

COUNTY GOVERNMENT OF BUNGOMA



**DEPARTMENT OF ROADS, INFRASTRUCTURE
& PUBLIC WORKS**

**MEMORANDUM OF UNDERSTANDING
BETWEEN**

BUNGOMA COUNTY GOVERNMENT

AND

**WEST KENYA SUGAR COMPANY LIMITED
NAITIRI UNIT, P.O BOX 50 – 50211
NAITIRI.**

CALANDER YEAR 2024

THIS MEMORANDUM OF UNDERSTANDING IS MADE the
19th day of January Two Thousand and Twenty-Four
(2024):

BETWEEN

The **COUNTY GOVERNMENT OF BUNGOMA**, whose postal office address is
437,50200 BUNGOMA represented by the **Department of Roads, Infrastructure and
Public Works**,

AND

WEST KENYA SUGAR COMPANY LIMITED whose postal office address is **50 –
50211 NAITIRI**, a private company registered under the Companies Act of Kenya

WHEREAS

- 1) The Department of Roads, Infrastructure and Public Works, is responsible for the management, development, rehabilitation and maintenance of roads in Bungoma County to facilitate the movement of goods and people, enhance the economic development, and create jobs;
- 2) West Kenya Sugar Company Limited is a major producer of sugar and other related products in Bungoma County, and has a vested interest in improving the road network in the region to increase its market access with farmers, reduce transportation costs, and support the local communities and farmers;
- 3) The Parties have identified the need and the opportunity to collaborate on roads maintenance works in Bungoma County, which will benefit both the Parties and the public;

NOW, THEREFORE, the Parties agree as follows:

4) Purpose and Objectives

The purpose of this MOU is to establish a framework of cooperation between the Parties for the rehabilitate / improvement of roads in Bungoma County.

The objectives are to:

- a) Rehabilitate / improve approximately 96 Kms of roads in the Bungoma County.
- b) Ensure that the roads are improved according to the required standards and specifications, and are durable, safe, and environmentally friendly;
- c) Enhance the accessibility and mobility of the Factory equipment, machineries, vehicles and the local population, and reduce the travel time and costs;
- d) Promote the economic growth and social development of Bungoma County, and create employment opportunities for the local labor force.

5) Description

The following activities will be undertaken:

- a) Conducting roads inventory of the roads identified to be rehabilitated by both parties in agreement, and generation of a work plan for the roads.
- b) Executing the roads rehabilitation / improvement works, under the supervision and guidance of the Government and the Factory, and in accordance with the agreed plans and specifications;
- c) Monitoring and evaluating the progress and performance of the works, using the agreed indicators and methods, and reporting the results and challenges to the Parties on a regular basis;
- d) Maintaining and operating the roads after the completion of the Rehabilitation, ensuring their quality and functionality, and addressing any issues or defects that may arise.
- e) The sugar belt regions to be covered are; Tongaren, Webuye/East & West and Kimilili

The Rehabilitation / improvement of roads will be implemented in Bungoma County, covering the following wards in Tongaren Sub County:

- (a) Mbakalo Ward (15 km)
- (b) Milima Ward (15 km)
- (c) Naitiri / Kabuyefwe Ward (15 km)
- (d) Tongaren Ward (15 km)
- (e) Ndalul / Tabani Ward (15 km)
- (f) Soysambu / Mitua Ward (15 km)
- (g) Ndivisi bridge – Naitiri Market Road (6 km)

An annex with the list of the roads will be attached herein

6) Terms of the Agreement

The terms and conditions of the agreement are as follows:

Responsibilities:

The County Government of Bungoma and West Kenya Sugar Company Limited will share the responsibilities and obligations of the Project, as follows:

The County Government of Bungoma will:

- a) Provide the overall policy direction and strategic guidance for the works through the CECM Roads and Public Works.
- b) Provide competent technical staff to supervise the road works through the Chief Officer Roads, Infrastructure and Public Works.
- c) Monitor the implementation of the Project, and ensure its quality and compliance with the agreed standards and specifications; CECM roads will be responsible for the works.

