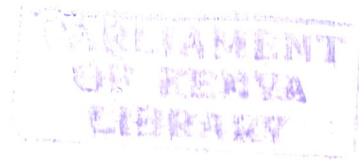




nema
mazingira yetu | uhai wetu | wajibu wetu



NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY



www.nema.go.ke

ANNUAL REPORT AND FINANCIAL STATEMENTS 2011 - 2012

PARLIAMENT
OF KENYA
LIBRARY



nema

mazingira yetu | uhai wetu | wajibu wetu

NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY

ANNUAL REPORT AND
FINANCIAL STATEMENTS
2011 - 2012

TABLE OF CONTENTS

Abbreviations	2
Introduction	3
Vision	3
Mission	3
Core values	3
Motto	3
Core functions	3
Executive Summary.....	5
Chairperson’s Statement	6
Director General’s Statement.....	8
Environmental Compliance.....	8
Board of Management Members	10
Senior Management Committee.....	11
Environmental Compliance and Enforcement.....	12
Environmental Planning and Research.....	20
Stakeholders Engagement, Environmental Education and Communication.....	22
Environmental Days	25
Institutional Capacity.....	29
Development Partners.....	31
Financial Management.....	33
Appendix	35

ABBREVIATIONS

AMCEN	-	African Ministerial Conference on Environment
ASK	-	Agricultural Society of Kenya
BEC	-	Basic Enforcement Course
CBD	-	Convention on Biological Diversity
CSO	-	Civil society organizations
EIA	-	Environmental Impact Assessment
EMCA	-	Environmental Management and Coordination Act
ESD	-	Education for Sustainable Development
GEF	-	Global Environmental Fund
ICZM	-	Integrated Coastal Zone Management
JKUAT	-	Jomo Kenyatta University of Agriculture and Technology
KIE	-	Kenya Institute of Education
KRA	-	Kenya Revenue Authority
MEAs	-	Multilateral Environmental Agreements
NGOs	-	Non-Governmental Organizations
NIE	-	National implementation Entity
ODS	-	Ozone Depleting Substances
POPs	-	Persistent Organic Pollutants
REDD	-	Reducing Emissions from Deforestation and Degradation
RCE	-	Regional Centers of Expertise
SEA	-	Strategic Environmental Assessment
UN	-	United Nations
UNCCD	-	United Nations Convention to Combat Desertification
UNDP	-	United Nations Development Programme
UNEP	-	United Nation Environment Programme.
UNFCCC	-	United Nations Framework Convention on Climate Change
WARMA	-	Water Resources Management Authority
WDCD	-	World Day to Combat Desertification
WED	-	World Environment Day
WOD	-	World Oceans Day
WWD	-	World Wetlands Day

INTRODUCTION

The National Environment Management authority was established under the environment Management and Coordination Act (No. 8) of 1999. To exercise general supervision and coordination over all matters relating to the environment and to be the principal instrument of Government in the implementation of all policies relating to the Environment.

NEMA's administrative and operational structures are at headquarters and counties. The offices at the county level are manned by County Directors of Environment (CDEs).

Our Vision

To be a world class environmental management authority that ensures a clean, healthy, secure and sustainably managed environment for all.

Our Mission

To safeguard, restore and enhance the quality of the environment through supervision and coordination of all matters relating to environmental activities in Kenya.

Core Values

- Team work and partnership building;
- Efficiency and effectiveness;
- Accountability and transparency;
- Excellence and professionalism;
- Creativity and innovation;
- Courage of conviction;
- Sensitivity and responsiveness; and
- Result oriented.

Our Motto

Our Environment, Our life, Our Responsibility - Mazingira Yetu, Uhai Wetu, Wajibu Wetu

Core functions

The core functions of the Authority include: -

- Coordinating various environmental management activities being undertaken by lead agencies.
- Promote the integration of environmental considerations into development policies, plans, programmes and projects, with a view to ensuring proper management and rational utilization of environmental resources, on sustainable yield basis, for the improvement of the quality of life in Kenya.
- To take stock of natural resources in Kenya and their utilization and conservation.
- To establish and review land use guidelines.
- Examine land use patterns to determine their impact on the quality and quantity of the natural resources.
- Carry out surveys, which will assist in proper management and conservation of the environment.
- Advise the government on legislative and other measures for the management of the environment or the implementation of relevant international conventions, treaties and agreements.
- Advise the Government on regional and international conventional, treaties and agreements to which Kenya is or should be a party and follow up implementation of such agreements.

- Undertake and coordinate research, investigation and surveys, collect, collate and disseminate information on the findings of such research, investigations or surveys.
- Mobilize and monitor the use of financial and human resources for environmental assessment and monitoring.
- Initiate and evolve procedures and safeguards for the prevention of accidents, which may cause environmental degradation and evolve remedial measures where accidents occur e.g. floods, landslides and oilspills.
- Monitor and assess activities, being carried out by relevant lead agencies, in order to ensure that the environment is not degraded by such activities.
- Undertake in cooperation with relevant lead agencies, programmes intended to enhance environmental education and public awareness, about the need for sound environmental management, as well as for enlisting public support and encouraging the effort made by other entities in that regard.
- Publish and disseminate manual codes or guidelines relating to environmental management and prevention or abatement of environmental degradation.
- Render advice and technical support where possible, to entities engaged in natural resources management and environmental protection, so as to enable them to carry out their responsibilities satisfactorily.
- Prepare and issue an annual report on the State of Environment in Kenya and in this regard, may direct any lead agency to prepare and submit to it a report on the state of the sector of the environment under the administration of that lead agency.

The Core services of the Authority include:-

- Registrations and Licensing of Environmental Impact Assessment (EIA) and Environmental Audit (EA) Experts;
- Environmental Impact Assessment Licensing;
- Environmental Auditing
- Environmental Incident Management
- Environmental Inspection
- Environmental Information, Education and Communication (IEC)
- Environmental Reporting
- Environmental Planning
- Endorsement of GEF Small grants
- Development of Curriculum for Training of Environmental Impact Assessment/ Audit experts
- Administration of an Environmental Awards scheme

EXECUTIVE SUMMARY

The 2011-2012 annual report is a reflection of the performance, achievements and challenges faced as well as policy interventions instituted by the National Environment Management Authority (NEMA) in the implementation of its mandate. The report highlights how the Authority utilized the allocated funds of Ksh. 551, 789, 249 million by the government and Ksh. 69, 174, 990 million grant from development partners.

