



1. Project Data

Project ID P148853	Project Name EA Reg. Transp. Trade Dev. Facil. Ph-2	
Country Kenya	Practice Area(Lead) Transport	
L/C/TF Number(s) IDA-56380	Closing Date (Original) 31-Dec-2021	Total Project Cost (USD) 497,252,773.77
Bank Approval Date 11-Jun-2015	Closing Date (Actual) 31-Dec-2024	
	IBRD/IDA (USD)	Grants (USD)
Original Commitment	500,000,000.00	0.00
Revised Commitment	493,793,875.00	0.00
Actual	497,252,773.77	0.00

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2. Project Objectives and Components

a. Objectives

According to the Project Appraisal Document (PAD) (p.iii) and the Financing Agreement of July 20, 2015, (p. 6) the objective of the project was “to improve the movement of goods and people along the Lokichar – Nadapal/Nakodok part of the Eldoret-Nadapal/Nakodok road in the north western part of Kenya, in particular, and to enhance connectivity between Kenya and South Sudan, in general”.

The original objective will be parsed as follows:



- i. to improve the movement of goods and people along the Lokichar – Nadapal/Nakodok part of the Eldoret-Nadapal/Nakodok road in the northwestern part of Kenya, in particular;
- ii. to enhance connectivity between Kenya and South Sudan, in general.

When the project was restructured in 2022, the objective of the project was revised to “improve the movement of people and goods, digital connectivity and access to social services to communities at designated locations along selected sections of the Eldoret Nadapal/Nakodok road corridor.”

The revised objective will be parsed as follows:

- i. To improve the movement of people and goods at designated locations along selected sections of the Eldoret Nadapal/Nakodok road corridor;
- ii. To improve digital connectivity at designated locations along selected sections of the Eldoret Nadapal/Nakodok road corridor;
- iii. To improve access to social services to communities at designated locations along selected sections of the Eldoret Nadapal/Nakodok road corridor.

Since the objective was revised and the Results Framework was adapted accordingly, a split evaluation will be conducted.

b. Were the project objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

Yes

Date of Board Approval

26-Jan-2022

c. Will a split evaluation be undertaken?

Yes

d. Components

The project included four components:

Component 1: Upgrade Critical Road Infrastructure (appraisal estimate US\$426.0 million, revised estimate US\$421.04 million, actual US\$413.9 million): This component was to finance the upgrading of 327 kilometers of road, and constructing the Kainuk bridge.

When the project was restructured in 2022, the original scope was expanded and restructured to include new activities such as: i) upgrading Lokichar-Loichangamatak road section (40km) from the credit instead of counterpart funding; ii) reducing the road section Kalobeiyei River - Nadapal /Nakodok from 88 km to 77 km covering Kalobeiyei River-Nadapal; iii) carrying out civil works associated with installation of a fiber optic cable along the Eldoret-Nadapal/Nakodok road corridor; and iii) providing consultancy services for



management of social risks associated with works contracts through engagement of the services of selected civil society organizations.

Component 2: Facilitation of Regional Transport, Trade and Development (appraisal estimate US\$38.5 million, revised estimate US\$41.28 million, actual US\$42.5 million): This component included three sub-components:

Sub-component 2 (a): This sub-component was to finance support to the Kenya Revenue Agency (KRA) to carry out a program of activities designed to implement transport, trade and development facilitation measures. Activities were to include: i) harmonization of customs and other border management, risk management and control procedures; ii) designing of a One Stop Border Post (OSBP) at Nadapal/Nakodok; iii) strengthening of the cross-border management unit of KRA including enhancing its coordination with other border agencies; iv) support the implementation of an integrated border management system; v) support to the implementation of the Memorandum of Understanding (MoU) between Kenya Customs and South Sudan Customs Services relative to information exchange and use of common procedures; vi) support the use of ICT for revenue collection and for facilitating clearance and release of goods.

Sub-component 2 (b): This sub-component was to finance support to the Kenya National Highway Authority (KeNHA) to carry out a program of activities designed to implement transport, trade and development facilitation measures. Activities were to include: i) carrying out a study to enhance social infrastructure and social services delivery; ii) designing the facilities and marketing system for pilot pastoralist road side markets; and iii) establishing the facilities of pilot pastoralist road side markets.

Sub-component 2 (c): This sub-component was to finance support to the Ministry of Transport and Infrastructure (MoTI). Activities were to include: i) identifying and designing potential sites and providing services to facilitate the development of export processing zones, storage facilities and rest stops; ii) certifying export products; and iii) simplifying the process for import-export.

When the project was restructured in 2022, this component was split into two sub-components 2(a) for activities to be implemented by Kenya Revenue Authority (KRA) and Sub-component 2(b) for activities to be implemented by KeNHA.

