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REPUBLIC OF KENYA
IN THE HIGH COURT OF KENYA AT NAIROBI
JUDICIAL REVIEW DIVISION
HCJR CASE NO. E199 OF 2024

KENYA HUMAN RIGHTS COMMISSION ....1ST EX PARTE APPLICANT
LAW SOCIETY OF KENYA..2ND EX PARTE APPLICANT

Versus

KENYA AIRPORTS AUTHORITY...1ST RESPONDENT
AIRPORTS INFRASTRUCTURE PLC..2ND RESPONDENT
GLOBAL AIRPORTS OPERATOR LLC..3RD RESPONDENT
ADANI ENTERPRISES LIMITED...4TH RESPONDENT
ADANI AIRPORT HOLDINGS LIMITED..5TH RESPONDENT
KENYA AVIATION WORKERS UNION..1ST INTERESTED PARTY
TRANSPORT WORKERS UNION...2ND INTERESTED PARTY

REPLYING AFFIDAVIT
(by the 2nd, 3rd, 4th and 5th Respondents)

I Alok Patni of Ahmedabad-382421, Gujarat India

1. I am the Authorised Signatory of Adani Airport Holdings Limited the 5th Respondent herein and I am duly authorized to swear this affidavit on behalf of the 2nd, 3rd, 4th and 5th Respondents.

2. I have read the notice of motion application dated 10th September 2024, the affidavit of Davis Malombe sworn and filed on 9th September 2024, the chamber summons application dated 9th September 2024 as well as the Statutory statement dated and filed on 9th September 2024 (the Application) and I make this affidavit in response thereto.

3. The application contains numerous claims and allegations that are untrue and/or unsubstantiated and which are likely to mislead this court to issue orders which are not merited.

4. The application is also premature and is seeking to stop a project that is still at the due-diligence stage and is yet to be approved or signed by any party.

5. The 5th respondent, **Adani Airports Holdings Ltd** has been incorporated to hold the airport business of Adani Group and is established in India. AAHL is currently a 100% owned subsidiary of 4th Respondent viz. Adani Enterprises Limited. Adani Group is the largest infrastructure platform in India with interests in and world class assets across infrastructure & utilities, materials & metals, and emerging B2C businesses. Renowned as one of India's largest business conglomerates, the 4th respondent has consistently delivered exceptional infrastructural assets, playing a vital role in India's growth and development. As part of Adani Group, Adani Airports follows a repeatable, robust, and proven transformative model of investment.

6. With a focus on modernizing and elevating the country's aviation infrastructure, the 5th respondent through its affiliates provides passengers with world-class airport experiences through innovative solutions, cutting-edge technology, and sustainable practices. As a result,

Adani Airports has successfully worked on projects similar to the proposed JKIA project in India where:

i. Through its affiliates and subsidiaries, it is currently managing integrated airport network of eight airports across India comprising of seven brownfield airports and one greenfield airport (presently under development). Adani's airports are situated in prominent state capitals of India contributing to 49% of India's GDP for Fiscal 2022- 2023, representing a unique combination of international and regional gateway Airports.

ii. As part of its airports business, Adani Group is managing approximately 85 million passengers and developing a green field airport in Navi Mumbai which will give additional boost of 20 million passengers. It is also serving non passengers to the tune of 150 million from city dwellers and meet & greet.

7. The 4th respondent is recognized as India's largest business incubator, with a focus on four core sectors: energy and utility, transportation and logistics, consumer goods, and primary industry.

8. The 5th respondent is a subsidiary of the 4th respondent. Adani Group is India's largest airport infrastructure company, accounting for 25% of passenger footfalls and 33% of India's air cargo traffic. The 5th respondent through its affiliates and subsidiaries successfully operates seven airports across the world, being airports at Ahmedabad, Lucknow, Mangaluru, Jaipur, Guwahati, and Thiruvananthapuram, Mumbai, India and is presently developing a greenfield airport at Navi Mumbai, India. The 5th respondent is committed to offering the best-in-class airport infrastructure to passengers and at the same time ensuring the most seamless and secure airport experience.

9. The 2nd and 3rd respondents are subsidiaries of the 4th respondents. The 2nd respondent is duly registered in Kenya with its registered offices in Nairobi.

10. As a key player in the airport infrastructure business, the 2nd -5th respondents benchmark from the best airports across the world and work together with governments through public private partnerships to improve airports in the developing world.