This report highlights environmental governance as addressed by the Authority through issuance of various licenses under the environmental licensing regime. In this regard various regulations were developed while some were reviewed. The Authority prioritized inspection for five sectors due to their high risk nature. These were: cement factories, camps in game reserves, sewerage treatment plants, incinerators and petrol stations. The inspection resulted in enhanced compliance to environmental legislation by members of the regulated community. Enforcement cases that were successfully handled, acted as deterrent measures to perpetrators of environmental crimes.

In order to conserve and promote sustainable utilization of our aquatic resources, the Authority launched and implemented the Coastal Shoreline Management Strategy and initiated the development of Wetlands Monitoring and Assessment Strategy.

County Environment Action Planning Manual 2013-2018, 2011 State of the Environment Report, National Action Programme on the implementation of the United Nations Convention to Combat Desertification were developed during the period. These tools help in environmental planning, mainstreaming and domestication and implementation of relevant multi-lateral environmental agreements aimed at conserving and protecting the environment.

NEMA implemented its Vision 2030 flagship projects which are on waste management, development of management plans for wetlands, securing wildlife corridors, inventorying dumpsites among others.

Reduced budgetary allocation affected the implementation of some programmes and activities. However, donor funding and increased revenue collection from the licensing regimes enabled the Authority to achieve its work plan and performance contract activities.

The Authority signed its Performance Contract (PC) with the Government as its commitment to quality and efficient service delivery to the Kenyan people, optimal utilization of allocated resources and accountability.

The Authority was ISO 9001:2008 certified in October 2011. This quality management system assures the public that the Authority has in place approved quality management systems and quality manuals geared towards improved service delivery. In addition the Authority rebranded to enhance its corporate image. Consequently the Authority launched its new logo and reviewed its Service Charter to inform all stakeholders of the services offered by the Authority, their timelines and customer obligations. Automation of the Authority's information communication and technology systems was enhanced. This is expected to boost license processing, financial procedures and access to library services.

Partnerships and stakeholder relations are key to the Authority in implementing its programmes and multilateral environmental agreements. The Authority undertook environmental education and awareness to various targeted audiences through commemoration of world environmental days, consultative meetings, media engagements, events and exhibitions to create environmental awareness in order to increase environmental compliance. The media played a critical role in highlighting various environmental matters.

The 2011-2012 customer satisfaction index for NEMA was 71.5%, which indicates that majority of our customers are satisfied with services offered. However, the Authority will address issues raised in the survey in order to enhance customer satisfaction.

This report will serve as a baseline for the Authority to guide future policy interventions, financial planning and budgeting and performance as the Authority strives to achieve its vision, mission and mandate.

A portrait of Mr. Maluki Mwendwa, the Chairman of the NEMA Board of Management. He is a middle-aged man with short, dark hair, smiling warmly at the camera. He is wearing a dark suit jacket over a white shirt and a patterned tie. The background is a plain, light color.

CHAIRPERSON'S STATEMENT

I am delighted to present to you the performance of yet another successful year 2011/12 where the Authority has excelled on all matters pertaining to environmental management and attained ISO 9001:2008 certification. In this financial year the board put in place leadership structures that resulted to recruitment of the current
Director General.

Mr. Maluki Mwendwa
*Chairman,
NEMA Board of Management*

CHAIRPERSON'S STATEMENT

The impressive performance of the Authority is attributed to increased awareness on environmental conservation and inclusion of the right to a clean and healthy environment in the Kenyan constitution.

Despite the impressive performance the Authority takes cognizance of the fact that it still needs to continually improve its service delivery. Some of the areas that the Authority will foster to offer excellent services include areas of Environmental Impact Assessment, Environmental Auditing, processing and issuance of licenses, conservation of biological diversity and resources, access to genetic resources, environmental incidence management, environmental planning among others.

In line with this, the Authority has developed several policies to assist in conserving the environment. Some of these policies include State of Environment Report 2011 and ten county Environment reports. These reports which were developed together with stakeholders from across all sectors detailed key issues on the environment for the year in review. The document also highlights key policies that need to be enacted in various sectors in order to safeguard the environment.

NEMA has continued to oversee the domestication and implementation of Multilateral Environmental Agreements (MEAs) and is the country's focal point of United Nations Convention to Combat Desertification (UNCCD) and Nairobi convention.

As a board, we will continue to steer the organization by sourcing for funds and ensure that they are allocated to environmental sustainable projects. Partnerships and linkages are very vital for the Authority. Being a Designated National Authority (DNA) and a coordinating agency on environmental matters, the Authority will seek to enhance its partnerships with lead agencies. The Authority will continue to work closely with the private sector and regulated communities whose activities impact the environment. As an Authority we will strive to advise, license and regulate on all matters that will result to sustainable development. I wish to remind the private and the public sector that NEMA is not against development but is keen to promote sustainable development.

Apart from the already gazetted regulations and guidelines, the Authority is in the process of developing several guidelines that will assist in environment management.

We acknowledge our departed environmental icons former minister for Environment and Mineral Resource Hon. John Michuki and the Nobel Laureate Prof. Wangari Maathai for their fight against destruction of natural resources.

As we celebrate the success of the 2011/12 financial year, this would not have been possible without the support of the staff. I congratulate all staff for their dedication to ensure that our strategic plan is effectively being implemented.



Mr. Maluki Mwendwa
Chairman,
NEMA Board of Management

DIRECTOR GENERAL'S STATEMENT



Prof. Geoffrey Wahungu
Director General

The Annual report for the National Environment Management Authority for the calendar year 2011/2012 demonstrates our continued commitment towards supervision and coordination of all matters relating to the environment. Towards this end, the Authority has continued to build its corporate reputation through implementation of its core mandate of coordinating and supervising all matters relating to the environment.

DIRECTOR GENERAL'S STATEMENT

The Annual report for the National Environment Management Authority for the calendar year 2011/2012 demonstrates our continued commitment towards supervision and coordination of all matters relating to the environment. Towards this end, the Authority has continued to build its corporate reputation through implementation of its core mandate of coordinating and supervising all matters relating to the environment.

The country faces enormous environmental challenges which include; environmental degradation; deterioration of water quality and quantity; pollution and waste management; impacts of climate change and global warming; inadequate adoption of bio-technology and lack of an integrated environmental planning strategy towards attainment of sustainable development objective. Consequently, The Authority has a huge mandate of safeguarding the environment and educating the public on good environmental practices, compliance to regulations and understanding the core mandate of the Authority.