Sub-component 2 a): Support to KRA to carry out a program of activities designed to implement transport, trade and development facilitation measures:

Changes introduced to this subcomponent included: i) dropping the designing of a One Stop Border Post (OSBP) at Nadapal/Nakodok; ii) designing, constructing and supervising the construction of offices at selected locations along the Eldoret-Nadapal/Nakodok road corridor to house Rapid Response Unit of the Kenya Revenue Authority to monitor international trade; iii) supporting the implementation of the Regional Cargo monitoring for goods under customs control; and iv) training KRA staff.

Sub-component 2 (b) remained the same.

Sub-component 2 (c): Activities originally under this sub-component and which were to be implemented by State Department of Infrastructure (SDoI) were dropped and new activities introduced for SDoI were included under Component 3.



Component 3: Institutional Development and Program Management (appraisal estimate US\$10.5 million, revised estimate US\$16.5 million, actual US\$15.4 million): This component included four sub-components:

Sub-component 3 (a): This sub-component was to strengthen the institutional capacities of entities involved in project implementation including: i) the capacity of KeNHA in road design review as well as contract management, value engineering, road maintenance, safeguards and procurement management; ii) project management capacity, maintenance management and engineering capabilities in the transport sector through supporting the Kenyan Roads Board; Engineers Board of Kenya; MoTI, Resource Mobilization Department under the National Treasury, and State Law Office; iii) supporting the MoTI in the monitoring and evaluation of the projects; and iv) strengthening project management capacity of Information and Communication Technology Authority (ICTA).

Sub-component 3 (b): This sub-component was to strengthen the National Transport and Safety Authority to implement the “Safe System” program Activities were to include: i) conducting needs assessment, vehicle safety inspection and safety audits; ii) strengthening enforcement capability of the Authority and post-impact care; and iii) assessing road safety on Lokichar-Eldoret section of the Eldoret-Nadapal/ Nakodok Corridor as well as developing and carrying out of a pilot road safety action plan along the corridor.

Sub-component 3 (c): This sub-component was to provide advisory services, training and operating costs to the Ministry of Transport and Infrastructure as required to sustain the management and coordination of project implementation activities, including audits, and the monitoring and evaluation of progress achieved in the execution of the Project.

Sub-component 3 (d): This sub-component was to provide technical assistance (TA) to carryout preparatory studies to support the preparation of the next phase of the program and develop follow-on regional transport and trade facilitations projects as well as bidding documents for long term performance-based road maintenance contracting.

When the project was restructured in 2022, the component was revised including: i) strengthening of the National Transport and Safety Authority to implement the “Safe System”, program was dropped and replaced with enhancing of information security solutions for road safety and compliance systems; ii) developing policy guidelines on accommodating the provision of utilities in road reserves; iii) carrying out studies on the financial sustainability of the Engineers Board of Kenya and National Transport and Safety Authority; iv) institutional strengthening of the Engineers Board of Kenya; and v) institutional strengthening of the Kenya Engineering Technology Registration Board; vi) strengthening monitoring and oversight capacity at the Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works. The activity preparing studies to support the preparation of the next phase of the Program and develop follow-on regional transport and trade facilitations projects was dropped.

Component 4: Enhancing Internet Connectivity (appraisal estimate US\$25.0 million revised estimate US\$21.18 million, actual US\$25.4 million): This component was to finance support to the Information and Communication Technology Authority (ICTA) for: i) constructing a fiber optic cable network, alongside the part of the Eldoret-Nadapal/ Nakodok Corridor located in Kenya, from Nadapal/Nakodok to Eldoret; and ii) b) designing, bidding document preparation, and providing monitoring and supervision services for the installation of fiber optic cables.



When the project was restructured in 2022, the component was revised including: i) adding the rehabilitation of the existing fiber optic cable alongside the Eldoret-Nadapal/Nakodok road; ii) supplying and installing a new fiber optic cable along the Eldoret – Nadapal/Nakodok road corridor; iii) constructing fiber spurs and rings to selected strategic public facilities along the Eldoret-Nadapal/Nakodok road corridor; and iv) strengthening ICTA through provision of advisory services and training.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost: The project was estimated to cost US\$676.0 million. Actual cost was US\$547.2 million.

Financing: The project was financed through a World Bank credit in the amount of US\$500.0 million of which US\$493.8million was disbursed.

Borrower contribution: The borrower was to contribute US\$176.0 million. The actual contribution was US\$50.0 million.

Dates: The project was restructured four times:

- On January 26, 2022, the project was restructured to: i) revise the objective of the project to “improve the movement of people and goods, digital connectivity and access to social services to communities at designated locations along selected sections of the Eldoret Nadapal/Nakodok road corridor” to realign the project to changes associated with the unexpected cancellation of Phase 1 of the Program in the SOPs and failure to realize Phase 3. Phase 1 of the SOPs involved upgrading of critical road infrastructure, installation of fiber optic cable, and conducting priority trade and development facilitation studies in South Sudan whereas Phase 3 was intended to complete upgrading of the Juba – Eldoret road corridor, establish the Ones Stop Border Post (OSBP) and provide internet connection to Export Processing Zones (EPZ), rest stops, community centers and service centers along the corridor; ii) revise the indicators to better reflect the components; iii) reallocate the funds among the categories to reflect the changes; iv) extend the closing date by 24 months to allow for the completion of the remaining project activities, which had been delayed due to the COVID-19 pandemic.
- On January 3, 2024, the project was restructured to extend the closing date by 12 months to allow for the completion of project activities which had been delayed due to inadequate counterpart funding, protracted land acquisition process, interference of execution of works by a section of the local leaders and El Nino rains.
- On June 21, 2024, the project was restructured to align the Results Framework with the new wording of indicators of the World Bank Corporate Score Card.
- On July 16, 2024, the project was restructured to reallocate funds among various categories.