11. From 2018 to 2023, the respondents noticed several reports and news articles detailing the deteriorating status of Kenya's Jomo Kenyatta International Airport (JKIA) which, for a long time, had been one of the best airports in Africa. A few of the reports are highlighted below;

i. On 12th July 2019, a news article by the Star Newspaper titled "*Questions abound on JKIA deteriorating status*" highlighted several failures at JKIA including poor state of airport's lavatories, lack of clean water, congested waiting bays, consistent power failures, a failing backup generator in case of power interruptions, poor workmanship and the inability of the airport to handle the constantly growing air traffic. A copy of the newspaper article dated 12th July 2019 is at **pages 1-4** of the exhibit marked "**AP1**" (the Exhibit).

ii. On 15th November 2023, Capital FM published an article titled *"the Kenya Airports Authority (KAA) has blamed the embarrassing roof leaks at the Jomo Kenyatta International Airport (JKIA to decade-long under-investment."* The said article highlighted the deteriorating status of the infrastructure at JKIA including leaking roofs and damages to various critical equipment at the said airport. A copy of the newspaper article dated 15th November 2024 is at **pages 5-8** of the Exhibit.

iii. On 15th November 2023, the Star Newspaper published an article titled *"KAA addresses JKIA leaking roof, cites infrastructure challenges"* where it highlighted the several challenges experienced at JKIA by travelers and tourists who were constantly rained on even while inside the waiting bays. A copy of the newspaper article is at **pages 9-13** of the Exhibit.

iv. On 13th December 2023, Citizen Digital published an article titled *"Transport CS Murkomen vows complete overhaul amid problems at JKIA"* and reported several challenges experienced at JKIA including constant power outages for long hours and poor infrastructure within JKIA. A copy of the newspaper article is at **pages 14-16** of the Exhibit.

v. On 12th July 2024, the business daily published an article titled *"Leaking roof at JKIA that cost taxpayers Sh175m"*. The article highlighted the several unsuccessful works that had been done by local contractors to repair the roof at JKIA and which had occasioned a loss of more than Kshs 175,000,000 to the Kenyan taxpayers. A copy of the article is at **pages 17** of the Exhibit.

12. In addition to the above, the respondents also noticed several news articles in 2019 and 2020 regarding constant protests and demonstrations by workers from various departments at JKIA lamenting the poor working environment, infrastructure and remuneration. Copies of various newspaper articles are **at pages 18-28** of the Exhibit.

13. The above articles are just but a few of the several news articles that were spread across the world regarding the poor infrastructure at JKIA and called for the urgent need to improve the status of JKIA to a world class airport. The articles are available online.

14. According to the articles, there have been several attempts by the government of Kenya to refurbish JKIA by engaging various local contractors who were unable to improve the infrastructure and status of JKIA. The articles also reported that the government of Kenya had considered various proposals, including a proposal to have the Kenya Airways PLC take-over the management of JKIA, but all the attempts had not yielded any positive result.

15. Having seen these reports and given the interest the 5th respondent has in this sector, it developed an interest in investing in the improvement of JKIA. In March 2024, the 5th respondent originated a privately-initiated proposal (PIP) dated 01th March 2024 and sent the same to the Kenya Airports Authority (KAA). The PIP was initiated pursuant to sections 40 of the Public Private Partnerships Act, 2021 (the Act). A copy of the proposal is at pages 35 to 107 of the bundle filed by the applicants on 9th September 2024.

16. The proposal was received by the KAA on 01 March 2024. A copy of the forwarding letter is at page – of the exhibit.

17. In the proposal, the 5th respondent gave a detailed analysis of the project delivery plan, a justification for using the privately initiated proposal (PIP) method, the value for money and affordability of the project, the positive impacts of the proposed PIP method and also disclosed

all the financial implications of the project. In particular, the 5th respondent proposed to undertake the following improvements at JKIA:

i. Establish a new passenger terminal building and refurbish the existing passenger terminal buildings to increase the passenger capacity of the terminals;

ii. Provide state-of-the-art amenities and facilities within the proposed new terminal and also at the existing terminals;

iii. Enhance the airside pavement works including construction of new taxiways, rapid exits taxiways and aprons;

iv. Undertake other improvements as necessary for modernization of JKIA.

18. Upon submission of the PIP, 5th respondent duly paid a review fee of USD 50,000 to the Public Private Partnership Facilitation Fund as required by the law. A copy of the letter from the first respondent and the proof of payment of the review fee is at **pages 29-31** of the Exhibit.

19. The 5th respondent also provided all the necessary pre-approval documents including incorporation and corporate documents, tax compliance documents and financial documents to aid the PPP Directorate, in co-ordination with KAA, to carry out their due diligence on the proponent.

20. The 1st respondent issued a letter dated 18th March 2024 confirming that the PIP had been received and cleared the project to proceed to the project development phase, that is, feasibility study phase.

21. On 28 March 2024, the 5th respondent provided a feasibility study report detailing the environmental and social impact of the project, the financial plan and how the Kenyan public will get value for money from the PIP project. A copy of the feasibility report is at pages109 to 423 of the Applicants bundle filed on 9th September 2024.

22. The 5th respondent also provided a preliminary operating plan for the project and the report confirmed that the project is aligned with the national infrastructure priorities and is aimed at curbing the perennial infrastructure flaws and deterioration that has been witnessed at JKIA.

23. Having considered the documents submitted, KAA is now engaged in negotiations on the next phase of the project.

24. I confirm that the project is still at the review and due-diligence stage and the averments by the applicants that the JKIA airport has since been leased for 30 years is premature and is an outright misrepresentation of facts.