In overcoming these challenges, the Authority has prepared key environmental planning documents and strategies for the country at large including environmental action plans, state of environment reports, national biodiversity strategies and action plans, national action programmes under the United Nations Convention to Combat Dessertification (UNCCD) among others.

In enhancing environmental education and awareness, the authority undertook comprehensive programmes on education and awareness on environmental issues affecting the public. Further the Authority developed a national education for sustainable development policy to guide on sustainable development. The Authority also developed and disseminated various environmental awareness materials to targeted stakeholders and the general public.

The Authority enforced regulations through inspections, issuance of improvement orders, processing of environmental impact assessment licenses and prosecutions. This has enhanced compliance levels by regulated communities and the general public.

In the year under review, the Authority finalized the Coastal Pollution Prevention and Control Guidelines which were validated by stakeholders. The aim of these guidelines is to provide guidance to decision makers, managers, planners, developers, the community and other stakeholders to adopt best practices in their operations and attain desired environmental standards. This will contribute to safeguarding the coastal and marine environment from pollution and promote sustainable development.

The Kenyan constitution requires that government devolves services to the counties. The Authority has complied with this requirement by devolving services to the 47 counties. This will enhance service delivery to the public.

I wish to sincerely thank the Board of Management, development partners and NEMA staff for their continued support and the efforts they put in their work to enable implementation of NEMA functions and success of the Authority.



Prof. Geoffrey Wahungu
Director General

NEMA BOARD OF MANAGEMENT MEMBERS

1. **Mr. Maluki Mwendwa** – Chairman
2. **Ms. Kullamo Bullo** – Vice Chairperson and Chairperson Liaison Board Committee
3. **Mr. Ali Ismail** – Chairman, Research and Planning and Legal Standards and Enforcement Board Committees
4. **Mr. Sam Ogutha** – Chairman, Finance and Human Resources Board Committee
5. **Ms. Rosemary Murugu** – Chairperson, Publicity and Outreach Board Committee
6. **Dr. Susan Mwamlole** – Chairperson, Audit Governance and Risk Management Board Committee
7. **Mr. Sunya Orre** – Representative of the Permanent Secretary Ministry of Environment and Mineral Resources
8. **Ms. Njeri Mwangi** – Representative of the Attorney General
9. **Mr. Erastus Wahome** – Representative of Treasury
10. **Mr. Joseph Mwangi** – Representative of State Corporation



NEMA SENIOR MANAGEMENT COMMITTEE

1. **Prof. Geoffrey Wahungu** – Director General
2. **Mr. Benjamin Langwen** – Director Compliance and Enforcement
3. **Dr. Kennedy Ondimu** – Director Environmental Planning and Research Coordination
4. **Dr. Ayub Macharia** – Director Environmental Education Information and Public Participation
5. **Mr. Kennedy Ochuka** – Director Finance and Administration
6. **Ms. Irene Kamunge** – Ag. Director Legal Services
7. **Mr. Stephen Katua** – Deputy Director Coastal Marine and Fresh Waters
8. **Mr. Kodia Bisia** – Deputy Director Field Operations
9. **Ms. Esther Chege** – Deputy Director Human Resources and Administration
10. **Mrs. Jacqueline Marita** – Chief Corporate Communication Manager
11. **Mr. John Kimonge** – Chief Internal Auditor
12. **Mr. Godfrey Mwangi** – Corporate Planning Secretariat



ENVIRONMENTAL COMPLIANCE AND ENFORCEMENT

The Authority conducts environmental monitoring through licensing, enforcement, offering technical and legal advice, development and review of environmental regulations. This has led to enhanced compliance levels within the regulated communities as well as increased environmental awareness among the public.



Coral mining involves total removal of vegetation cover. Natural vegetation recovery is very poor in already mined areas.



One of the few quarries rehabilitated using casuariana in Bofa area.

1. Licensing

Table 1: Summary of the number of facilities licensed under different regimes

Licensing and inspection activities	Number
Waste management	511
Water quality	314
Ozone depleting substances licenses	10
Ozone depleting substances permits	7
Environmental Impact Assessment (EIA)	934
EIA Variation	45
EIA Transfers	13
Compliance inspection	48
Verification inspection	38
Incidents reported	272
Bulk noise license	27

Table 2: Sector-based water quality license (compliance)

Sector	No. Appl
Sewerage Service Provider	41
Industries (Manufacturing, Processing, Chemical)	128
Abattoirs	42
Tanneries	5
Petroleum Sector	475
Flower farms	108
Intensive Chemical Agriculture	14
Hotel, Camps and Lodges	134
Tea Sector	51
Coffee Sector	2
Sugar Industry	19
Sisal	6
Institutions	48
Others	9

i) Environmental Impact Assessment

In the year under review, the Authority recorded an increase in the number of environmental impact assessment licenses issued from 638 in the previous year to 934 licenses. In order to protect the environment, minimize the adverse environmental impacts of projects and ensure development is realized and the environment is enhanced, the Authority continued to work with various lead agencies which include ministries of Local Government, Lands and Housing, Energy Regulatory Commission, Kenya Radiation Board, Nairobi City Council, Kenya Wildlife Services, local authorities, and Kenya Forest Service among others to ensure sustainable development.

A lead agencies meeting was held in Nairobi where lead agencies shared their experiences in the EIA process and proposed suitable recommendations. The Authority also involved lead agencies in site verifications and stakeholder engagement sessions for complex project giving them a chance to advice on sectoral concerns and allowing the Authority to make informed decisions. This has helped in improving the working relationship between various government agencies in environmental management. Table 3 shows various activities achieved in the EIA process.

Table 3: EIA Activities

Activities	Achievement /Output	Remarks
EIA site verification	60	
Technical Advisory Committees	3	For Mara, proposed subdivision of Konza, Kima and Kiu ranches and increase of Stevia species in various counties
Public hearings	10	Mwakirunge landfill, Cortec mining in Kwale, Lake Victoria Sanitation project in Malava, Coconut cave in Mombasa, Konza subdivision, Kima ranch
EIA license	934	Headquarter only
Securing of Wildlife Migration Corridors	34	Reports submitted touching on the corridors put on hold awaiting management plans from KWS Mara Technical Advisory Committee (TAC) recommendation, Konza, Kima, Kiu TAC recommendations adhered, National cement licenses after KWS approved their Wildlife management plan
Strategic environmental assessment (SEA) licensing	2	Tatu City approved approved, reforestation and Carbon Sequestration programme SEA scoping reports reviewed and cleared for SEA undertaking

The Authority facilitated securing of the wildlife corridors and migratory routes by ensuring that management plans (general management plans and specific wildlife Management plans) were developed and adhered to in all conservancies e.g. Maasai Mara and Amboseli. Separate EIAs have been undertaken for specific projects in those areas and decisions on those EIAs are guided by management plans.