The project was approved on June 11, 2015, and became effective on November 16, 2015. The project’s Mid-Term Review was conducted on May 27, 2019. The project closed on December 31, 2024. The original closing date was December 31, 2021.

3. Relevance of Objectives



Rationale

Country/region and sector context. According to the PAD (para. 1), at the time of project appraisal, transport and digital infrastructure connections were poor between Kenya and other East African countries. The road transport network in Kenya was the largest in terms of size compared to other countries in East Africa. The key challenge for Kenya was to improve the network in poor condition (56 percent) while ensuring that adequate maintenance was carried out on the rest. The high cost of internet access and the poor condition and in some cases non-existence of fiber optic links (such as in South Sudan and north western parts of Kenya) were an obstacle to effective information communication technology.

According to the PAD (para. 10), the Juba-Nadapal/Nakodok-Eldoret corridor was the safest and most cost effective corridor connecting land locked South Sudan to the port of Mombasa. The Juba - Nadapal - Eldoret corridor was an extension of one of the East African Countries (EAC) road corridors, designated as EAC corridor No.36 linking South Sudan, Kenya, Tanzania and Rwanda, and further connecting to the Dar-es-Salaam – Dodoma – Isaka corridor, which joined the Trans East African highway at Dodoma. The Juba-Eldoret corridor provided the only road link to Turkana and West Pokot counties in Kenya, serving people living in extreme poverty. The road was in a deplorable state resulting in long travel time traversing the region and high transport costs. Also, the region was cut off during occasional heavy rains. The improvement of the corridor was to reduce regional development imbalance in Kenya as well as improve the environment for stimulating economic development in the area, including attracting private investment. Further, the corridor traversed a region that was home to refugees. Its improvement was to help in the reduction in time and transportation costs of humanitarian aid to the from conflict suffering people of South Sudan. However, due to a deteriorating security situation, this aspect of the project had to be dropped.

This project was the second of three phases of a series of projects which aimed to improve connectivity and integration of South Sudan with neighboring countries in East Africa, especially Kenya and sea ports. The first phase focused on upgrading of critical road infrastructure between Juba and Nakodok, installing fiber optic cable and conducting priority trade and development facilitation studies in South Sudan. The third phase was to support trade facilitation between Kenya and South Sudan. However, the first and third phase were cancelled due to the challenging political environment and continuing conflict and violence in South Sudan resulting in the need to to revise the objective, drop certain activities which implementation was no longer feasible and add new activities.

Alignment with the Government strategy. The objective of the project supported the government's Vision 2030 and its aim to transform Kenya into middle-income status and improve the provision of infrastructure and services, reduce poverty and inequalities, accelerate sustainable growth and manage resource scarcity.

Alignment with the World Bank strategy. The original objective of the project was in line with the World Bank's most recent Country Partnership Framework (CPF) (FY23-28), especially with objective 5 which aims to "extend infrastructure services to the last mile". The CPF aims to promote more Public Private Partnerships (PPPs) and provide financing for investments in rural roads, urban mobility, regional connectivity, and trunk roads that have high impact on poverty, inequality, fragility, and, where possible, promote greener mobility. The objective also supports the CPF's aim to expand affordable connectivity to underserved areas, and position Kenya as a regional data hub. However, due to the deteriorating security situation, the project could not improve regional connectivity as originally planned.



Furthermore, the objective of the project was in line with the World Bank's Regional Integration Strategy (FY21-23) which aims to improve regional infrastructure networks, including transport corridors (like the Northern Corridor which includes Kenya) and digital connectivity to make it easier to move goods and people across borders as well as promote economic integration. The revised objective was to a lesser extent in line with the strategy.

The original and revised objectives addressed a critical development problem and were appropriately pitched at the outcome level. However, given the security situation, the original objective was relatively ambitious.

Rating

High

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To improve the movement of goods and people along the Lokichar – Nadapal/Nakodok part of the Eldoret-Nadapal/Nakodok road in the north western part of Kenya, in particular

Rationale

Theory of Change: The project's theory of change stated that project inputs/activities such as upgrading the Lokichar Nadapal/Nakodok road, part of the Eldoret Nadapal/Nakodok road in Kenya and construction of associated bridges, a key link to South Sudan, were to result in several outputs. The upgrading/constructions were to include: i) Kalobeiyei River - Nadapal (88 km); ii) Lokitaung junction and Kalobeiyei River (80 km); iii) Lokitaung junction and Lodwar (80 km); iv) Lodwar and Loichangamatak (about 50 km); v) Kainuk Bridge at Muruni River; and vi) Loichangamatak-Lokichar junction (40 km). These outputs were to result in the outcome of improved movement of goods and people along the Lokichar – Nadapal/Nakodok part of the Eldoret-Nadapal/Nakodok road.