25. Based on the proposal and the feasibility study, the PIP will be of tremendous benefit to the Kenyan public. If the contract is signed as proposed in the PIP the project will elevate the status of JKIA and also offer an increase in job opportunities to the people of Kenya both in skilled/professional and unskilled positions. Given the huge financing requirement to improve JKIA, the public-private partnerships, can only provide the necessary capital infusion to expedite upgrades and rapid modernization of infrastructure, The concession arrangement proposed by the 4th Respondent under PIP will ensure a revenue stream or concession fee for 1st Respondent

while offloading financial risks onto the 5th Respondent and ensuring long-term sustainable development.

26 Based on the foregoing, I am advised by the respondents advocates that the applicants have not highlighted any real prejudice that they, or the Kenyan public shall suffer if the PIP is allowed to go through the due-diligence phase as well as the negotiation stage wherein the specific details of the proposals shall be discussed.

27 I am also advised that the applicants have not highlighted any threat of infringement or violation of the constitution if the PIP is allowed to proceed through the various stages of due diligence provided in the Act.

28. I verily believe that these proceedings are an abuse of the court process. I am informed by the Respondent's lawyers on record and believe it to be true that the application ought to be struck out on grounds that:

    i. The 5th respondent is a private entity and the order of certiorari cannot issue against it or its PPIP

    ii The project is in its negotiation and due diligence stage in compliance with the provisions Public Private Partnerships Act. No evidence has been presented of the alleged violation of the law on PPIP as set in the Public Private Partnerships Act. The orders sought to declare it a nullity or prohibit the parties from proceeding with the project as set out in the Act are premature and without basis.

    iii. The jurisdiction to hear and determine any complaint arising from a PIP lies with the Public Private Partnership Petition Committee established under section 75 of the Public Private Partnerships Act.

    iv. The applicants have failed to exhaust the dispute resolution mechanism stipulated in the law and therefore this court lacks jurisdiction to hear and determine this matter.

29. I therefore pray that this suit be dismissed with costs to the respondents

30. There is now produced the exhibit marked 'AP'.

31. Save where the source of my information otherwise appears, I make this affidavit from facts which are true to the best of my knowledge, information and belief.

SWORN at Ahmedabad, India)
by the said ALOK PATNI)
this 16th day of September 2024)
Before me:)
)

Alok Patni

NOTARY PUBLIC

NOTARY * GOVERNMENT OF INDIA
VIJAY C. SHAH
AHMEDABAD
GUJARAT STATE
REG. No. 2260

S. No. 3167/2024
BEFORE ME
VIJAY C. SHAH
NOTARY
GOVT. OF INDIA
16 SEP 2024

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AVIATION

Questions abound on JKIA deteriorating status

MARTIN MWITA

VIJAY C. SHAH
AHMEDABAD
GUJARAT STATE
REGD. 2200/02
NOTARY
GOVT. OF INDIA

In Summary

•Major concerns are on the airport's lavatories, access to clean water and congested waiting bays

•Transport PS Esther Koimett says no excuse should be given on JKIA failing to meet international standards as it remains a key regional hub

MARTIN MWITA

Section

STAR

Log In

JKIA arrivals and departure terminal. FILE

The management of the Jomo Kenyatta International Airport (JKIA) has now been put into question over deteriorating status of the facility, which could see the country's largest and busiest aviation installation loose its gleam.

Major concerns are on the airport's lavatories, access to clean water and congested waiting bays. The airport has also been having power failures in recent times, blamed on a failing backup generator in case of power interruptions.

There have also been complains over clearing of international arrivals coming into the country through foreign airlines, where whilst Kenya Airways passengers are quickly attended to, those using foreign airlines have to undergo tedious processes.

facility is being runned down.

In April, Sonko lashed at the Kenya Airports Authority(KAA) for poor management of washrooms at the international arrivals terminal. Sonko who shared a video online further complained of exposed cables with no appropriate water flashing mechanism. His video also showed some toilets with 'out of order signs.

"KAA wake up what's the point of paying millions of shillings to managers on salaries and yet they're sleeping on their jobs,"Sonko had said as he complained of having being electrocuted while he was revealing himself.

Things seems not to have changed since the governors' complaints as more fliers continue to lament over the poor status of the airport, which is also said to have squeezed boarding bays especially the international departures during peak hours.

"I have never been impressed with JKIA, the staff are also rude, if nothing is done then I dont see why it should be called an international airport," Alex Mwangi, a frequent flier told the Star.

"JKIA has menitancance isues and they are untouchable," another airport user, Ben Mwikwabe,asserted.

During the Sonko odeal, KAA blamed the poor state of the toilets to vandalism.

"We currently have a contractor on the ground who is systematically repairing and replacing the defective equipment," the management said in a statement.

Yesterday, KAA told the Star the power outages are isolated cases but a back-up generator is always on standby.

"On water, we are supplied by the county government but we also have a borehole so there is always water at the airport," a senior communication person told The Star.

Transport Principal Secretary Esther Koimett however has said no excuse should be given on JKIA failing to meet international standards as it remains a key regional hub.

ensuring capacity is increased and JKIA remains a leading airport."

