FOREWARD by the VICE CHANCELLOR

Moi University Hostels Project will be one of the major development projects undertaken by Moi University with support from the Government. It involves a proposal for the construction of modern student hostels by the institution, an idea that was first mooted in 2010.

In the development of the Moi University Hostels Project, a number of stakeholders participated and these included the Government of Kenya represented by the PPP Unit of the Treasury, the University itself and the surrounding community with resourceful expert advice and input from the Transaction Adviser, Genesis Consortium. This combined effort resulted in a proposal of high quality that formed the contents of this memorandum.

With the completion of the memorandum process, the institution will position to advertise the project with the aim of attracting potential investors to bid for it.

Throughout the developmental stages over the last two years, the University has exercised due diligence to ensure that the construction of the hostels remains affordable and that the institution gets value for its money.

Moi University intends to procure the required works and services for the development of the hostels with bed space capacity of 15000 in number, including the development of corresponding bulk infrastructure and associated facilities at the institution’s Main and Law School Campuses.

With the assistance of the Government, the project remains attractive to the successful bidder considering that with the increasing number of student numbers each year, the demand for on-campus accommodation continues to increase even with the participation of private developers in the sector. Therefore, this is an opportunity to inform investors that the University fully supports hostel development on a PPP model and this document forms part of an ongoing process of interaction between the institution and interested parties on the project. It is therefore prepared to inform interested parties as to the hostel project's development and the prospects it holds both to the contracting body and investors.

Your contribution to this endeavour will be highly appreciated.

Prof. Laban P. Ayiro, PhD
Ag. Vice Chancellor
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1. INTRODUCTION

Moi University (MU) is located in the western region of Kenya and was established in the mid-1980s. The student population has been growing over the years and the demand for hostel accommodation has increased consequently. A Feasibility Study was conducted to determine the viability of building new Hostel facilities to accommodate the projected student growth.

The anticipated MU Hostels Project, henceforth “the Project”, is a Public-Private Partnership (PPP) project to be procured under a Build, Operate and Transfer (BOT) basis. The project consists hostel accommodation and the necessary associated facilities for the Main Campus, Law Campus and College of Health Sciences (CHS) at MU.

MU, in coordination with the Transaction Advisor (TA), wishes to procure the Project in a way that is commercially attractive to the market and meets the University’s objectives of supplying sufficient hostel accommodation. This Project Information Memorandum (PIM) forms part of the Request for Qualifications (RFQ) document.

It has been prepared to inform interested parties as to the Project’s development and proposed project structure.
2. KENYAN CONTEXT

2.1 State of the Kenyan Economy

Economic Growth

Kenya has established itself as a strong economy since independence was achieved more than 50 years ago. Over the last decade, Kenya has experienced robust growth recording a gross domestic product (GDP) growth of 5.6% in 2015 and an average GDP growth of 5.3% between 2005 and 2015. This is in comparison to sub-Saharan Africa’s two largest economies, South Africa and Nigeria’s average GDP growth of 2.9% and 5.7% respectively (Figure 1).

Figure 1: Kenya, South Africa and Nigeria’s GDP growth (annual %), 2005-2015


GDP growth has been driven mainly by the expansion of the mining and quarrying, tourism, financial services, real estate and construction sectors. Growth, particularly in 2015, can be attributed to the increased spending on infrastructure, improved agriculture output, and enhanced investor confidence.

The Kenyan economy is mainly dominated by the agricultural sector. As of 2015, the sector accounted for over 25% of the country’s GDP and over 50% of revenue from exports. The 2007/8 financial crisis reduced demand for its main horticulture exports. This coupled with a slowdown in other economic sectors, such as the tourism industry resulted in growth significantly decreasing in 2008 to 0.2%.