The Theory of Change was sound and did not have any logical gaps. However, the project assumed that the political/security situation in South Sudan would remain stable, which ultimately did not materialize.

Outputs:

- 365.7 km of rural roads were constructed, exceeding the original target of 338 km of road rehabilitated.

The following indicator was dropped during the 2022 restructuring and therefore not achieved:

- The establishment of five pastoralist roadside markets alongside the road upgrading.



Outcomes:

The following outcome indicators were dropped during the 2022 restructuring and were hence not achieved:

- Reducing the travel time between Nadapal/Nakodok and Lokichar from two to one days.
- A reduction of transport costs by 10 percent.
- The percentage of roads, as a share of the Juba Mombasa Corridor, in good and fair condition increasing from 45 percent to 64 percent.

Since one output and all three outcome indicators were dropped during the 2022 restructuring and the targets as such were not achieved, achievement of this objective is rated **Modest**.

Rating

Modest

OBJECTIVE 1 REVISION 1

Revised Objective

To improve the movement of people and goods at designated locations along selected sections of the Eldoret Nadapal/Nakodok road corridor

Revised Rationale

Theory of Change: The project's theory of change stated that project inputs/activities such as upgrading the Lokichar-Nakodok road, constructing the Kainuk bridge, and performing emergency repairs were to result in several outputs. These outputs were to include 365 km of roads and Kainuk bridge being constructed, and emergency repairs of 262 km Lesseru-Lokichar road being completed. These outputs were to result in the outcome of travel time between Lokichar-Nadapal being reduced.

The theory of change was sound and did not have any logical gaps.

Outputs:

- 365.7 km of rural roads were constructed, exceeding the target of 327 km.
- 18.05 km of non-rural roads were constructed, exceeding the target of five kilometers.
- A Memorandum of Understanding (MoU) BETWEEN Kenya Customs and South Sudan Customs Services relative to information exchange and use of common procedures was signed, achieving the target of signing such MoU.
- The number of public transport service providers along the Lokichar-Lodwar road section increased from two providers in 2015 to 21 providers in 2024, exceeding the target of 10 providers.
- The number of public transport service providers along the Lodwar-Nadapal/Nakodok road section increased from two providers in 2015 to 21 providers in 2024, exceeding the target of six providers.

Outcomes:



- The average travel time for a public passenger bus between Lokichar and Lodwar decreased from eight hours in 2015 to 1.10 hours, exceeding the target of two hours.
- The average travel time between Lokichar and Lodwar for heavy commercial trucks decreased from 12 hours in 2015 to 2.30 hours, exceeding the target of three hours.
- The average travel time between Lodwar and Nadapal for a public passenger bus decreased from 36 hours in 2015 to three hours in 2024, exceeding the target of four hours.
- The average travel time between Lodwar and Nadapal for a heavy commercial truck decreased from 36 hours in 2015 to four hours, exceeding the target of six hours.
- The average processing time at border crossing for freight trucks and passenger vehicles decreased from 24 hours to two hours, exceeding the target of two hours.
- 6.2 million people benefitted from improved access to sustainable transport infrastructure and services, exceeding the target of 3.75 million.

The project was able to exceed all output and outcome targets and decrease the travel time between Lokichar and Lodwar as well as Lodwar and Nadapal significantly. Therefore, achievement of this objective was High.

Revised Rating

High

OBJECTIVE 2

Objective

To enhance connectivity between Kenya and South Sudan

Rationale

Outputs:

The following indicators were dropped during the 2022 restructuring and hence were not achieved:

- A 20 percent increase in trade volume between Kenya and South Sudan.
- An increase from five to 36 vehicles crossing the Nadapal/Nakodok border post.
- 601 kilometers of fiber link installed.

Outcome:

The following indicator was dropped during the 2022 restructuring and hence were not achieved:

- 50 percent reduction in cost of ICT access in area served.

Since all indicators to measure the project's outputs and outcome were dropped during the 2022 restructuring, achievement of this objective is Negligible.



Rating
Negligible

OBJECTIVE 2 REVISION 1

Revised Objective

To improve digital connectivity at designated locations along selected sections of the Eldoret Nadapal/Nakodok road corridor

Revised Rationale

Theory of change: The project's theory of change stated that project inputs/activities such as trenching and ducting for fiber optic cable (FOC) as well as constructing new fiber cable were to result in several outputs. These outputs were to include 400 km FOC being rehabilitated and a microwave link to South Sudan being installed. These outputs were to result in the outcome of digital connectivity at designated locations along selected sections of the Eldoret Nadapal/Nakodok road corridor being improved.

The theory of change was sound and did not have any logical gaps.

