

EVALUATION OF PUBLIC PRIVATE PARTNERSHIP STRATEGIES ON CONCESSION  
PERFORMANCE IN KENYA: CASE OF RIFT VALLEY RAILWAYS CONCESSION

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## ABSTRACT

Nations worldwide face fiscal constraints resulting to infrastructure deficits. Kenya, like most of others has increasingly turned to Public Private Partnership (PPP) to cover infrastructure gap. Different types of PPPs have been practiced in worldwide infrastructure development with diverse results and a variety of problems have been encountered. This study set out to evaluate the PPP strategies deemed to have the highest impact on SSA railways on the performance of RVR concession in Kenya. For packages of strategies; namely, Risk Allocation Strategy, Sound Finance Strategy, Strong Consortium Strategy and Technology Strategy, were examined. By employing descriptive research design, the study survey realized response rate was 76% and deemed viable for analysis. Mean score ranking gave the strategies in the following order of importance in their effect on Rift Valley Railway (RVR) concession; (1) Strong Consortium Strategy (2) Sound Finance Strategy (3) Risk Allocation Strategy and (4) Technology Strategy. From Kendall's Coefficient of concordance test, strong consortium strategies were closely associated with sound financial strategies whereas sound financial strategies were approved along with risk allocation strategies and that was attributed to PPP bankability. Risk allocation strategies were deemed to be associated with sound financial strategies and technology strategies. Technology strategies were approved alongside risk strategies and fairly with sound financial strategies. Spearman's rank to check concurrence between different groups of respondents indicated that  $r_s$  for management vs technical department respondents was +1, and that of employees of >5 years vs <5 years was 0.989\*\*, both indicating strong positive monotonic relationships. Cronbach's Alpha was 0.875, suggesting that the test scores had relatively high internal consistency and therefore reliable. The study recommends proper procurement framework by contracting authorities to guarantee strong and experienced consortiums with technical and financial muscle. It further recommends that the private sector should use forecasting techniques and technology to guarantee PPP success.