The Authority issued two SEA approvals for the Tatu City master Plan and the reforestation and carbon sequestration programme. The SEA process contributed to the amendment of the Tatu City master Plan as indicated below:

- Preferred source of water to be borehole and not rivers as earlier indicated.
- Wetlands on site to be maintained as recreational areas due to the unique biodiversity.
- Need to integrate a comprehensive solid waste management plan not just to propose a landfill.
- Emphasized the importance of a sewerage treatment plan to prevent ground water contamination

About seven scoping reports were reviewed. Coast disease free zonings programme, Upper Tana Natural Resource Management Programme were approved to undertake the full SEA while the solar LED lamps distribution programmes were cleared not to undertake full SEA.

ii) Waste Management

511 facilities were licensed in a timely manner for the following categories:

- Transportation of waste (domestic, sewage, scrap metals, paper waste etc)
- Recycling facilities (e.g. waste oil recycling facilities, steel mills, paper and plastic recycling facilities)
- Incinerators
- Composting facilities
- Dumpsites and/or landfills

Impacts on the ground: This has led to enhanced compliance levels in waste management related activities as well as in facilities. Waste Management facilities are now implementing good environmental practices.

2. Inspection

The Authority used the risk-based approach to prioritize sectors for inspection. These sectors were considered to pose high environmental and health risk.

i. Oil recycling facilities

Inspection of waste oil recycling facilities in Mombasa was particularly critical so as to ensure compliance to best waste oil management practices and preventing environment pollution.

ii. Cement Sector

The Authority undertook inspections/control audit of cement factories in Athi River and Mombasa where these factories are concentrated as part of its mandate to monitor pollution and regulate compliance with environmental laws. The activities of these factories and the products they make being dusty in nature contribute heavily to air contamination in areas where the factories are located.

Most of the facilities inspected were non compliant with dust emission requirements either from the processing area or transportation of the raw material from source to the factory. Following these findings, the Authority issued to the companies improvement notices and closed one factory which had serious impact to the environment.

Most of the factories were able to comply with the environmental compliance requirements given during inspection thus achieving environmental improvement in dust minimization

iii. Monitoring of wetlands statuses

Monitoring and assessment of wetland ecosystems was carried out to determine the extent of degradation and compliance to the Wetlands Regulations, 2009. Among the sites monitored were lakes Ol Bolossat and Naivasha in Nyandarua and Nakuru counties respectively. The monitoring revealed catchment degradation as a result of encroachment.

iv. Ozone Depleting Substances inspection

In the year under review, the Authority and Kenya Revenue Authority (KRA) impounded a container packed with banned ozone depleting substances (ODS). The impounded cylinders labelled R404A and R410A had a composition of 11.5-12.9% and 1.2-1.4% respectively of R12 which has adverse environmental impact to the ozone layer.

During the inspection, it was discovered that the importer did not comply with the provisions of Environmental Management and Coordination (Controlled Substances) Regulations, 2007 because of mislabeling/misdeclaration, importing controlled ODS without an import permit and trading in phased out ODS contrary to Environmental Management and Coordination Act (1999). The importer was ordered to reship the consignment to the country of origin at his cost. This resulted in prevention of environmental pollution through the release of ODS substance to the environment.

v. Monitoring of environmentally significant areas (ESAs)

NEMA through joint enforcement carried out monitoring of ESAs in Kilifi County. The monitoring was intended to bring out environmental and social issues of coral mining in the county. Coral mining has been practiced as an important economic activity in Kilifi, Kwale, and Lamu counties for many years. Of the three counties, Kilifi is the largest producer of coral materials which mainly comprise building blocks and lime which is produced from burnt coral. The coral blocks are extracted from deep layers of dead coral found mainly along the coastal shoreline. Overall, the coral mining activities contribute revenue to the local economy as well as support the livelihoods of local communities who are engaged in artisanal mining activities.

During the monitoring, a number of negative impacts associated with coral mining activities were identified. These include impact on biodiversity. Biological surveys done in the mining sites indicated that vegetation composition and abundance has decreased extensively in both Tezo and Bofa areas. In addition, little vegetation recovery was seen at sites intensively mined for many years. Moreover, the loss of vegetation cover in most of the mines area and the little recovery witnessed clearly indicated that the faunal biodiversity that existed in such areas has been lost and chances are that many of them will never be recovered.

Table 4: Number of inspected facilities considered high environmental risk

Sector	Number of facilities inspected	Remarks
Cement factories	7	Most of the facilities inspected were non compliant with dust emission requirements either from the processing area or transportation of the raw material from source to the factory
Camps in the game reserves	24	
Sewerage treatment plants	3	
Incinerators	20	
Petrol stations	16	
Waste oil recycling facilities	11	Waste oil/sludge transportation licenses were suspended vide a Public Notice in the Standard newspaper on the 8th of January 2012. The facilities were required to comply with improvements orders before lifting of their suspension.
Steel mill	10	The purpose of the inspection was for the awarding of best practices in environmental compliance

The other identified impacts were un-rehabilitated quarries and emergence of informal settlements due to increasing housing demands.

In order to promote environmentally friendly and sustainable coral mining in the area the following measures were recommended:

- Strengthen enforcement of the Environmental (Impact Assessment and Audit) Regulations, 2003 in the area.
- Enforce the 60m setback rule along the shoreline to prevent encroachment of the riparian area by mining activities as well as settlement

3. Enforcement

The Authority instituted 64 environmental criminal proceedings against environmental offenders in Court. Prosecution of offenders has ensured continued compliance with environmental legislation among the public and stakeholders in the environment sector. It has also been a source of communication to those who may not be aware of environmental legislation and requirements because court proceedings are open to the public and are thus an avenue for public education and communication.