Outputs:

- The number of internet service providers available between Eldoret and Nadapal increased from two providers to 11, exceeding the target of five internet service providers.
- 630 km of FOC were constructed, exceeding the target of 600 km.
- 400 km of FOC were rehabilitated, achieving the target of 400 km.

Outcomes:

- 4,110,000 people benefitted from improved access to sustainable broadband internet infrastructure and services, exceeding the target of 3,750,000 people.

The project was able to achieve or exceed all output and outcome targets under this objective. Therefore, achievement was High.

Revised Rating
High

OBJECTIVE 3

Objective

To improve access to social services to communities at designated locations along selected sections of the Eldoret Nadapal/Nakodok road corridor

Rationale

Theory of change: The project's theory of change stated that project inputs/activities such as constructing socioeconomic infrastructure facilities were to result in facilities being constructed in critical areas including



health, water supply and Information Communication Technology (ICT). These outputs were to result in access to social services for communities at designated locations being improved.

The theory of change was sound and did not have any logical gaps.

Outputs:

- 26 socio-economic infrastructure facilities were constructed, exceeding the target of 24 facilities. These facilities included 10 schools, one teacher training college, six health dispensaries with capacity for 143,000 patients per year, four water supply projects (including drilling boreholes, extending distribution networks to community water points, installing water pumps with associated solar power systems, constructing and connecting storage tanks, and laying pipelines to serve different community groups at four distinct locations) to cater for 6,700 households, one live stock market to serve 3,500 persons, one Information Communication Technology (ICT) hub to cater for 50,000 people annually, three parking lots with amenities and capacity for 37,200 trucks per year, and one police post. According to the World Bank team (December 9, 2025), at project inception, a consultancy-led social needs assessment was conducted. This process engaged communities in the project area to identify and prioritize the critical facilities they deemed most responsive to local challenges.
- Three offices for the KRA's Rapid Response Unit were constructed, achieving the target of three offices.

Outcomes:

- 130,000 displaced persons and people in host communities were provided with public services and livelihoods exceeding the target of 100,000 people.

The project was able to achieve or exceed all output and outcome targets under this objective. Therefore, achievement is rated High.

An output that applied to all three objectives: 2,905 of staff were trained under the project, exceeding the target of 30 staff. According to the World Bank team (December 9, 2025), the project design initially envisioned individual trainings. During implementation, however, agencies adopted more cost-effective group-based modalities, which enabled far broader participation. This approach proved both more beneficial and more economical, allowing the project to train significantly more staff than originally planned.

Rating
High

OVERALL EFFICACY

Rationale

Achievement of the original first objective was Modest and of the original second objective was Negligible.



Overall Efficacy Rating

Modest

Primary Reason

Insufficient evidence

OVERALL EFFICACY REVISION 1

Overall Efficacy Revision 1 Rationale

Achievement of all three objectives was High.

Overall Efficacy Revision 1 Rating

High

5. Efficiency

Economic Efficiency:

The PAD (para. 61), divided the economic analysis of the upgrading of the Nadapal/Nakodok-Eldoret road for the Kenya part into three sub-sections: i) Nakodok/Nadapal- Lodwar (analysis sub-divided in three sections); ii) Lodwar-Marich Pass; and iii) Marich Pass-Eldoret/Lesseru, while the South Sudan part covered the Juba - Nakodok section. The economic analysis applied the Highway Development and Management Model, Version 4 (HDM-4), using the conventional approach of comparing the estimated road users and agency benefits and costs in the “do-something” scenario, when the new road was to be rehabilitated, against the “do-minimum” scenario, involving the status quo, and the continuation of the current maintenance regime. The economic analysis included base year traffic flows, traffic growth rates and forecasts of generated and diverted traffic.

The analysis applied a discount rate of 12 percent and used and traffic projections over a 20 year design life for all sections of the corridor. The results of the Economic Internal Rate of Return (EIRR) for three road sections in Kenya as well as the Juba – Nadapal ranged from 21 percent to 34.6 percent and the Net Present Value (NPV) ranged from US\$25 million to US\$353 million. However, as stated above, construction/rehabilitation did not take place in all sections as originally planned. According to the World Bank team (February 6, 2026), construction did not take place on the Juba–Nakodok section, located in South Sudan, which was included in Series of Projects (SOP).

The ICR (para. 46) applied a similar methodology as the PAD, using actual costs for road construction. Also applying a discount rate of 12 percent, the EIRR ranged from US\$21 to 28.1 percent and the NPV ranged from US\$30.2 million to US\$288.1 million. The ICR (para 48) stated that the EIRRs and NPVs were lower than in the PAD since the estimated levels of generated and diverted traffic were higher than the actual level since construction of the road section in South Sudan has not started.

However, both analyses indicate that the project was a worthwhile investment.



Operational Efficiency:

The project’s implementation period was extended three times by a total of 36 months. According to the ICR (para. 49), this was a result of the COVID-19 pandemic, labor unrest, interference and frequent stoppage of works by local politicians, introduction of levies on materials transportation by county government of Turkana, and several insecurity incidents at work sites. Also, the project experienced delays in several areas including receipt of counterpart funding, land acquisition, transportation of materials and equipment before the construction of the Kainuk bridge and construction of socio-economic infrastructure facilities.

