.</td> <td>3) Operation cost for activity implementation, etc.</td> </tr> <tr> <td>4) Operational cost</td> <td></td> </tr> </table> 			Japanese Side	Kenyan Side	1) Mission members: 12 persons	1) Staff allocated: 10 persons.	2) Training in Japan: 8 persons	2) Land and facilities: Office space, equipment, vehicles, etc.	3) Equipment: office equipment, etc.	3) Operation cost for activity implementation, etc.	4) Operational cost	
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Project Period	August 2014 to October 2015	Project Cost	(ex-ante) 250 million yen, (actual) 245 million yen										
Implementing Agency	*Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works (MOTIHUPW), Kenya Ports Authority (KPA)												
Cooperation Agency in Japan	Overseas Coastal Area Development Institute of Japan, Oriental Consultants Global Co., Ltd., Nippon Koei Co., Ltd.												

*Note: In 2018, the Ministry of Transport and Infrastructure (MOTI) was restructured into Ministry of Transport Infrastructure, Housing, Urban Development and Public Works (MOTIHUPW).

II. Result of the Evaluation

< Special perspectives considered at the ex-post evaluation >

- At the ex-ante evaluation, no indicator was set for verifying the expected utilization of the proposed plan, although the Project Purpose (objective to be achieved by the time of project completion) was set as “Capacity of KPA staff regarding port development is enhanced.” At the ex-post evaluation, utilization of the proposed Master Plan was verified.

1 Relevance

<Consistency with the Development Policy of Kenya at the Time of Ex-Ante Evaluation and Project Completion>

The project was consistent with the development policy of Kenya at the time of both ex-ante evaluation and project completion, as the national plan of the “Kenya Vision 2030” describes the importance of infrastructure development and positions development of Mombasa Port as one of the most prioritized programs.

<Consistency with the Development Needs of Kenya at the Time of Ex-Ante Evaluation and Project Completion >

The cargo handling volume of Mombasa Port was increasing much more than forecast at the time of ex-ante evaluation, but due to the poor structural condition of the Mbaraki Wharf, the number of calling vessels and car volumes capable of handling decreased. Thus, as port development plan was required to allow capacity development of cargo handling of Mombasa Port, the project was consistent with the development needs of Kenya.

¹ This goal is expected to be realized through mid-term / long-term time period and therefore is beyond the time frame of this evaluation. Therefore, in principle, it will not be considered within this evaluation.

<Consistency with Japan’s ODA Policy at the Time of Ex-Ante Evaluation>

The project was consistent with Japan’s ODA policy for Kenya at the time of ex-ante evaluation, as one of the priority areas is economic infrastructure development in the Country Assistance Program for Kenya (2012).

<Evaluation Result>

In light of the above, the relevance of the project is high.

2 Effectiveness/Impact

<Status of Achievement of the Objectives at the Time of Project Completion>

Through the project activities, A) various related plans such as the “Strategic Plan 2013-2030” were reviewed, B) the strategic planning and management system in KPA was improved, C) KPA staff’s capacity for the demand forecast was improved, and D) the final draft of “Mombasa Port Master Plan including *Dongo Kundu*” was prepared and reviewed and shared by KPA and MOTIHUDPW with related agencies. Furthermore, all necessary documents were prepared and included in the Master Plan.

<Utilization Status of the Proposed Plan at the Time of Ex-post Evaluation>

The proposed plan has been utilized. The draft Master Plan, as it was, has not been officially approved, because KPA wanted the plan not only to cover the Mombasa Port but all other seaports, inland waterways and dry ports. However, KPA has utilized data and information which were in the draft Master Plan to activities including but not limited to (i) formulate the port master plan for entire Kenya including the Mombasa Port, (ii) implement Mombasa Port Development Project (Phase 1 and 2) (Container Terminal Berth 20 and 21), (iii) prepare for implementation of the Dongo Kundu Special Economic Zone Project (including Multi-purpose Berth DK-1), and (iv) develop the Kipevu oil terminal.

<Status of Achievement for Expected Goals through the Proposed Plan at the Time of Ex-post Evaluation>

The Expected Goal has been achieved by the time of ex-post evaluation. As of February 2020, among the projects which were recommended as actions to be taken by 2020, some have been already completed and under operation. For example, Mombasa Port Development Project (Phase 1) (Berth No. 20 and 21; Completed in February 2016) is complete. The berth 20 and 21 have yard capacity of 4,135 TEU (Twenty-foot Equivalent Unit), for Panamax and Post-Panamax container vessels of 20,000 DWT (Dead Weigh Ton) and 60,000 DWT respectively and are currently under operation. While Berth 22 is still under construction through Mombasa Port Development Project (Phase 2), it is anticipated to be complete within 2022. As improvement of the existing facility was taken by 2020, the length of berth No. 19 was extended to the largest berth, which allows three Panamax vessels of up to 250 meters in length to unload containers at any given moment. Rehabilitation of the general cargo terminal (berth No.11-14) has been in the designing phase.

<Other Impact at the time of Ex-post Evaluation>

Besides the actions to be recommended by 2020, some construction projects have been started or even completed, such as the cruise ship terminal (Completed in December 2019) and the Kipevu Oil Terminal (to be completed by 2022). Since the completion of the Berth 20 and 21, total of 831,741 TEU has been handled, and the container ship turnaround time has been improved from 5.13 days in 2008 to 2.71 days in 2018. The commodity and cargo handling volume has increased. For facility construction, the concept of universal design has been reflected to assure easy access for persons with disabilities, by having wheelchair ramps and elevators at the office, etc.