- d) Coordinate and facilitate the communication and cooperation among the Parties and other stakeholders involved in the Project, and resolve any issues or conflicts that may arise;
- e) Evaluate and report the results and impacts of the Project, and provide feedback and recommendations for improvement.
- f) Provide the following equipment & facility for the works:
 - 1) 2No. Motor graders
 - 2) 2 No. single drum rollers
 - 3) 1No.Excavator
 - 4) 2No.Tippers
 - 5) 1No.Pickup Truck
 - 6) Identify Gravel borrow pits for Naitiri acquisition

West Kenya Sugar Company Limited will:

- a) Provide fuel and lubricants for the machines, equipment and plant throughout the period (including Mobilization and Demobilization) as per the written request by the representative of the county government of Bungoma based on standard fuel efficiency for equipment
- b) Provide agreed daily allowances for staff of Bungoma County Government attached to the works as per written request by the representative of county government of Bungoma which includes the costs of road inventory, the operators, the supervision, the monitoring, the evaluation;
- c) Payment for Acquired Gravel borrow pits based on certification and recommendations by the county government of Bungoma
- d) Participate in the execution and supervision of the works
- e) Monitor and report the progress and performance of the works, and provide feedback and suggestions for improvement.

7) Resources

- a) West Kenya Sugar Company Limited will provide the required resources

like fuel, lubricants and pay allowances & cost of Gravel borrow pits and all these costs which will be from the waiver of Cess as provided by the Bungoma County Agricultural Produce Cess Act 2017

- b) As per the Cess Act 2017, Part V(Miscellaneous), section 15, the CECM for Finance, will waive the cess payable to the County Government of Bungoma with the approval of the County Assembly for West Kenya Sugar Company Limited Naitiri Unit
- c) The Parties will ensure that the funds and resources for the works are used efficiently and effectively, and are accounted for.

8) Communications

All communications between the parties with respect to this M.O.U. shall be delivered by hand or sent by first class post to the address of the addressee as set out in this M.O.U. or to such other address (being in Kenya) as the addressee may from time to time have notified for the purpose of this clause or sent by facsimile transmissions.

Communications shall be deemed to have been received

- i. If sent by first class post, seven (7) business days after posting exclusive of the day of posting.
- ii. If delivered by hand on the day of delivery.
- iii. If sent by facsimile transmission at the time of transmission

9) Final Agreement

This M.O.U shall come into operation upon signature by authorized officers. Both parties will then proceed to execute the works as soon as agreed and in good faith.

10) Discharge of MOU

This MOU shall be terminated by either party by giving a one (1) month notice in writing and copies to Bungoma County and Naitiri Sugar Company.

11) Arbitration and Governing Law

Any dispute controversy or claim arising out of or in connection with this MOU including any question regarding its existence, validity or termination shall be referred and resolved by arbitration through agreed modalities by the two parties in accordance with Kenyan laws.

IN WITNESS WHEREOF the parties thereto have caused this Agreement to be executed in accordance with their respective laws the day and year first before.

Signed Sealed, and Delivered by the said

SIGNED BY:

THE COUNTY CHIEF OFFICER
ROADS, INFRASTRUCTURE AND PUBLIC WORKS

FULL NAME: EVERLYN TERESA WEKESA
(FOR AND ON BEHALF OF THE EMPLOYER
THE COUNTY GOVERNMENT OF BUNGOMA)

Date 19-01-2024

IN THE PRESENCE OF

COUNTY ATTORNEY / COUNCIL LEGAL ADVISER



SEALED FOR AND BEHALF OF
NAITIRI SUGAR COMPANY LTD

GENERAL MANAGER NAME: N.V. VENKATAPPA

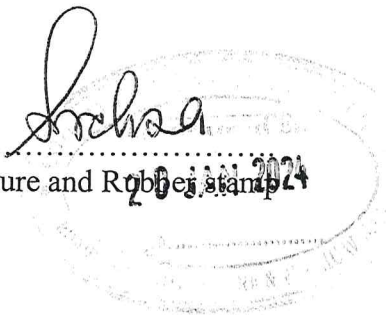
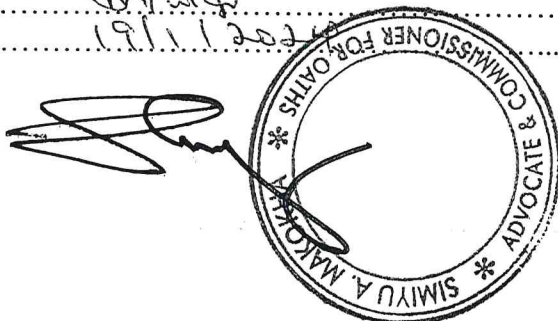
Date: 19.1.2024

IN THE PRESENCE OF: TRANSPORT MANAGER

FULL NAME: THOMAS T. MULUPI

Signature: [Signature]

Date: 19.1.2024



Signature and Rubber Stamp