2 Ibid.
Kenya has seen a general reduction in inflation over the period 2005 - 2015, although there have been periods of volatility, dropping from a high of 26% in 2008 to relatively stable levels around 6-7% over the past few years. Inflation for 2016 is predicted to come in at similar levels, around 7.8%.\(^4\)

In 2016, Moody's gave Kenya positive outlook and a B1 sovereign rating amid expected continued strong growth prospects.\(^5\)

The recent economic data thus show that the Kenyan economy is relatively stable at present, with moderate inflation expectations and good growth projections for the future. A sound economic environment such as this provides a strong foundation for future investments.

### Socio-economic Trends

Kenya’s population has been growing at a rapid pace, doubling over the last 25 years. As of 2015, the population stood at 46 million with a growth rate of 2.6% per annum. Approximately 74%\(^6\) of the population lives in rural areas. Increased education levels, particularly amongst women may delay the childbearing age leading to a slower growth in the population in the long run.

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\(^4\) Kenya National Bureau of Statistics. *Leading Economic Indicators (January 2016)*


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Figure 2: Kenya's Population Trend, 2000 - 2016


Kenya has been experiencing high rates of youth unemployment and underemployment. The informal sector makes up a majority of the jobs created. Total unemployment in 2016 was 11% (Figure 3). The employment to population ratio, i.e. the percentage of the population aged 15 years and older that is employed, is 60.1%\(^7\).

Figure 3: Kenya's Unemployment Trend, 2000 - 2016


### Business Climate

Kenya has taken a number of measures to improve the business environment. Some of the measures taken include: streamlining the process of getting electricity by introducing the

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use of a geographic information system which eliminates the need to conduct a site visit, thereby reducing the time and interactions needed to obtain an electricity connection; registering property at the land registry and cadastre is more transparent thereby simplifying the process; and electronic filing systems allow for faster payment of taxes faster for companies.

Kenya’s “Ease of Doing Business” is ranked 92 out of 190 countries globally. Amongst its East African Community (EAC) peers, Kenya is ranked second with a distance-to-frontier (DTF)

score of 61.22.

Figure 4: Kenya versus East African Community “Ease of Doing Business” Ranking, 2017


2.2 Kenyan Education sector

The Landscape of Tertiary Education

University education in Kenya began in 1963 with just 571 students enrolled in Nairobi University College (currently known as the University of Nairobi). The Vision 2030 introduced a policy shift for tertiary education in Kenya, moving towards greater government involvement in the universal provision of tertiary education for Kenyan society.

In particular, increased student transition from secondary to tertiary education and the corresponding increase in student enrolment and the expansion of tertiary education institutions forms a primary means in achieving the Government of Kenya’s (GoK) goal of providing “globally competitive quality education, training and research for sustainable development”.

The rapid expansion of tertiary education among the youth has resulted in the promotion of universities from colleges to full university status. The total number of public universities in Kenya increased by 30.4% to 30 in 2016 after granting charters to seven university colleges to full university status. Expansion has occurred in all public universities and in private, for-profit providers of tertiary education.

Along with growth in the number of universities, there has come huge growth in enrollments. The enrollment figures for 2014 show that there were 443,783 students enrolled at all universities across Kenya, more than double the 2012 enrollment number. Approximately 215,000 (48%) of those students were enrolled in private university institutions.

There are current efforts to improve the quantity

and quality of hostel accommodation at a

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9 Kenya Vision 2030 pg. 98
number of Government universities/colleges in the country. The Kenya Infrastructure Finance and Public-Private Partnership Project (IFPPP) is a World Bank-funded credit facility that seeks to promote increased private investment in the Kenyan infrastructure market. With the assistance of the IFPPP, a number of public universities/colleges are looking to address the growing shortfall in hostel accommodation through a PPP arrangement.

Nationally, universities recognise the important role that student housing plays in meeting institutional goals and enhancing campus life. Historically, providing on-campus housing has been a part of the public university model, although increased demand as a result of increased enrollment has led to the need for students to seek accommodation off-site. MU has been instituting interventions specifically aimed at increasing accommodation space to cater for the increasing number of students joining the University. This is in line with the vision of the University.