Despite these issues related to operational efficiency, the project’s efficiency is rated Substantial.

Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

Relevance of the original objective was High. Efficacy was Modest and Efficiency was Substantial resulting in an outcome rating of Unsatisfactory.

Relevance of the revised objective was High. Efficacy was High and Efficiency was Substantial resulting in an outcome rating of Satisfactory.

	Original PDO	Revised PDO
Relevance of Objective	High	High
Efficacy	Modest	High
Objective 1	Modest	High
Objective 2	Negligible	High
Objective 3	n.a.	High
Efficiency	Substantial	Substantial
Outcome rating	Moderately Unsatisfactory	Highly Satisfactory
Numerical value of outcome rating	3	6



Disbursement % at time of restructuring	59%	41%
Weighted value of the outcome rating	$3 \times 0.59 = 1.77$	$6 \times 0.41 = 2.46$
Final outcome rating	4.23	
	Moderately Satisfactory	

a. Outcome Rating
Moderately Satisfactory

7. Risk to Development Outcome

The project's risks to development outcomes can be classified into the following categories:

Government commitment: According to the World Bank team (December 9, 2025), the government continue to be committed to development outcomes which has been demonstrated in several ways including: i) engagement of contractors under long-term performance-based maintenance arrangements for the road sections improved; ii) engagement of contractors, funded by KfW and the African Development Bank, for the adjoining road sections, thereby ensuring that the entire 600km road corridor is improved; and iii) deployment of teachers and health workers for the education and health facilities constructed under the project.

Financial: According to the ICR (para. 124), sustaining investments in transport and ICT infrastructure could be at risk if funding mechanisms or contract management practices were disrupted. However, in Kenya, contemporary financing measures such as the Road Maintenance Levy Fund (RMLF) and long-term Performance-Based Maintenance Contracts (PBMC) to manage the maintenance of road assets have helped mitigate this risk. The RMLF has grown from US\$200 million to US\$750 million annually, and the completed road sections are already under the PMBMC. Furthermore, the strategic importance of key road corridors within the East African regional network increases the likelihood of continued prioritization and funding. Similarly, the ICT Authority (ICTA) has prioritized maintenance of the national backbone fiber optic cable, with dedicated budgets to reduce the risk of underfunding and ensure long-term operational sustainability.

However, there is a risk to the sustained operation and maintenance of newly constructed socio-economic infrastructure facilities. Many of these facilities are in sectors that fall under devolved government functions, such as health, meaning that their management and financing are the responsibility of County governments rather than the National government. County governments often face challenges in mobilizing sufficient resources, creating a risk that operations and maintenance may be underfunded. Even for sectors managed by the National government, such as education, ensuring adequate and timely funding remains critical to safeguard the long-term functionality and development impact of these facilities.

Technical: There is a risk that increasing traffic volumes and ongoing development along the road corridor may lead to higher incidences of truck overloading, accelerating the deterioration of the road pavement. Without effective mitigation, this could compromise the longevity and performance of the highway. There will be a need for KeNHA to ensure that axle and vehicle weighing stations are strategically installed and fully operational, and that legal load limits are consistently enforced.



8. Assessment of Bank Performance

a. Quality-at-Entry

According to the PAD (para. 42) the project was built on lessons learned from regional investment projects in transport in Kenya and South Sudan as well as the Independent Evaluation Group's (IEG) review of various regional programs at the World Bank. Key lessons included: i) use of a phased approach within a consistent program framework; ii) early preparation of engineering, social, environmental, and institutional aspects to ensure quality at entry; iii) extensive consultation with key stakeholders across the region to ensure increased ownership; and iv) introducing long term and performance-based road maintenance arrangements to support the sustainability of investments.

The ICR (para. 69) stated that during project preparation several assessments and studies were conducted and extensive consultations with key stakeholders were held to ensure implementation readiness and project ownership.

The PAD (para.56-60) stated that the World Bank team identified key risks to project implementation and rated the following risks as Substantial: i) political and governance (the sub-region was politically unstable and countries were vulnerable to economic shock); ii) complex technical design of project or program; iii) weak institutional capacity for implementation and sustainability; iv) environment and social (during construction, environmental and social mitigation measures may not be mainstreamed and implemented in contracts); and v) stakeholders (absence of adequate financing may result in a partial upgrading of the priority road corridor). The project mitigated these risks by sequencing interventions, enhancing quality control and contractors' competition, strengthening the capacity of implementing agencies, implementing adequate safeguard risk mitigation measures, engaging with development partners to secure future financing. However, mitigation measures were not sufficient, and risks related to political and governance, environment and social, as well as stakeholders were underestimated resulting in fiduciary and safeguard related issues as well as in the restructuring of the project, as parts of it were not possible to implement due to the ongoing conflict in South Sudan and security issues in the border region.

