

Abstract:

Road transport sub-sector accounts for 90% of passenger and freight surface transport in Kenya. The latest available reports on road network condition show that it is characterized by very poor pavement surfaces of all types. This condition is largely attributable to inadequacy in funding for road development, rehabilitation and maintenance. A much bigger problem however, is the lack of a proper or comprehensive funding framework to support the sub-sector. Until very recently, the roads sub-sector was owned, managed and financed by the government, with the public-sector often implementing much of the works. The role of the private sector was for a long time restricted to implementing contracts to the designs and standards established by the government. Overtime, the private sector has continued to play an increasing role in the delivery of services and in the basic management. Financing arrangements, though shared have however, remained largely within the public sector. This paper develops the building blocks for a sustainable funding framework and suggests a raft of road financing options for the country. More importantly, it proposes a new model for the sector, which widens and deepens the involvement of the private sector through a partnership framework with the public sector. It also discusses some of the possible elements in such a partnership.