While public universities have made efforts to provide additional teaching space to accommodate the increasing number of students, partly due to cost constraints, less emphasis has been placed on developing additional hostel facilities. This has created a situation where many students have no option but to look for accommodation space outside the universities’ premises, generally in poorly developed private accommodation alternatives.

Through the development of adequate residence facilities at these places of learning, the GoK hopes to improve the successes of higher education institutions and meet national education and development priorities. This is in line with the National Strategic Vision 2030, which obligates universities to meet the increasing demand for higher education and to improve the welfare of students.

**National Education Policy Priorities in Kenya**

Historic underinvestment in education systems is a feature of most developing countries. This has been true in Kenya as well, where the demand for quality education outstrips supply. Affordability concerns also make the provision of universal education a national challenge.

*Figure 5: Economic Sector Contribution to Kenya’s GDP,*

The Education sector contributed 4.9% to Kenya’s GDP in 2016. The gross recurrent expenditure for the Ministry of Education is expected to rise by 13.5 per cent. Past budget cuts have made this an increasingly difficult task to achieve. Shortages in the number of lecturers also affect growth in quality standards and leads to growing student to faculty ratios.

Tertiary education is seen as playing an important role in reaching Kenya’s national development goals. The GoK has made investment in education core to its development policy over the past two decades. The government’s Poverty Reduction Strategy Paper (PRSP) advocated six areas of focus for investment over the period 2001 to 2004, one of which was human resource development.

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This was followed by the GoK's Economic Recovery Strategy (ERS) which detailed the government’s strategy for wealth and employment creation for the period 2003 to 2007. Four pillars supported the implementation of the ERS, one of which was investment in the human capital of the most vulnerable members of society.

These strategies culminated in the creation of a long-term blue print for Kenya’s national development path, contained in the GoK’s Vision 2030. The aim of Vision 2030 is to transform Kenya into a ‘middle-income country by providing a high-quality of life to all its citizens by the year 2030’.12 Identified as core to the success of the Vision, is the continued development of the education and training sector.

Understanding the current situation that characterizes tertiary education in the country is important to inform our understanding of the kinds of intervention and investment that is required going forward. Aligning the existing needs that this project seeks to address, with the broader national goals for tertiary education will ensure that resources are used where they are most needed.

2.3 PPPs in Kenya

Infrastructure is fundamental to economic growth, with long-lasting effects on the economic growth and development potential of a country. In contrast, a lack of infrastructure is closely related to high levels of poverty and low levels of equality. This is because infrastructure, particularly basic infrastructure most needed in fragile and developing economies, enables countries’ populations to become more productive, provides basic services to households and improves the living conditions of a nation.13

Kenya’s PPP Policy focuses on the following parameters:1

- Providing a context for PPPs in Kenya and outlining the potential goals and benefits of the PPP framework;
- Providing the foundation for: the establishment of institutions to drive the PPP agenda; the mobilisation of international and domestic private sector investments; and the support that will be provided by GoK to PPP projects; and
- Providing a clear and transparent process for PPP project development in Kenya.

In order to meet this need, GoK will have to seek out different modes of financing. PPPs provide one alternative, where private sector finance can be crowded in to national development priorities. A PPP is a long-term contract between a private party and a government agency, for providing a public asset or service, in which the private party bears significant risk and management responsibility.

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12 Kenya Vision 2030

It is within this context that the GoK has introduced PPPs into its national development approach. This began in 2009 with the establishment of an institutional and regulatory framework that supported the use of PPPs, which was subsequently reviewed and updated a year later.\(^{14}\) This was followed by an official GoK PPP Policy statement that articulated the GoK’s commitment to PPPs and aimed to provide the basis for the enactment of legislation surrounding the use of PPPs.

Following from the PPP Policy was the passing and coming into effect of the *Public Private Partnership Act, No. 15 of 2013* (‘PPP Act’), which details the process through which PPPs must be undertaken in Kenya. GoK PPP Regulations were produced in 2014 and provided more detailed operational directions on how PPP projects will be prepared, tendered, approved, and implemented, and what the roles and the responsibilities of the parties involved in PPP transactions are.