Table: Analysis of environmental crimes

Environmental Crime	Number	Status	Remarks
Accessing genetic resources without access permit and engaging in unsustainable use of natural resource without an environment impact assessment license and attempt to export aloe species derivatives without a permit contrary to the Wildlife (Conservation and Management) Act Cap 376 laws of Kenya.	1	Culprits were found guilty and fined Ksh. 150,000 each and forfeited the Aloe material for NEMA to destroy.	inspection was conducted by NEMA and KWS 6 cases fined between Kshs. 50,000 to 100,000 each
Commencing projects without EIA, failure to comply with lawful order and forgery of EIA, obstruction of inspectors.	34	20 cases finalized 14 cases pending	2 cases withdrawn under section 87A 12 Imprisoned 1 day community service
Playing loud music and installing sound equipment likely to make noise.	15	9 cases finalized 6 cases pending	Penalty fine of between Kshs. 10,000 and 20,000 to be paid
Waste Transportation without license or operating a dumpsite without a license.	10	9 finalized 1 pending	Penalty fine of between Kshs. 10,000 and 200,000
Discharge of pollutant to the environment	4	2 finalized 2 pending	Penalty fine of Kshs. 10,000

4. Development and review of regulations and guidelines

i. Development of Chemicals Management Regulations

The Authority is in the final process of developing the Toxic and Hazardous Chemical Management Regulations. The Regulations intends to manage the life cycle of chemicals from production, storage, utilization and disposal to ensure protection of human health and environment.

The Regulations will also domesticate the relevant multilateral environment agreements, including the Rotterdam, Stockholm and Basel Conventions.

ii. Review and drafting of legislation on land, environment and natural resources and harmonization of the same with the Constitution.

The Authority played a key role in the taskforce on the review of Environmental Management Coordination Act (EMCA) 1999 in harmonization with the Kenya Constitution 2010. The proposed amendments were adopted and a draft EMCA Amendment Bill is awaiting parliament's discussion and subsequent gazettelement.

NEMA played a critical role in the development of the Environment and Land Court Act (2011) in accordance with Article 162 (2) of the Constitution. These specialized courts will enhance access to environmental rights.

iii. Review of the Environmental Management and Coordination (Wetlands, Riverbanks, Lakeshores and Sea Shore Management) Regulations, 2009.

The Authority spearheaded review of the Wetlands Regulation, 2009 in consultation with other lead agencies in order to harmonise the diverse riparian distances which were provided for in various sectoral laws. The Regulation also addresses issues relating to eucalyptus trees planting. The revised Wetlands regulations were validated by stakeholders and is awaiting gazettelement.

iv. Coastal Pollution Prevention and Control Guidelines

NEMA finalized Coastal Pollution Prevention and Control guidelines whose aim is to guide decision makers, managers, planners, developers, the community and other stakeholders to adopt best practice in their

operations in order to attain desired environmental standards. This will contribute to safeguarding coastal and marine environment from pollution and promote sustainable development.

The guidelines outline possible causes of pollution to the ocean as well as suggested preventive measures. Common sectors identified as possible sources of pollution include transport, agricultural, institutional, mining and waste water treatment facilities. Various preventive and control measures have been outlined for different polluting agents. To oversee the application and effectiveness of the guidelines, monitoring and evaluation objectives and strategies have been put in place.

V. The Review of the Environmental Management and Coordination (Waste Management) Regulations, 2006

A review of the Environmental Management and Coordination (Waste Management) Regulations of 2006 was undertaken. This entailed amendments to existing clauses in the Regulation to enhance good environmental practice and enforceability of the same.

There are also other emerging waste streams such as E-waste, waste tyres, asbestos waste, waste/used oil and plastic waste. Specific regulations for the above waste streams have been developed and are incorporated in the amended draft Environmental Management and Coordination (Waste Management) Regulations of 2006. Guidelines for the safe management and disposal of asbestos waste have also been developed. Technical guidelines on used oil management are also currently being developed and will be finalized in the financial year 2012/2013.

Due to lack of proper guidelines and awareness among the public, most of these waste streams are being disposed off in open dumps or burned. With the finalization of the guidelines and specific regulations on the same, safe management and disposal of these waste streams will be enhanced thus achieving sustainable waste management in the country.

vi. Review of the effluent discharge licence fees

Effluent discharge licence fees were revised based on volume and quality of wastewater generated, volumetric design flow for wastewater treatment plants, bed capacity for hotels, number of occupants for commercial residential premises and acreage for farms (horticulture, floriculture). The effluent discharge licence fees were gazetted on 23rd July 2012.

vii. Development of strategic environmental assessment (SEA) Guidelines

In order to address cumulative and secondary environmental impacts of plans and programmes, the Authority finalized the national SEA guidelines. The guidelines outline the SEA concept, principles, basic steps, and expected outputs and outcomes of a SEA process.

MULTILATERAL ENVIRONMENTAL AGREEMENTS (MEAs)

1. Drafting of reports, briefs and position paper on various Multilateral Environmental Agreements (MEAs) and other international processes

The Authority participated in drafting of United Nations Conference on Sustainable Development (UNCSD) RIO+20 position paper and attended the conference in Rio De Janeiro in June 2012.

NEMA also spearheaded development of position papers for Kenya for United Nations Framework Convention on Climate Change (UNFCCC) COP 17 meeting in Durban, and participated in the Durban negotiations.

2. Coordinating the domestication and activities of the MEAs to which Kenya is a party and related processes

The Authority participated in committees that are mandated to oversee the domestication of various MEAs such as the Convention on Biological Diversity, United Nations Convention to Combat Dessertification, UNFCCC, Ramsar, among others).

3. Management of MEAs secretariat and registry.

A database of all MEAs ratified by Kenya was established.

4. Coordination of global environment fund (GEF) process

NEMA coordinated the processing of 5 GEF processes under the System for Transparent Allocation of Resources (STAR). The projects considered for allocation include: -

- Enhancing wildlife conservation in the productive southern Kenya rangelands
- Development of national sustainable forest management strategy and support for Reducing Emission from Deforestation and Degradation (REDD) + Readiness for Dry land Forests in Kenya
- Scaling up sustainable land management and agro-biodiversity conservation to reduce environmental degradation in small scale agriculture in Western Kenya
- Sustainable conversion of waste to energy and other resources
- Small Grants Programme (SGP) 5th Operational Phase

STAR GEF-5 Allocation (All amounts in US\$ millions)

Focal Area	GEF-4 Indicative Allocation	PIFs cleared by CEO awaiting Approval
Biodiversity	8.95	2
Climate Change	5.0	2
Land Degradation	4.26	2

5. Nema Accreditation

NEMA has been accredited as the National implementation Entity (NIE) by the Adaptation Fund to support adaptation related activities that mitigate adverse effects of climate change. The Adaptation Fund was established to finance concrete adaptation projects and programmes in developing countries, least developed countries and island states that are parties to the UNFCCC. The Authority will now be able to receive environmental project proposals from other sectors, evaluate, fund and monitor their implementation.