The Star has established the KAA management has remained unsettled since the proposal to have KQ take over management of the airport, a move said to have affected decision making at the authority. The takeover was however later shelved after parliament intervened.

In March, the Kenya Aviation Workers Union (Kawu) called for the removal from office of KAA Chief Executive Johnny Andersen and chairman of the board Isaac Awuondo and their KQ counterparts, even as it accused "foreigners" of mismanaging local entities.

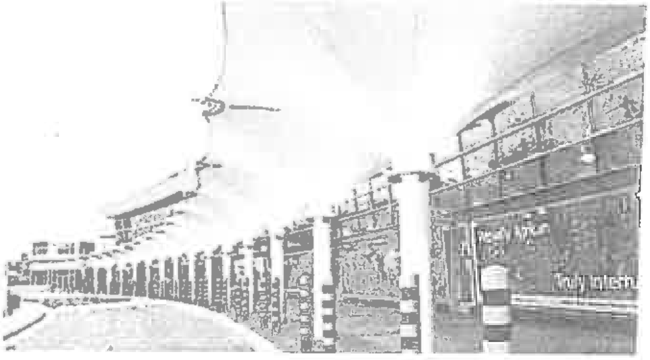
"They will run down everything then board a flight and go back home and leave us with our own problems,"KAWU Secretary General Moss Ndiema had said at a press briefing.

Andersen took over management of KAA on November 21,2016. His KQ counterpart Sebastian Mikosz who joined the airtline in 2017 has since bowed to pressure and is set to exit in December, six months before his term expires.

Traffic at JKIA has been growing year-on-year, pilling pressure on the facility. The total commercial passanger traffic at the airport was eight million last year, the Kenya Economic Survey 2019 indicates, an increase from 7.3 million the previous year.

Plans to construct a new Sh56 billion terminal–Greenfield project were shelved in March 2016, prematurely ending the project which was among the first to be launched by President Uhuru Kenyatta when he first came into power.

WATCH: The latest videos from the Star


A terminal building at Nairobi's Jomo Kenyatta International Airport/FILE

NATIONAL NEWS

FUTURE KYUMA

NAIROBI, Kenya, Nov 15 – The Kenya Airports Authority (KAA) has blamed the embarrassing roof leaks at the Jomo Kenyatta International Airport (JKIA to decade-long under-investment.

In a statement, the authority's acting Managing Director Henry Ogoye

"Over the last ten years, JKIA has suffered inadequate facility and infrastructure capacity upgrades to the extent that even temporary interventions became permanent solutions hence the current state of affairs in service disruptions," he stated.

Ogoye further said that the government has commenced the process of addressing infrastructure velopment of the facility covering e expansion of the passenger rminal, runway capacity and ovision of additional aircraft rking bays beginning this financial ar.

e explained that the board and staff KPA are aligned with the concerns of the public and they will implement the Government civil investing program to facilitate effective delivery.

"The Board, Management and staff of Kenya Airports Authority are aligned with the concerns of the public and are implementing the Government's civil aviation investing program to facilitate seamless, efficient, and effective service come under fire online following complaints of leaking roofs at the terminals of JKIA.

"One of our team members experienced these unusual conditions at JKIA. Perhaps the management at Kenya Airports Authority views this as normal and acceptable," said the financial research firm Mwango Capital in a video showing rain seeping through the roof above a check-in area and ...nning through the terminal.

...'e thought it best to bring it to the ...blic's attention for action," the ...mpany added, in a post that was ...ared on the social media platform ...(formerly Twitter) on Monday.

The post prompted more complaints about the airport's poor state, which has been worsened by ongoing heavy rains.

The airport also faced criticism last weekend after its management announced that it took 20 minutes to restore power there, following a nationwide blackout that hit Kenya on the complaints.

Murkomen promised to improve services at the airport, after separate complaints of passenger harassment by tax officers.

Also Read:

DP Gachagua, Murkomen call for accountability in JKIA leaking roofs incident

About The Author

FUTURE KYUMA

See author's posts

KAA addresses JKIA leaking roof, cites infrastructure challenges

KAA Managing Director Henry Ogoye said airport has suffered inadequate upgrades in the last 10 years.

by ALLAN KISIA

In Summary

- Ogoye said the programme will cover expansion of passenger terminal, runway capacity and provision of additional aircraft parking bays beginning Financial Year 2023/2024.
- He said temporary interventions at the facility had become permanent solutions.

by ALLAN KISIA

JKIA International arrival terminal. Photo/FILE

Kenya Airports Authority (KAA) has broken its silence after a video emerged on Monday of leaking roofs at the country's main airport, Jomo Kenyatta International Airport (JKIA).

KAA Managing Director Henry Ogoye said the airport has suffered inadequate facility and infrastructure capacity upgrades in the last 10 years.

"...even temporary interventions became permanent solutions hence the current state of affairs in service disruptions," he said.

He however said the government has commenced the process of addressing infrastructure development of the facility.

In a statement, Ogoye said the programme will cover expansion of the passenger terminal, runway capacity and provision of additional aircraft parking bays beginning this Financial Year 2023/2024.

facilitate seamless, efficient and effective service delivery," he assured.