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3. OVERVIEW OF THE PROJECT

3.1 Introduction to Moi University

MU University was first established in 1984 by the MU University Act (Chapter 210A, Laws of Kenya). MU was granted the MU University Charter vide Legal Notice 202 of 2013. MU’s main campus is located in Eldoret.

In September 2013, the President of the Republic of Kenya granted the Charter to MU, pursuant to section 21 of the Universities Act, 2012. Under the Charter, MU is established as a university and the successor of MU University established by the MU University Act (Chapter 210A, Laws of Kenya) and as a body corporate with perpetual succession and a common seal, and in its corporate name it is capable of:

- Suing and being sued;
- Taking, purchasing or otherwise acquiring, holding, charging or disposing of movable and immovable property;
- Borrowing or lending money; and
- Doing or performing any such other things or acts for the furtherance of the provision of this Charter which may be undertaken by a body corporate.

The first 83 students were admitted to MU in 1984 through a transfer from the Department of Forestry, University of Nairobi. Since then, the University has experienced phenomenal growth from its initial one faculty in 1984, to a total of 14 Schools and 8 Directorates in 2017.

The University currently operates a number of campuses which are located in different areas. The focus of this project is on three of these, all of which are in or near Eldoret town, approximately 310 km northwest of Nairobi.

These include the University’s:

- **Main Campus**: located approximately 40km south of Eldoret and just over 10km off the Eldoret – Nakuru Road from the Cheptiret junction.
- **Law School (Annex)**: located just outside Eldoret, around 10km south on the Eldoret – Nakuru Road.
- **College of Health Science (CHS)**: located in Eldoret itself, near the town centre and off

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**Vision**

To be the University of choice in nurturing innovation and talent in science, technology and development.

**Mission**

To preserve, create, and disseminate knowledge, conserve and develop scientific, technological and cultural heritage through quality teaching and research; to create conducive work and learning environment; and to work with stakeholders for the betterment of society.
Nandi road.

MU University’s Strategic Plan 2015/2016 – 2020/2021 places the development of hostel accommodation for its students high on its agenda. Currently, MU is experiencing a shortage of accommodation at most of its campuses. According to its Strategic Plan, ‘rapid growth of the student population and low funding have put severe strain on the available infrastructure and facilities’. The construction of student hostels forms part of MU’s Capital Development Plan.

3.2 Project Scope

Moi University (MU) is seeking to engage a private party to finance, build and operate student accommodation on its behalf.

A detailed feasibility study has been conducted which clearly outlined the rationale for MU to embark on this project, as well as providing the most feasible site and design option, which have been technically, financially and economically appraised.

Based on the analysis of accommodation demand and supply, conducted by the TA and in discussions with MU Administration, it is envisaged that hostels developed under this project will be designed to provide accommodation for 15,000 additional students on campus.

* Due to economies of scale, financing and affordability constraints of MU, it was agreed that the Law and CHS hostels will be combined and established at the Law campus. The hostel accommodation will therefore be located within the MU’s Main and Law campuses.

The project’s scope for each campus covered three components – the hostel accommodation, bulk infrastructure and associated facilities. The hostel accommodation specifications focused on the number of students to be accommodated per room. All rooms are to be equipped with a bed, and study tables and chairs. Associated facilities relate to the additional accommodation services such as a dining hall, food court and barbershop. These will enhance the student living condition, and also potentially generate revenue.

