Early Warning System

MIGA-14368

Road Annuity Lot 32 Project in Kenya

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Quick Facts

Countries	Kenya
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Canceled
Bank Risk Rating	A
Voting Date	2022-12-13
Borrower	Standard Bank of South Africa Ltd.
Sectors	Transport
Investment Type(s)	Guarantee
Project Cost (USD)	$ 51.44 million

Project Description

As stated by the MIGA, "the guarantee was cancelled on July 01, 2023."

On December 23, 2022, the Multilateral Investment Guarantee Agency (MIGA), a member of the World Bank Group issued guarantees totaling US$51.44 million to Standard Bank of South Africa Limited and Stanbic Bank Kenya Limited for their non-shareholder loans (including interest) into the Skar Lot 32 Development Corporation Limited for the construction, rehabilitation, upgrading, operation, and maintenance of an existing 66.5km rural road in Kenya (the "Project"). The MIGA guarantees will cover the risks of Transfer Restriction, Expropriation, Breach of Contract, and War and Civil Disturbance for a period of up to 8.5 years.

This is the second road project MIGA has supported in Kenya under the Government of Kenya ("GoK")'s Road Annuity Program. After completion of the Project, the road will be upgraded from earth/gravel road to bitumen standards.

ENVIRONMENTAL CATEGORIZATION

The project is a category A under MIGA'sPolicy on Environmental and Social Sustainability.Click hereto view the Environmental and Social Review Summary.

DEVELOPMENT IMPACTS

The Project is aligned with World Bank Group's Country Partnership Strategy for Kenya particularly in relation to enhanced infrastructure and logistics for sustainable growth, and the GoK's second and third Medium-Term Plans to promote a safe and efficient transport network. The upgrade of the road will result in material travel time savings. The Project also has potential benefits beyond the direct users of the road by contributing to greater integration of the road's influence area with the rest of the country's key economic centers, which in turn brings new economic opportunities for the local people. MIGA's support to the Project will complement World Bank's investments in the road sector in Kenya.

The Project will include earthworks, concrete works and drainage works, which will yield climate adaptation co-benefits. Climate adaptation measures to improve the resilience of the road will include elevating road sections and enhancing road drainage by constructing deeper and wider road drains, pipes and culverts.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Contact Information

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.miga.org/contact/access_to_information

You can also request general information about MIGA and for information on guarantees by emailing: migainquiry@worldbank.org

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org

Bank Documents

- Project Information Document