In the video shared widely on social media, rainwater is seen pouring on the JKIA foyers and hallways from the terminal roofs as travellers queued to either have their luggage checked or book tickets.

KAA also faced criticism last weekend after its management announced that it took 20 minutes to restore power there, following a nationwide blackout that hit Kenya for a few hours on Saturday night.

Ogoye did not address reports of a power outage at the facility in his statement.

On August 25, JKIA faced a blackout despite having power backup generators.

Passengers at JKIA were stranded in darkness for at least two hours as Kenyans reported power outages across the country. KAA attributed the power outage at to system failures.

Reacting to the latest incidence, Transport Cabinet Secretary Kipchumba Murkomen said the leaking roof at the airport was a result of poor workmanship by the contractor and engineers who were doing renovations at Terminal 1C and 1 E in the previous government.

He said the contractors hurriedly carried out the temporary renovations without meeting the required standards since the government was in the process of decommissioning the terminal and constructing a new one.

He maintained the engineers and contractor who were overseeing the renovations will have to explain why they did a shoddy job that led to the leaking.

12

Section

STAR

Log In

COUNTIES

KAA: Backup power supply at JKIA to be fixed in 30 days

"We appreciate your patience as we continue to improve our infrastructure for greater efficiency and reliability."

NEWS

State moves in to address JKIA challenges amid complaints

Transport CS Murkomen says there will be deployment of technology to improve screening to tackle delays.

NEWS

WATCH: The latest videos from the Star

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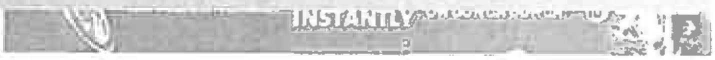
Transport CS Murkomen Vows Complete Overhaul Amid Problems At JKIA

Cabinet Secretary for Roads and Transport Kipchomba Murkomen has attributed the recent challenges at the Jomo Kenyatta International Airport (JKIA) to a combination of infrastructure neglect by the previous administration and deliberate sabotage.

Speaking during Governor Chebor's Supercup finals in Kabarnet on Tuesday, Murkomen acknowledged the airport's dilapidated state while pledging a complete overhaul encompassing infrastructure upgrades and personnel changes

The CS also addressed the recent power outages at JKIA, attributing them to sabotage by a few individuals

"I am totally in charge of changing our infrastructure and in January we will announce the construction of a brand new terminal," he said.



He assured [illegible] investigations and promised legal repercussions for those found responsible.

"We have started the process of hiring a new team. I also created a committee that found that the foundations of the airport are worrying. Now we have sourced more funds to rectify that," he said.

"I was with the Inspector General and those who were responsible will face the law."

Murkomen's statements come amidst public concerns about the airport's efficiency and image.

The recent power outage experienced on Sunday further exacerbated the situation, raising questions about security and preparedness.

It was the third outage as the first outage was on August 25, while the second was on November 11.

During the outage on November 11, it took over 12 hours to restore power in most parts of the country.

In August, after Kenya Power issued a brief statement announcing a "system disturbance leading to loss of bulk power supply," Murkomen apologised after passengers were stranded at JKIA.

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Credit

Manufacturing posts largest loans slump of Sh39 billion

Sector takes the hit from rising commercial bank lending rates and ballooning non-performing advances

KEPHA MUIRURI

Kenya's manufacturing sector has taken the biggest hit from private sector credit slowdown occasioned by high commercial bank lending rates and rising non-performing loans.

Total credit to the sector fell by Sh38.8 billion to Sh597.9 billion in three months to the end of March from Sh636.7 billion in December 2023.

The drop represents nearly half of the Sh82.2 billion slump in private sector credit in the opening quarter of the year with segment loan book dipping to Sh3.829 trillion from Sh3.911 trillion.

Falling credit to goods makers represents the compounding of difficulties for the sector which saw its slowest growth rate in 16 years at 1.3 percent in the first quarter, dragged down by high costs and new taxes.

The sector witnessed its slowest growth rate since the 2008 post-election violence as market participants felt the heat of costlier inputs and new tax measures such as effecting of the export and promotion levy.

Cement firms other than Bamburi, Mombasa and Simba Cement which make their own clinker have borne higher costs affecting volumes of the product whose output dropped to 2.1 million tonnes in the first quarter ended March from 2.3 million tonnes a year earlier.

Private sector credit has been dragged down by high interest rates and rising loan defaults with the factors combining to push credit out of reach of some borrowers while steep non-performing loans have seen banks tighten lending terms.

Lending to the private sector has also been impacted by the appreciation of the Kenya shilling, which has cut the foreign currency loan book, covering part of borrowings to manufacturing.

Private households have defied the slowdown in credit as the sub-sector marks a Sh42 billion loan book growth in the quarter.