The proposed project has three distinct components:

- **Hostel Accommodation**
  - A mix of four, two and single rooms for the following capacity:
    - A student capacity of 11,600 students on the Main Campus
    - A student capacity of 4,000 students on the Law Campus

- **Support Bulk Infrastructure**
  - Power
  - Water
  - Sewerage
  - ICT

- **Necessary Associated Facilities**
  - Dining hall
  - Kitchenettes
  - Additional facilities as proposed by investor

**Hostel Accommodation**

The hostel accommodation service scope relates to the specific hostel accommodation needs for the growing MU student population. This is the core of the project scope and outlines the number of students for whom hostel accommodation must be provided, as well as the necessary accompanying features of the hostel accommodation. The required accommodation infrastructure for MU is as follows:
• Hostels to accommodate 11,000 students on the Main Campus (10,000 undergraduate and 1,000 postgraduate/international students)

• Hostels to accommodate 4,000 students on the Law Campus (3,750 undergraduate and 250 postgraduate/international students)

• Hostel blocks to be equipped with the required sanitary facilities

• Common study rooms for students

• Facilities management offices

**Bulk Infrastructure**

The functionality of the hostel accommodation is reliant on certain essential bulk infrastructure. The existing infrastructure is just able to meet the needs of the students currently residing in MU hostels. The needs analysis provided the detail on the status of the bulk infrastructure service and the enhancements required to accommodate the anticipated increase in students residing on the MU's two campuses. Based on an assessment of the existing bulk infrastructure at the campuses, the required supporting infrastructure is as follows:

• Additional water supply for the new hostels

• Electricity connection for the new hostels

• Additional sewerage to support the existing sewer system

• Road access to the new hostels

The bulk infrastructure improvements are expected to be standardised regardless of the technical design chosen. The enhancements in bulk infrastructure must be ‘fit for purpose’ to support the increased student population at each campus.

**Associated Facilities**

In addition to the essential hostel accommodation and required supporting infrastructure, certain facilities may be included in the scope of the project. This will be to enhance the residential service provided to students, further improving students’ living conditions. The associated facilities may also have a commercial element as some of the facilities will be provided to students at an additional charge to their accommodation fees. This is an important consideration as it will enhance the commercial viability of the project.

The proposed associated facilities at MU are as follows:

• Additional food supply facilities (e.g. a food court);

• A tuck shop in the hostels; and

• A barbershop/hair dressing salon.

**3.3 The Demand for Hostel Accommodation**

The proposed provision of additional hostel accommodation for MU is premised on a view that the current hostel accommodation is insufficient for the needs of the current and future student population.

**Main Campus**

Over the last eight years, from 2010 to 2017, the student population on MU Main Campus has risen from 8,639 to the current 25,629 students. This includes students of all degree years and represents an annual average growth rate of just over 35%. Over the next 15 years, according to the MU Administration, the
The total student population on Main Campus is forecast to grow by an average of 7% per annum. MU Administration therefore projects that the number of students on Main Campus will increase from its current level to a population of 41,470 by 2023, and will continue to increase in the future to reach 66,592 students enrolled by 2030.

Figure 6: Historical, Current and Projected Student Population, Main Campus, 2010 - 2030

Source: MU University, 2015. Note: green bars represent actual past enrolment numbers, the red bar represents current enrolment number, yellow bars represent student population projections.

The supply of hostel accommodation for students on the Main Campus is currently provided through a combination of on-campus provision by MU and private hostels that are within the vicinity of the Main Campus. Accommodation provided by MU on its Main Campus can accommodate up to 8,478 students, as shown in the table below. The 8,478 students are housed in a number of different hostels which vary in room size and amenities offered. The hostels are separated according to gender, such that of the total spaces available, 4,683 (55%) are for male students and 3,795 (45%) are for female students.15

Figure 7: Number of Students Housed in MU Main Campus Hostels, by Gender

Source: MU University, 2015.