ENVIRONMENTAL PLANNING AND RESEARCH

The Authority is mandated by the provisions of the Environmental Management and Coordination Act (1999) to prepare national policy documents that guide the mainstreaming of environmental concerns into national planning and decision making processes. These documents include: the National Environmental Action Plans (NEAPs) and County Environment Action Plans (CEAPs) and annual State of Environment reports (SoE). In the period under review, the Authority undertook the following:

Preparation of the County Environment Action Planning Manual

NEMA prepared the County Environment Action Planning Manual 2012 which has a sub-theme Towards Achieving Vision 2030. The manual will guide preparation of second generation County Environmental Action Plan 2013-2017 and aid devolved units to develop environment action plans that will mainstream environmental action planning into government economic planning at the county level. The manual will also empower county governments to integrate environmental considerations into their overall development agenda.

State of Environment Reporting

The Authority coordinated the preparation of the annual State of Environment Report for 2011. The Authority also facilitated the process of preparing state of environment reports for ten counties. The aim of SoE reporting is to undertake a comprehensive assessment of the environment of the country and present accurate and timely information on the state of environment and natural resources, identifying and documenting the causes of change and their subsequent impact. SoE 2011 gives a heavy focus on environmental aspects that impact the delivery of Vision 2030 as well as highlights areas where green economy can accelerate the realization of the goals of Vision 2030.

National Biodiversity Strategy and Action Plan (NBSAP)

NEMA with support from the United Nations Global Environment Facility (GEF) coordinated key stakeholders from various sectors, institutions and biodiversity resource users to develop Kenya's NBSAP 2011-2020. This is in fulfillment of Article 6 of the Convention on Biological Diversity (CBD) to which Kenya is a signatory.

The 2011-2020 NBSAP strategy describes issues that threaten biodiversity and the time-frame within action should be taken to prevent this. It flags out actions for biodiversity conservation within protected areas, arid and semi-arid lands, forests as well as degraded ecosystems. It also provides strategies for threatened and endangered species, alien invasive species, genetically modified organisms and management and utilization of indigenous knowledge systems.

The National Action Programme (NAP) under the United Nations Convention to Combat Desertification (UNCCD)

The Government of Kenya is a signatory to UNCCD and is obliged to implement activities aimed at preventing and reducing desertification, land degradation and drought (DLDD). In fulfillment of this obligation, the Authority coordinated the development of the 2nd National Action Programme (NAP) to the UNCCD for the period 2008-2018 in line with the UNCCD ten (10) year strategic framework.

National Action Programme focuses on areas of policy and institutional framework, advocacy, awareness creation, education, capacity building, science and technology, financial mechanism and gender. It has identified key strategic objectives meant to drive the Nation towards achieving a secure environment and sustainable livelihoods for people living in arid and semi-arid areas.

The implementation of the activities identified and documented in the National Action Programme will aid in combating desertification, ensuring sustainable development and securing the livelihoods of millions threatened by desertification and drought.

DEAPs Implementation in Nyanza and Coast Provinces

The Authority carried out a survey to monitor the implementation of the District Environment Action Plans in Coast and Nyanza Provinces. The surveys revealed gaps in the implementation and utilization of the DEAPs by key stakeholders and lead agencies expected to implement the action plans.

The findings will be crucial in informing the preparation of the next generation Action Plans to be done at the county level during the coming financial year.

Review and approval of clean development mechanisms (CDM) Projects

CDM is one of the arrangements developed under the Kyoto protocol that offer emission reduction credits to developed world through support of emission reducing projects in the developing world. NEMA is the designated national Authority (DNA) that grants and approves participation in CDM projects.

During the year, 5 Project Design Documents (PDDs) were reviewed. Two new projects namely the Nairobi biogas project and the 60MW Kinangop wind power project were registered. This brought the total number of projects registered under the Kyoto Protocol to ten in Kenya.

Mapping of Noise Zones

NEMA mapped noise zones in Mombasa, Kilifi and Nairobi aimed at identifying and stopping persistent noise polluters. The exercise also assessed the violation of 'silent zones' such as schools, hospitals and courts where noise should not exceed 40 decibels. The findings have assisted the Authority in informing and strengthening awareness creation within affected areas and reinforcing NEMA's enforcement actions.

Inventory of Illegal Dumpsites in major municipalities

An inventory of waste dumpsites was undertaken and information collected was used to inform the formulation of the waste management strategy and identification of best waste management systems for municipalities. In the year, the Authority inventorized Nairobi, Mombasa, Kisumu, Eldoret, Nakuru, Thika, Nyeri, Nanyuki, Embu and Machakos municipalities.



STAKEHOLDERS ENGAGEMENT, ENVIRONMENTAL EDUCATION AND COMMUNICATION

In order to enlighten stakeholders on the standards and procedures provided for by environmental legislation, their obligations by law, enlist stakeholder support aimed at enhancing environmental management and to provide an opportunity for NEMA to receive feedback from relevant stakeholders NEMA undertakes various education, communication and publicity awareness programmes and activities. In this regard the Authority undertook the following:

1. Training workshops on Water Quality Regulation (2006):

a. Petroleum Sector

The Authority held regional sensitization workshop for the Petroleum Sector for Nairobi Region in collaboration with the Energy Regulatory Commission, Kenya Bureau of Standards and Petroleum Institute of East Africa.

b. Water and sewerage companies

NEMA trained 28 Water and Sewerage Companies in Nyanza, Coast and Rift Valley regions on Water Quality Regulations (2006).

The above trainings aimed at raising the level of compliance to the Water Quality Regulation (2006) and reduce water pollution.

2. Training workshops for stakeholders on E-Waste

The Authority has been creating awareness on the procedures and best practices for handling e-waste by various stakeholders as provided for by the Guidelines for E-Waste Management in Kenya. Poor disposal of e-waste

through methods such as burning, lead to emissions of harmful gases to the atmosphere, while continued exposure to heavy metals may cause damage to body organs as well as contaminate water and land. NEMA conducted training workshops for local authorities, key Government agencies, waste handlers, electronic and electrical equipment manufacturers and distributors in Coast, Nairobi and Nyanza regions. In Nairobi, the workshop attracted participants from Africa who shared their experiences on E-waste management thus providing lessons for Kenya.