Bulk carrier Portland III offloads clinker at the Mombasa port. Cement manufacturing is among areas that have suffered credit cuts. FILE

Credit to private sector(Sh bn)

Sector	Mar-24	Dec-23
Trade	[illegible]	663.4
Manufacturing	[illegible]	636.7
[illegible]	566.1	524.1
[illegible]	440.9	452.5
[illegible]	416.1	415.5
[illegible]	[illegible]	363.4
[illegible]	[illegible]	214.8
[illegible]	[illegible]	189.1
[illegible]	[illegible]	141.8
[illegible]	[illegible]	145.3
[illegible]	[illegible]	141.7
[illegible]	[illegible]	26
[illegible]	3829	3911.48

[illegible] percent to Sh597.9 billion as at March 2024

"The level of non-performing loans is expected to remain constant in eight economic sectors, increase in personal and household and trade sectors and decrease in transport and communication during the next quarter. In the first quarter of 2024, credit standards remained unchanged in 10 economic sectors. Credit standards for the personal and household sector were tightened," the Central Bank of Kenya observes in its latest credit survey.

The CBK noted an increase in defaults in the agriculture, real estate, tourism, restaurants and hotels, trade and building and construction sectors as at June.

The mining and quarrying, consumer durables and business services sectors have also been outliers with their loan books marking the only other increases in the quarter at Sh5.3 billion, Sh0.6 billion and Sh3.7 billion respectively.

All other broad economic sectors saw a decline in credit with the trade loan book shrinking by Sh17.8 billion, the transport and communications book dipping by Sh20.6 billion while the finance and insurance and real estate borrowings have fallen by Sh24.6 billion and Sh11.6 billion respectively.

Gross non-performing loans topped Sh641.3 billion at the end of March from Sh621.3 billion in December with the default rate subsequently touching an 18-year high of 16.1 percent in April.

Businesses and households have struggled to make payments in a high interest rate environment even as economic conditions remain soft with consumers seeing cuts in disposable incomes warranting a drop in discretionary spending.

High interest rates have meanwhile been informed by the increased benchmark lending rate by the CBK which rose from 9.5 percent in June last year to 13 percent at present.

The CBK expects its actions to keep credit growth subdued going into the second half of 2024.

"Growth in private sector credit is expected to remain moderate in the near term consistent with a tight monetary policy stance," CBK noted in its April bi-annual report of its Monetary Policy Committee.

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Aviaition. |

Leaking roof at JKIA that cost taxpayers Sh175m

Peter Mburu

Leaking Jomo Kenyatta International Airport (JKIA) roofs cost taxpayers Sh175 million, but even with the high cost, Kenya Airport Authority (KAA) still hired an incompetent contractor exposing Kenya to international ridicule, the Auditor-General has revealed.

In an audit interrogating the leaking roofs at JKIA Nancy Gathungu has criticised the work done by the contractor hired to implement "waterproofing and heating, ventilation and air conditioning (HVAC)" at JKIA's Terminal 1B & C, noting that taxpayers did not get value for the Sh175 million paid.

The leaking roofs not only elicited public criticism during rains late last year and early this year, but also tainted the country's image as water seeped through some parts of the international airport.

"Physical verification carried out in the month of February, 2024 revealed that the project was 100 percent complete. However it was noted that the problem of water leakages persisted despite extra protection having been done on the affected areas of the roof due to the differential movement of the expansion joints creating gaps," the audit notes.

The contractor started implementing the project in February 2022 and completed it in September 2022.

The works were supposed to provide a solution to leaking roofs experienced before, but even after completion of the project, complaints persisted during rain seasons as water started leaking through creating discomfort to travelers, and attracting criticism to the KAA.

Ms Gathungu in the report indicates that "the fact that the issue of water leakages persisted after project completion raises concerns about the effectiveness of the initial solution and the quality assurance measures during construction."

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ICT. ||

UN body warns Kenya against blanket ban on used gadgets

Constant Munda

A United Nations trade body has cautioned Kenya against a wholesale ban on second-hand electronic gadget imports, arguing the policy may hurt the affordability of the devices and slow efforts to narrow the digital divide.

The United Nations Conference on Trade and Development says anti-dumping rules should be balanced out with "the ability to harness circularity and development opportunities from international trade in used" electronic and electrical devices.

The agency has cited Kenya — alongside Uganda and Ghana — as countries in Africa that have reportedly prohibited imports of digitalisation-related waste, including second-hand items.

"Although there is a clear need to ban imports of digitalisation-related waste that do not meet legitimate purposes, the case for a wholesale ban on imports of used functional digital equipment may not be as straightforward," the UNCTAD wrote in its Digital Economy Report 2024.

"If the equipment can be reused, is truly second-hand and can be repaired or refurbished, it can contribute to value-addition, job creation, and affordability, alleviating digital divides, therefore advancing developmental objectives."

Kenya's National Environment Management Authority banned the importation of second-hand electronic gadgets in January 2020 to protect the country from being used as an e-waste dumpsite.

The prohibition has mostly affected electronic gadgets, old computers and laptops by donors and multinationals to schools and other institutions in the country.

There is still, however, widespread importation of refurbished laptops, desktops, and mobile phones, which are nearing the end of their useful life and which enter the country in consignments together with other goods.

"Some countries may ban imports of second-hand equipment to stimulate the growth of domestic electronics manufacturing," UNCTAD research says.