MU’s available hostel accommodation at its Main Campus is insufficient given the student population forecasts outlined above. Students are thus forced to find alternative accommodation off-campus. Private hostel accommodation close to MU has become an important source of lodging for MU students and is investigated below. Students studying on Main Campus but who fail to get on-campus accommodation usually look for accommodation in private hostels located next to the campus on privately owned land. These facilities are established specifically for students; given that the MU Main Campus is a significant distance from both Eldoret (40km) and from the Eldoret – Nakuru road (approximately 10km), there are no large, well-established towns in the immediate area. The private hostel rooms range in size, from some

15 MU is currently nearing completion of a wing in one of the existing hostels which will accommodate an additional 250 students by the end of 2016. This number is included in the accommodation gap analysis that follows.
single rooms up to rooms where four, six or eight students share. Although the private hostel capacity is difficult to accurately determine given that the available accommodation is not specific to students, a reasonable estimation from surveys by the TA is that private hostels can currently provide about 6,000 MU students with accommodation.

Assuming that MU is unable to provide any further accommodation, and that private hostel accommodation grows by 10%, the total available hostel capacity in 2030 will be 33,791. The majority of this capacity is expected to be provided by the private sector. The total supply will be substantially below the projected student population expected to be in session at any one point in that year of 48,283. Thus, the accommodation gap is expected to be 14,492 in 2030 (see the figure 8 below).

![Figure 8: MU Student Accommodation Gap - Including Private Sector, Main Campus](source-image)

Source: TA calculations.

**Law Campus and College of Health Sciences**

There were 1,648 students registered at MU’s Law Campus in 2015. Over the next 15 years, according to the MU Administration, the total student population on the Law Campus is forecast to grow by an average of 5% per annum. MU therefore projects that the number of students on its Law Campus will increase from the current level (1,648) to a population of 2,435 by 2023, and will continue to increase in the future to reach 3,426 students enrolled by 2030.

![Figure 9: MU Actual and Forecasted Student Population, Law Campus, 2010-2030](source-image)

Source: MU University, 2015. Note: green bars represent actual past enrolment numbers; the red bar represents current enrolment number; yellow bars represent student population projections.

Hostel accommodation at MU’s Law Campus is limited. The University does not currently have any hostels in place on the campus. The University does, however, rent and manage a number of private hostel blocks located near the campus for some of its students. Currently, MU is able to accommodate 375 of its 1,648 students in these hostels, leaving a shortfall of 1,273 bed spaces. Of these, 209 are for male students, while 166 are for female students.

The private rented accommodation MU provides on its Law Campus is intended for government-sponsored students only. Self-sponsored students, which make up most of the students registered on the Law Campus, are responsible for finding their own accommodation. Students whose...
accommodation is not arranged by the University were found to either rent private houses nearby which have been converted into hostels or are forced to stay in Eldoret town.

In 2017, some students of School of Business and Economics were relocated to study at the Law Campus.

Based on the student growth projections applied above, there are estimated to be a maximum of 7305 students (combined Law and Business students) requiring accommodation per semester by the 2030 year. Given these growth projections, should there be no further expansion in hostel accommodation, the demand for on-campus accommodation would outstrip the accommodation currently supplied by MU significantly. The figure below shows the accommodation gap in the absence of any additional hostel accommodation, assuming a 10% growth in private hostel accommodation.

![Figure 10: MU Student Accommodation Gap, Law Campus – Including Private Sector Growth](image)

There were 1 482 students registered at MU’s CHS Campus in 2015. Based on similar assumptions to that of the growth in the Main Campus student population above, MU Administration expects that enrolment at the CHS Campus is expected to grow by 5% on an annual basis. MU therefore projects that the number of students on its CHS Campus will increase from its current level to a population of 2 190 by 2023, and will continue to increase to 3 932 by 2030.

The supply of hostel accommodation for MU CHS students is currently provided through a combination of on-campus provision by MU and private hostels that are within the vicinity. The University has one hostel that houses 438 students. The University rents and manages additional private hostels within Eldoret Town for its students. Some of these hostels are located more than 2 Kms away from the Campus thus raising issues of security.

Rooms across all hostels house from one to six students. In total, MU is currently able to provide accommodation (through both its own and rented hostels) for approximately 1 448 CHS students as shown in Table 19 below. Of these, 438 are housed in MU’s own hostels and the remaining 1 010 in the rented private premises. A very small number of students (around 30+) choose to stay in private hostels out of their own volition.