3. Regional Centers of Expertise (RCE)

a) Conference

Kenya held its first national RCE conference in November 2011 organised by NEMA. The main aim of the conference was to share experiences and best practices on how local expertise and innovations are being used to solve sustainable development challenges across the country. The conference and exhibition ran under the theme 'RCEs - turning a green leaf towards sustainability'. The conference attracted participants and exhibitors from government institutions, learning institutions, civil society organizations, media and private organizations.

b) Establishment of RCE Central Kenya.

NEMA coordinated the establishment and launch of RCE Central Kenya, hosted by Kimathi University College to address local challenges within the region. The launch attracted participants from learning institutions, government ministries, parastatals and civil society organizations drawn from Nyandarua, Kirinyaga, Thika, Muranga and Nyeri. The participants identified sustainable development challenges and prioritized five thematic areas namely education, waste management, agriculture and land use, health and infrastructure. Action plans along the thematic areas were drawn.

c) Support to RCEs

NEMA empowered RCEs to carry out tangible sustainable activities within their regions. As a result the Pwani RCE established a botanical garden within the College, while RCE Mau complex is greening Nakuru County through a community based afforestation programme.

4. Pwani University Education for Sustainable Development Policy and Senate Awareness Meeting

NEMA supported Pwani University College to develop its ESD policy. In addition NEMA sensitized 30 members of the Senate on the institution's ESD policy. The institution's senate validated the policy. Consequently NEMA printed the ESD policy document and handed it over to the university.

5. Curriculum re-orientation towards sustainability

The objective of curriculum re-orientation is to design curricula that are value-based and embedded with right competencies and sustainability practices. The Authority undertook the following with regards to curriculum orientation:

- i. A nation-wide ESD baseline survey: The outcomes of the survey have been fed into the curricula for primary and secondary schools currently being formulated by the Kenya Institute of Education (KIE).
- ii. NEMA partnered with the Jomo Kenyatta University of Agriculture and Technology (JKUAT) in review of its curricula. The result was capacity building of the JKUAT faculty in curriculum review; and production of two upgraded and ESD compliant curricula that were in line with requirements of the Commission for Higher Education.

6. ESD Pilot projects

In order to demonstrate sustainable development interventions in schools, NEMA and KIE partnered to run pilot projects at City Primary and Jamhuri High Schools in Nairobi. The projects demonstrate integrated natural resource management approaches that include composting, water harvesting and tree growing in the two institutions. It is expected that projects will be incorporated into co-curricular activities in the two institutions with the aim of inculcating right environmental attitudes in the youth.

7. School based environmental clubs

NEMA participated in a programme to create environmental education and awareness under the theme '*Reduce Poverty by Managing your Environment well*' in schools across the country. The programme was financed by the United Nations Development Programme (UNDP) and United Nations Environment Programme (UNEP).

The pilot schools were from the five United Nations Millenium Development Goals districts namely Bondo, Bungoma, Muranga, Garissa and Mombasa as well as Eldoret East and Dagoretti districts.

8. Media campaigns and media engagements

A media campaign on waste management was undertaken in print and electronic media. The objective of the campaign was to sensitize regulators and enforcement agencies on the need to prioritize waste management in their operations, budgets and in agenda setting. In addition the campaign emphasized to waste management operators the need to comply with the provisions of the Waste Management Regulation (2006) so as to enhance compliance. Further the campaign urged waste generators in domestic households, institutions, hotels, hospitals and schools among others to practice responsible practices that is 6 - Rs of Waste refuse, return, refill, reuse, recycle and reduce in waste management.

Local and international media covered environmental issues on NEMA such as regulation of noise, climate change, environmental impact assessment, inspection and closure of non compliant slaughter houses, inspection of illegal dumpsite/transfer stations, inspection of mining companies, among others on conservation. Through these engagements the media have helped to bring to the public limelight environmental related issues thus resulting in a more informed public and enhanced compliance by regulated communities and the public.

9. Training for advocates

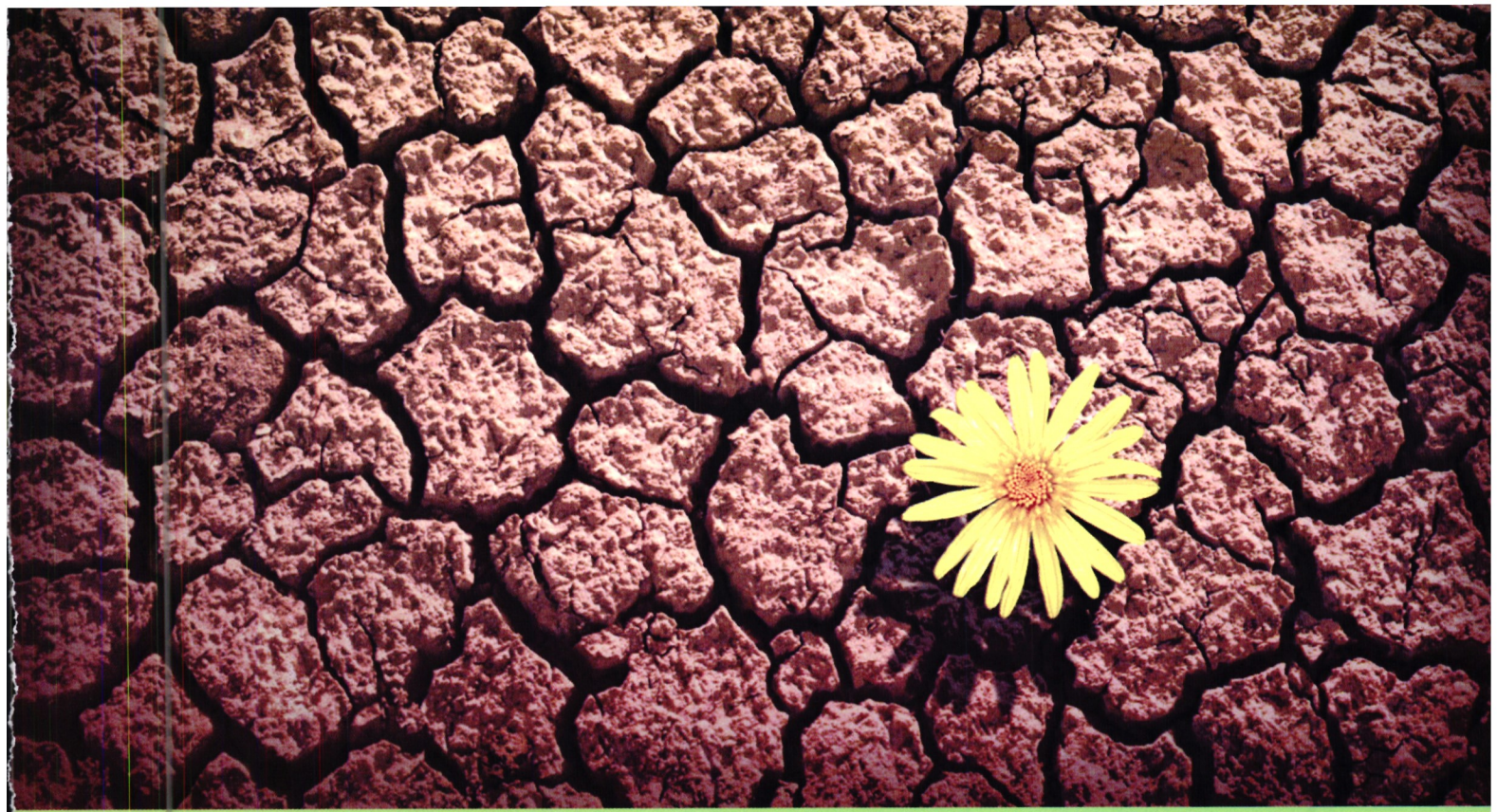
NEMA collaborated with the Law Society of Kenya to hold four workshops on environmental laws in Mombasa, Nakuru, Kisumu and in Nairobi. The workshops were part of continuing legal education and intended to sensitize advocates on environmental law. The advocates were equipped with knowledge on the environmental provisions contained in the Kenyan Constitution and existing environmental laws and regulations. This is expected to aid advocates in handling environmental cases.