Also, the World Bank team did not identify the risks of inadequate budgets, delays in land acquisition and relocation of services as well as in release of counterpart funding.

The project's Results Framework had minor shortcomings (see section 9a for more details).

Quality-at-Entry Rating

Moderately Satisfactory

b. Quality of supervision

In total, the World Bank team conducted 20 supervision support missions throughout the project's almost nine years implementation period. Each mission included site visits and discussions with various stakeholders. According to the ICR (para. 115), during the COVID-19 pandemic, the World Bank team



conducted virtual supervision missions and used the Geo-Enabling Initiative for Monitoring and Supervision (GEMS) toolkit to be able to obtain factual data, and videos from the field. The ICR (para. 115) stated that Aide Memoires candidly reported progress towards the project's objective and identified implementation challenges. The World Bank team included various technical experts to allow the team to conduct trainings for implementing agencies. The project's Mid-Term Review was conducted.

According to the ICR (para. 116), the Borrower appreciated the presence of the Task Team Leader and team in the country office which allowed for daily interactions with the implementing agencies and for providing continuous implementation support. Furthermore, the ICR (para. 119) stated that the World Bank team conducted training for the implementing agencies in key areas including procurement, financial management, as well as environmental and social safeguards to address potential implementation issues.

The World Bank team restructured the project four times to reflect changes on the ground.

Given the shortcomings at Quality at Entry, the Overall Bank Performance Rating is Satisfactory.

Quality of Supervision Rating

Highly Satisfactory

Overall Bank Performance Rating

Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The project's original and revised objectives were clearly specified and the theory of change and how key activities and outputs were to lead to the intended outcomes was sound and reflected in the Results Framework. The original and revised PDO and intermediate outcome indicators were adequate. However, while the PDO indicators encompassed all outcomes of the objective, some of the PDO indicators for "to improve internet connectivity" (PDO indicator "number of internet service providers") and "improve access to social services to communities at designated locations along Lokichar/Nakodok road" (PDO indicator "number of public transport service providers along Lokichar-Nadapal/Nakodok") were formulated on the output level. The intermediate outcome indicators were adequate to capture the contribution of the project's activities and outputs towards achieving the objective. Most indicators were specific, measurable, achievable, relevant and time-bound (SMART).

According to the PAD (para. 50), the indicators were to be collected, monitored, reported, and disseminated by MoTI and MTRB after endorsement by the JIMC/Program Oversight Committee (POCs).

b. M&E Implementation



When the project was restructured in 2022, the objective was modified and include access to basic social infrastructure. The Results Framework was adjusted accordingly.

According to the ICR (para. 94), when the major road works started, the project collected M&E data which was analyzed by the implementing agencies, the supervision consultants as well as other partners.

The World Bank team stated (December 9, 2025) that the Borrower encountered challenges in procuring a state-owned academic institution due to internal government requirements for engaging public universities resulting in no public university being procured for M&E. Nevertheless, once major road works commenced, M&E data was collected and analyzed by the implementing agencies and supervision consultants, and the findings informed corrective actions. The client later procured a consultant to conduct the project closure survey. The World Bank team also stated that data included in the Results Framework for the Implementation Status and Result (ISR) Report were obtained from the monthly progress reports prepared by supervision consultants as well as data collected regularly by the implementing agencies as part of their mandate. The implementing agencies systematically used evidence from monthly site inspections, coordination meetings, and progress reports to identify and resolve issues in a timely manner.

According to the World Bank team, the data collected were reliable and of good quality. Data such as travel time were collected using internationally recognized engineering methods for data collection. Data on traffic, internet reliability, costs were collected from the field, from the users and from institutions with the mandate to manage such services. Finally, M&E functions are likely to sustain after project closure.

c. M&E Utilization

According to the ICR (para. 96), M&E data were used to inform decision making. For example, when several project's resident engineers experienced challenges in managing their respective contracts due to lack of knowledge of the project area and working in FCV environment, KeNHA replaced the engineers resulting in accelerated project implementation.

M&E Quality Rating

Substantial

10. Other Issues

a. Safeguards

The project triggered the World Bank's safeguard policies OP/BP 4.01 (Environmental Assessment), OP/BP 4.04 (Natural Habitats), OP/BP 4.11 (Physical Cultural Resources), OP/BP 4.10 (Indigenous People), and OP/BP 4.12 (Involuntary Resettlement).

According to the ICR (para. 101), the project prepared Environmental and Social Impact Assessments, Resettlement Action Plans (RAP) and Environmental and Social Management Plans. The ICR (para. 82) stated that one recommendation of the RAP was to relocate and restore the livelihood of the Borabuyong community under one of the roads work contracts. While the community was relocated, there was a delay in



providing all the facilities that had been stated as part of the livelihood restoration. The delay was rated as non-compliance and resulted in the downgrading of the safeguard rating to Moderately Unsatisfactory up to the time construction of the facilities was completed, when the rating was reviewed.

