

## Hotel Kabul Rehabilitation

### Project Summary

<b>Subsector</b>	Hotel Rehabilitation
<b>Location</b>	Kabul, Afghanistan
<b>Project Cost</b>	\$27.8 Million
<b>Project Type</b>	5-Star Hotel Rehabilitation
<b>Project Executing Firm/Agency</b>	Tourism Promotion Services SA (Aga Khan Foundation)/Serena Hotels and the International Finance Corporation (IFC)
<b>Funding Agency</b>	Aga Khan Foundation



## Project Outline

Due to the large insurgence of foreign nationals working with governmental organizations, NGOs, private firms, and multilateral donor and lending institutions to Afghanistan, there has been a marked increase in the demand for temporary and long-term accommodations. The current accommodations found in Kabul are limited, consisting of residential houses converted into guesthouses or the once luxurious but now substantially war-damaged Kabul Intercontinental Hotel. Guesthouses typically lack Western style standards and facilities, and although the Intercontinental has these comforts, it functions in a crippled capacity. So the need remains for clean and affordable hotels, providing certain services and equipment.

The Hotel Kabul (pictured above) was originally built in 1945, but currently is inoperable due to the severe damage it sustained during local war-time fighting. The project sponsors—the Tourism Department (Tourism Promotion Services SA) of the Aga Khan Foundation for Economic Development (AKDN) and the International Finance Corporation (IFC)—have agreed to rehabilitate the Hotel Kabul. Tourism Promotion

Services has been active in the tourism industry for over 30 years, building hotels in Kenya (operating under the name Serena Hotels), and expanding into Tanzania, Zanzibar, Mozambique, and, most recently, Tajikistan.

The project will begin by rehabilitating a 40-sleeping room section, and is expected to open in November 2003 as a 5-star hotel. The architectural drawings were prepared by Arcop and will include a total of 184-sleeping rooms when completed in the second quarter of 2004.

## **Technical Description**

The hotel will be managed by Tourism Promotion Services, SA and operated by Serena Hotels. Facilities include:

No. of rooms:	184 rooms
Bed capacity:	336 beds
Restaurants & Bars:	60-seat restaurant including additional outdoor seating, a café located in the garden pavilion, a private dining room, a lounge bar, and a coffee shop
Other Facilities:	One banquet room, several private meeting rooms, a health and fitness facility with sauna, a Turkish bath and spa, a boutique, valet parking, a business center, and shopping facilities

## **Project Site**

Kabul Hotel is located on Zarnegar Street, which is near the Central Bank, the Ministry of Finance, and the Post Office in the central part of Kabul.

## **Project Status/Timeline**

The contractors have already installed themselves on the site and the first section of the hotel including approximately 40 sleeping rooms will be opened in November 2003. The entire hotel, with a total capacity of 184 sleeping rooms will open the second half of 2004.

## **Equipment and Services**

The contractor, Shapoorji Pollanji & Co Ltd, and the project architect, ACORP, have already been selected. U.S. firms can become involved through the provision of interior furnishing and FF&E (Furniture, Fixture, and Equipment).

These include:

- Beds and mattresses
- Nightstands and closets
- Chairs and sofas
- Desks and tables
- Audio visual equipment
- Refrigerators, stoves, and other appliances
- Mirrors and art
- Lamps and lighting fixtures
- Elevators
- Curtain rails
- Balustrading
- Wine racks
- Fireplaces
- Plumbing
- Heating and ventilation
- Automated climate control system
- Wiring
- Computers and hospitality sector-specific software

## **U.S. Competitiveness**

Although there is strong competition from many Turkish construction companies, U.S. companies can outbid their competition by providing a combination of high quality products, services, and equipment at competitive prices.

## **Project Financing**

The project is financed by AKFED (the Aga Khan Foundation for Economic Development) and the International Finance Corporation.

## **Conclusion**

Due to the large demand for Western standard hotel accommodations and the complete absence of any similar facilities, the project will be in high demand. Planning and cost estimation have been completed, the land is owned by the consortium, planning permission has been obtained from the government, and all financing will be provided for by the Aga Khan Foundation and the IFC.

U.S. firms' greatest opportunity will be in the provision of interior furnishing and FF&E (see above).

## Key Decision Makers

<b>Organization or Company Name</b>	Tourism Promotion Services/Serena Hotels
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