Sand harvesting during construction work has been suggested to have brought some negative impact. For example, fishermen have claimed that continued sand harvesting at Diani Beach resulted in choking and killing of some marine life and taking away their income sources. KPA is currently conducting an environmental impact assessment with consultation of stakeholders.

<Evaluation Result>

Therefore, the effectiveness/impact of the project is high.

Utilization of the Proposed Plan

Aim	Indicators	Results
(Status of achievement of the Objectives)	1. <i>Dongo Kundu</i> Port, Mombasa development plan is established and shared by KPA and MOTIHUDPW.	<u>Status of achievement: Achieved.</u> (Project Completion) - “Mombasa Port Master Plan including <i>Dongo Kundu</i> ” (final draft) was prepared and shared by KPA and MOTIHUDPW.
Capacity of KPA staff regarding port development is enhanced.	2. All necessary documents including port development policy are prepared.	<u>Status of achievement: Achieved.</u> (Project Completion) - All necessary documents including port development policy were prepared in the Master Plan.
(Utilization Status of the Proposed Plan)	(Utilization of the proposed Master Plan)	<u>Status of achievement: Achieved</u> <u>(Ex-post evaluation)</u> - “Mombasa Port Master Plan including <i>Dongo Kundu</i> ” has not been approved, but it has been incorporated into the plan for all of the sea and dry ports and inland waterways in the country. - KPA has utilized data and information on the draft Master Plan.
(Expected Goals through the proposed plan)	1. At least one project is implemented among the several number of components which are listed in <i>Dongo Kundu</i> Port, Mombasa Master Plan.	<u>Status of achievement: Achieved.</u> (Ex-post Evaluation) - Among the recommended actions up to 2020 in the Master Plan, the new container terminal of Kipevu (berths No. 20 and 21) was constructed and has been under operation. - The berth No. 19 was extended and has been under operation. - The cargo terminal (berth No.11-14) has been in the designing phase.

(Source: Project Completion Report, Final Report, and information from KPA.)

3 Efficiency

Both of the project cost and period were within the plan (ratios against the plan: 98% and 100%, respectively). Outputs were produced as planned. Therefore, the efficiency of the project is high.

4 Sustainability

<Policy Aspect>

The “Third Medium Term Plan (MTP III)” (2018-2022) of the “Kenya Vision 2030,” has identified the improvement of shipping and maritime facilities including development of Mombasa Port.

<Institutional Aspect>

The Corporate Development Department (CDD) of KPA has been mandated to prepare and review short- and long-term development strategies for ports in the country. CDD was involved in development of the Master Plan, and it has developed the “Port Strategic Plan for 2018-2022” in 2018. CDD has six technical staff for demand forecast and planning, and as it has developed the said plan and other key plans of KPA, the number of the staff has been sufficient.

<Technical Aspect>

Although many technical staff of MOTIHUDPW and KPA were trained on demand forecast by the project, they have needs for in-depth training for sustaining the techniques that were developed. MOTIHUDPW considers that they have not sufficient skills for implementation of the Master Plan, relying on external consultants to undertake demand forecast and develop long-term plans. Implementation of the Master Plan has been spearheaded by CDD and the Project Office within KPA. They have well-skilled managers, economists, and engineers. KPA has trained its management staff on port management in the country or abroad every year. Initial training mainly on Port Management and Development program has been conducted at Bandari Maritime Academy, and training has been offered for senior managers on maritime affairs or port management at World Maritime University.

<Financial Aspect>

As the table shows, the revenue has increased, and it is projected to continue increasing at 7% annually. While the operating cost is also expected to increase, but at 4% during the same period. Therefore, KPA expects that the profit would increase.

Statement of profit and loss of KPA (million KSHS)

	2016/17	2017/18	2018/19	2019/20 plan	2020/21 plan	2021/22 plan	2022/23 plan
Revenue	40,618	45,352	48,402	53,648	56,779	60,328	64,093
Operating cost	30,149	35,048	35,685	37,888	40,161	42,571	45,125
Profit before tax	10,469	10,304	12,717	15,760	16,618	17,757	18,968

Source: KPA Financial Report.

<Evaluation Result>

In the light above, there have been some problems in the technical aspect of MOTIHUDPW. Therefore, sustainability of the effectiveness through the project is fair.

5 Summary of the Evaluation

In the project, the “Mombasa Port Master Plan including *Dongo Kundu*” was drafted, including recommended actions. Since the time of project completion, the draft Master Plan has not been approved, but it has been part of the plan for development of all ports in the country. Most of the actions which had been recommended to be taken for 2020 have been implemented. The commodity and cargo handling volume has increased, although the project’s attribution could not be strictly confirmed. Regarding sustainability, small challenges have been raised, including capacity building of MOTIHUDPW staff. However, there have not been problems in other aspects.

Considering all of the above points, this project is evaluated to be highly satisfactory.

III. Recommendations & Lessons Learned

Recommendations for Implementing Agency:

- It is recommended to establish a port division within MOTIHUDPW fully resourced to be able to coordinate port matters in the country for smooth implementation of the projects recommended by the Master Plan.

Lessons Learned:

- Among the emergent actions projects recommended by the project, some have been already completed or under operation. CDD of KPA has been in charge of preparation and review of port development strategies for ports. The project made efforts for capacity development of CDD through its participation in training and seminars and involvement in development of the master plan. Establishment and capacity development of the port planning division/department within the line ministry is important for the smoother realization of the priority project proposed by the port masterplan.