According to the World Bank team (December 9, 2025), while the road was mainly on existing Right of Way (ROW), some sections traversed close to natural habitats. Safeguard risks were addressed through site-specific Environment and Social Impact Assessment (ESIA) studies and Contractor Environment and Social Management Plans (ESMPs) that incorporated avoidance of vegetated areas in sitting locations for auxiliary facilities; prohibition of project workers, through code of conduct, from engaging in consumption or handling game meat; construction vehicle speed calming measures in sections known to have wildlife. Physical cultural resources (OP/BP 4.11) was triggered on precautionary principle but no chance find was registered during the implementation. Thus, the chance find procedure incorporated in the ESMP was never invoked. For the vulnerable and marginalized communities in the project area that meet the OP/BP 4.10 criteria, the project conducted social assessment (through a consultancy assignment) and incorporated construction of socioeconomic infrastructure subprojects (including water, health and education facilities), identified by the communities through prior, informed consultation process. The ICR and project papers did not state under which component and when these activities were added to the project. The communities were engaged throughout the project implementation phase and culturally appropriate grievance mechanism was implemented.

According to the World Bank team (December 9, 2025), when the project closed, the overall safeguard compliance was rated Moderately Satisfactory.

b. Fiduciary Compliance

Procurement:

According to the ICR (para. 77), even though the project had qualified procurement staff, the project experienced some delays due to mixing up of World Bank procurement guidelines and national procurement guidelines by KeNHA and ICTA. Also, the project experienced delays in addressing contract management issues. The World Bank team addressed these challenges by providing training for the implementing agencies and beneficiary entities. When the project closed, the project's procurement performance was rated Satisfactory.

Financial Management:

According to the ICR (para. 74), the project complied with the Financing Agreement and the project's Financial Management staff were adequate. However, according to the ICR (para. 80) the project experienced several Financial Management related issues such as one contractor working on two out of the five road contracts being debarred from the Bank's Sanctions Board due to fraud two and a half year after being awarded the contract and already having started the work. The World Bank team addressed this by providing training to KeNHA staff and other institutions on detecting fraud and corruption during procurement. Also, the ICR (para. 79) stated that inadequate budgeting and delays in releasing counterpart financing impacted the implementation of works. To address these issues, the World Bank team agreed to finance up to 100 percent of the work contracts.



The World Bank team stated (December 9, 2025), that the external auditor’s opinions were unqualified.

When the project closed, the project’s FM performance was rated Moderately Satisfactory. According to the World Bank team (December 9, 2025), this was a result of several issues: i) delays in receipt of counterpart funding during implementation of the project, ii) delays by some agencies in responding to minor audit findings, and iii) reduction in budget allocation to implementing agencies thus resulting in delays in processing payments to contractors.

c. Unintended impacts (Positive or Negative)

NA

d. Other

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Highly Satisfactory	Moderately Satisfactory	The split rating gave a MU rating for the original objectives and a HS rating for the revised objectives, the calculations in section 6 show an overall MS rating of outcomes.
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	Substantial	

12. Lessons

The ICR (para. 127-136) provided useful lessons learned which were adapted by IEG:

- **Multisectoral and integrated projects may benefit from holistic approaches and built-in flexibility, enabling teams to leverage synergies across components while adapting to unexpected changes in complex operational environments, including regional and FCV contexts.** In this project, achieving the development objective relied not only on the combined effect of interventions but also on the strong collaboration among staff from different agencies and the synergies across components. At the same time, the project’s flexible design—allowing components to be adjusted or supported with targeted technical and financial assistance—proved essential for navigating unforeseen political and operational challenges and maintaining progress toward its objectives.



- **Choosing Implementing agencies with strong procurement strategies may result in suitable procurement approaches based on market conditions, operational context, past experience, and identified risks.** In this project, the Catholic Diocese of Lodwar was selected, whose presence in the area and understanding of local community dynamics enabled effective and culturally sensitive engagement on gender based violence (GBV) issues. It was also reflected in the careful selection of contractors for socio-economic infrastructure works, which helped ensure the delivery of high-quality, world-class facilities.
- **Upfront planning and risk management can result in effective project delivery.** This project demonstrated that failure to prioritize land acquisition, conduct robust risk assessment and forecasting, adopt a phased implementation approach, and set realistic timelines based on local socioeconomic conditions can lead to significant delays, procurement challenges, and financial shortfalls.
- **Early, continuous, and structured community engagement can positively impact project implementation.** This project demonstrated that involving communities in land acquisition, formalizing partnerships through instruments such as Memoranda of Understanding, understanding cultural norms, addressing social risks including gender-based violence, appointing dedicated stakeholder liaison officers, and establishing grievance redress mechanisms from the outset can reduce resistance, prevent delays and disputes, control costs, and strengthen community ownership and sustainability of project outcomes.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR provided an adequate overview of project preparation and implementation and included an appropriate Economic analysis. The ICR was sufficiently outcome driven. However, the ICR did not conduct a split rating even though the objective of the project was revised. The ICR length was almost 28 pages (versus the 15 pages according to the OPC guidelines). The ICR quality is rated Substantial.

a. Quality of ICR Rating

Substantial