Assuming that MU is unable to provide any further accommodation of its own, and that private hostel accommodation grows by 4% per year, the total available hostel capacity in 2030 will be 2 257. This will be below the projected student population in that year of 3 081. Thus, the accommodation gap is expected to be 824 in 2030 (see the figure below).
Figure 11: MU Student Accommodation Gap - Including Private Sector, CHS Campus

Source: TA calculations.
4. PROPOSED PPP SCHEME

MU intends to procure the required works and services through a 20 year PPP scheme which will involve the successful bidder establishing a dedicated special purpose vehicle (SPV) that will enter into an agreement with MU, under the provisions of the Kenya PPP Act, 2013.

It is envisaged that the project’s capital costs will be financed by the Project Company through a mix of shareholder equity and long-term debt financing.

The primary revenue source for the project will be revenues generated from the hostels, as well as any ancillary facilities.

The figure below provides a simplified illustrative schematic of the anticipated project structure.

To enhance the commercial viability of the project, the Government is currently exploring potential financial support to be provided to the project, either through an initial capital injection and/or an annual unitary payment. Where a unitary payment approach is adopted, the payment mechanism will be based on indexed periodic payments from the Contracting Authority over the concession period. Such payments will be contingent on the availability of the contracted service, at agreed upon standards.

The table below provides an indication of the intended allocation of the main responsibilities and risks associated with the PPP scheme.

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Table 1: PPP Scheme Risks and Responsibilities

Further details on the project’s scope, structure and risk allocations will be provided in the Request for Proposals and draft PPP Project Agreement which will be provided to Prequalified Bidders.
DISCLAIMER

The information provided to Prospective Bidder(s) or any other person, in this Project Information Memorandum (PIM) and any other information, whether verbal or written, provided by Moi University (MU) or any of its employees or advisors, or on behalf of Moi University, is provided to Prospective Bidders on the terms and conditions set out in the RFQ and such other terms and conditions as may be set out from time to time.

The PIM is not an agreement and is neither an offer nor an invitation by MU to the Prospective Bidders or any other person. MU, its employees and advisors are not bound by any of the contents of this PIM. The purpose of the PIM is to provide interested parties with information that may be useful to them in preparing their Qualification Documents pursuant to the RFQ. The RFQ includes statements that reflect various assumptions and assessments arrived at by MU in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Prospective Bidder or any other person may require. The PIM may not be appropriate for all persons, and it is not possible for MU, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this PIM. The assumptions, assessments, statements and information contained in the PIM and any other associated documents may not be complete, adequate, accurate or correct. Each Prospective Bidder should, therefore, conduct its own investigations and analysis and should check the completeness, adequacy, accuracy, correctness, and reliability of the assumptions, assessments, statements and information contained in this PIM and obtain independent advice from appropriate sources.

Information provided in the PIM is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. MU accepts no responsibility for the accuracy or otherwise of any opinion or interpretation of law expressed herein.

MU, its employees and advisors make no undertaking, assurance, representation or warranty and shall have no liability to any person, including any Prospective Bidder, under any law, statute, rules or regulations, tort, principles of restitution or unjust enrichment or otherwise, for any loss, damages, cost or expense that may arise from or be incurred or suffered on account of anything contained in the PIM or other information provided to Prospective Bidders or any other person, including the completeness, adequacy, accuracy, correctness, and reliability of the PIM and any assessment, assumption, statement or information contained therein or deemed to form part of the PIM or arising in any way from participation in the Bidding Process.

MU may, in its absolute discretion, but without being under any obligation to do so, amend, update, or supplement the information, assessments or assumptions contained in the PIM. However, MU, its employees and advisors shall not be liable to any Prospective Bidder (including the Pre-Qualified Bidders) in respect of any failure to (i) disclose or make available any information, documents or data; (ii) amend, update, or supplement the PIM; or (iii) provide any information regarding any inaccuracy, error, omission, defect or inadequacy in the PIM.