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Passengers stranded at JKIA as workers go on strike

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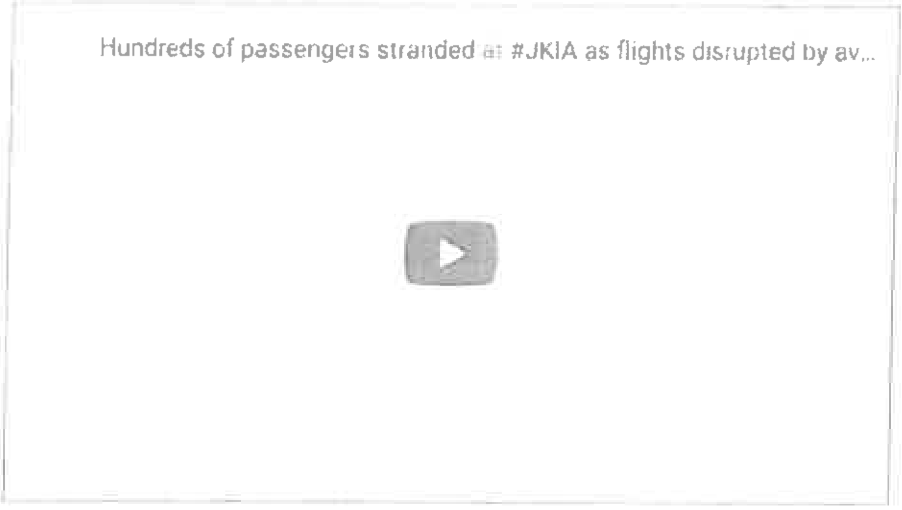
Thousands of passengers are stranded at JKIA following aviation workers strike

Thousands of passengers were Wednesday stranded as Jomo Kenyatta International Airport (JKIA) after flights were grounded following a strike by aviation workers over management row.

The workers under Kenya Aviation Workers Union (KAWU) are opposed to the planned merger of the airport to Kenya Airways

The workers say the plans will render most of them jobless and want the plan to be discarded.

The Standard



The strike got many by surprise and has led to a crisis at the busy airport. Most flights have not taken off since 3 am Wednesday leading to a crisis.

Tens of flights were affected by the strike.

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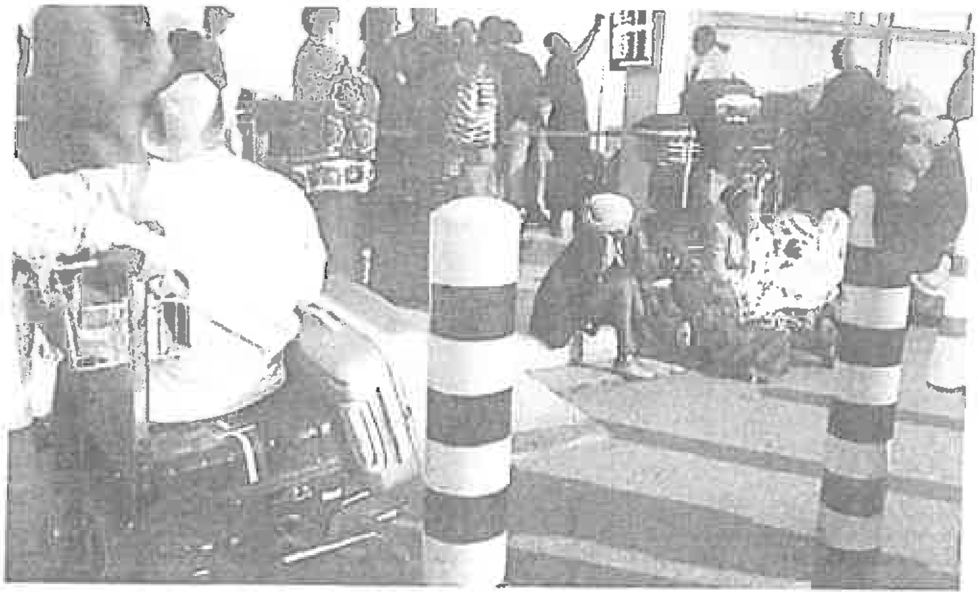
The union has questioned the proposed merger, which is under scrutiny by Parliament.

The union members include cabin crew, ground staff, security, air traffic controllers and maintenance staff.

Passengers have been asked to talk to their airlines.

KAA said Tuesday the strike notice dated 27/02/2019 by KAWU stood suspended following the issuance of an order of injunction by the Employment and Labour Relations court on 5/03/2019.

"We wish to assure the general public of normal operations at all our Airports," said a statement from KAA.



But the strike went on as hundreds of passengers arrived at JKIA and found operations paralysed.

KQ too cited the court order and assured its customers and the general public of normal operations as per its schedule.

"For any ticket or booking, guests are advised to get in touch with us through our website www.kenya-airways.com," said part of a statement from the airline.

KQ later advised passengers not to go to the airport.

"Further to the strike by KAWU members, we expect disruptions on flights. Customers on flights after 11 A.M are advised not to come to the airport until further communication is shared. We sincerely apologize for any inconvenience caused." said KQ in a statement.

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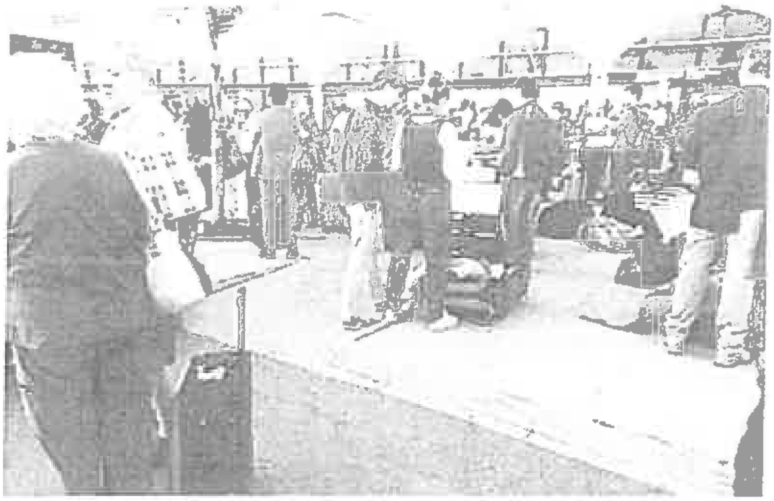

The workers union was demanding the removal from office of KAA CEO Johny Andersen and chairman of the board Isaac Awuondo and their KQ counterparts.

8:00am Kenya Airways advised some of its customers not to come to the airport until the situation is resolved.

"Further to the strike by KAWU members, we expect disruptions on flights. Customers on flights after 11am are advised not to come to the airport until further communication is shared. We sincerely apologise for any inconvenience caused." KQ said in a tweet.

8.30am Police arrest Kenya Aviation Workers Union Secretary-General Moss Ndiema as flights remain grounded at JKIA.

9.50am Transport Cabinet Secretary James Macharia assures passengers that operations at JKIA will resume in an hour. Insists aviation workers strike is illegal.

"The strike was declared illegal but unfortunately they went ahead and mobilized a very small group of people of not more than 30 comprised of the screeners. That matter has now been sorted out because KAA has some contingency plans," he said.

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Hundreds of passengers stranded after strike at Nairobi airport

Police deployed to disperse workers at Nairobi's international airport striking against its planned takeover.

6 Mar 2019

Hundreds of travellers were stranded at Nairobi's international airport as a strike prompted by a labour dispute grounded flights and riot police were deployed to disperse striking workers.

With flights grounded since midnight on Tuesday, passengers were advised

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Boeing workers 'ready to go on strike' if demands unmet

"Kenya Airways regrettably wishes to inform its customers and the general public that due to the illegal strike by Kenya Aviation Workers Union (KUWA), the airline will be experiencing disruptions in normal flight operations," a company statement said.

Inside the terminals, strikers faced off with police who fired tear gas as they moved in to arrest union officials they accused of inciting workers.

25

Chris Trott

Follow

Chaos at Nairobi airport! A strike by security staff has left hundreds of passengers stranded outside and the numbers are growing every minute. Not clear any of us will make our flights. :(

6.12 AM Mar 6, 2019 from Nairobi, Kenya

8 Reply Copy link

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Passengers waiting for flights, some for hours, were asked to leave the airport but they gathered in the parking and waiting areas outside the building. 26

“I have been here since 3:00am. There is no flight, there is no information, we have just been told to wait for communication,” stranded passenger Mercy Mwai told AFP news agency.

The workers, who had not announced their labour action beforehand, are angry about the planned takeover by Kenya Airways of the airport operated by the state-run KAA.

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Transport Minister James Macharia said workers need not worry.

"What they were fearing is that the proposed merger between KQ [the airlines] and KAA will result in job losses but we gave assurances that that will not happen," he told journalists at the airport, and promised that flights will resume shortly.

"So this [strike] is completely uncalled for because the deal has not happened."

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SOURCE: AFP

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KAA/13/10/2 VOL.1(20)

4th March, 2024

Alok Patni
Authorized Signatory
Adani Airport Holdings Limited
alok.partni@adani.com

Dear Sir,

RE: PRIVATELY INTITIATED PROPOSAL (PIP) FOR THE DEVELOPMENT OF JOMO KENYATTA INTERNATIONAL AIRPORT

Reference is made to your application of 1st March, 2024 on the subject matter. Kindly proceed and make the requisite appraisal fee payment of US50,000 or Kenya Shilling Equivalent to the following account and confirm compliance:

PPP Project Facilitation Fund:

A/c No.	1000349538
Bank:	Central Bank of Kenya
Branch Name:	Head Office
Branch Code:	09001
Currency:	Kenya Shilling

Yours Sincerely,

HENRY OGOYE
Ag. MANAGING DIRECTOR/CEO

Cc: **Hon. Kipchumba Murkomen, EGH**
Cabinet Secretary
Ministry of Roads and Transport
P. O. Box 52692-00200
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