10. Visit by Uganda NEMA Board

The NEMA Board of Uganda visited NEMA Kenya for a benchmarking mission on best environmental practices. NEMA Kenya learnt from the Ugandan counterpart key lessons on oil exploration and development. NEMA Uganda learnt lessons on biodiversity conservation, revenue and benefit sharing, decentralization and waste management from their Kenyan counterparts.

11. KARA and NEMA meeting

Kenya Alliance of Residents Associations (KARA) hosted officials from the National Environment Management Authority (NEMA) and Nairobi City Planning to a meeting. The purpose of the meeting was to discuss issues to do with the city handled by NEMA. These issues include issuance of environmental impact licenses, change of user licenses among others.



ENVIRONMENTAL DAYS

NEMA commemorates global environmental days as a way of domesticating various Multi-lateral Environment Agreements (MEAs) and engaging the public in order to create/enhance environmental awareness.

1. Clean-up the World Day 2011

The 2011 Clean up the World Day celebrations took place on 17th September, 2011 at the 8 provincial headquarters across the country. The year's global theme for clean up the world was: *"Our Place... Our Planet... Our Responsibility"*. The event profiled the importance of a clean and hygienic environment through local actions taken by every community and volunteers to prevent pollution and environmental degradation.



Members of the public in Embu clean their surroundings during the 2011 clean up the World day celebrations

2. World Wetlands Day (WWD) celebrations

The 2012 WWD was celebrated on 2nd February at Ombaka Primary School, Kisumu County, under the theme "Wetlands and Tourism". The theme highlighted tourism as one of the key services that wetlands deliver and hence the need to properly manage them. This can be done by ensuring sustainable tourism practices in and around wetlands, educating communities on the value and need for healthy wetlands and the long-term benefits to people and the environment.

The commemoration was preceded by an interactive panel discussion on the topic Wetland Tourism: Delivering Vision 2030 held at the National Museums of Kenya to raise awareness on wetlands wise use and their role in achieving Kenya Vision 2030.

During the celebration, various institutions undertaking wetland-wise-use initiatives within the L. Victoria basin were recognized and awarded. This was intended to appreciate individuals and institutions that have done commendable work in ensuring sustainable management and utilization of wetland resources.

3. World Environment Day (WED) 2012

The 2012 WED was marked on 5th June guided by the theme "Green Economy: Does it include you?" Green economy advocates for activities or actions that reduce carbon dioxide emissions into the atmosphere, promote the efficient use of natural resources for sustainable development and creation of job opportunities to alleviate poverty. The National event was held at Lafarge Ecosystem, Bamburi Mombasa County while seven other regional WED events were held simultaneously across the country.

The event highlighted major milestones that have been attained largely in the areas of renewable energy resources, modern irrigation, water harvesting, environmental legislation, sound waste management through recycling and waste water treatment among others. The industrial sector has embraced cleaner production technologies aimed at enhancing efficiency in use of natural resources and energy while minimizing waste generation at source.

The WED 2012 comprised of the following build-up events:

a) Mazingira runs

Nine regional Mazingira Runs were held across the country on 25th February 2012. The runs served to link sports to environment and demonstrating the importance of clean and hygienic surroundings which form an important requirement for all global athletic championships. The activity aimed at creating awareness on diverse environmental issues and profiled the Authority as well. The National Mazingira Run was held on 22nd May 2012 at the Uhuru Park Grounds Nairobi. The event was held in close collaboration with Athletics Kenya who have since adopted the Mazingira runs into their annual calendar of events. The men and women winners received monetary and non monetary awards from NEMA and other partners who included Safaricom and Nakumatt Holdings.

b) Green Corporate week and tree planting

Corporate Green Week was held from 14th-19th May 2012 to mobilize private sector to showcase their existing green initiatives and environmental achievements. The event culminated in a corporate tree planting activity which was held at the Ngong Hills Forest on 19th May 2012. A total of 4,500 tree seedlings were planted on a five acre land allocated by the Kenya Forest Service.

c) Regional Mr. and Miss Environment competition

The event spearheaded by NEMA field officers was held in 8 regions across the country. The competitions largely profiled the youth and provided an opportunity for participants to showcase their individual involvement in environmental activities and their vision for the future of the environment. All the build-up events created awareness, educated the public on environmental conservation and promoted stakeholders' participation.

4. World Oceans Day (WOD) Celebrations

The 2012 (WOD) was celebrated on 8th June at Baobab beach in Kilifi under the theme "Youth: The Next Wave for Change" as a recognition of the important role youth are playing to protect the ocean and associated resources. The participants were from government agencies and non-governmental organizations (NGOs). The key activities undertaken during the event were beach clean up, exhibitions, entertainments, speeches and presentation of awards to conservation groups.

The celebrations highlighted the threats facing the coastal and marine resources including pollution from land-based sources, uncontrolled development along the coastline, depletion of fisheries and climate change among others. In order to address these threats, NEMA has put in place measures to protect the environment including the Integrated Coastal Zone Management (ICZM) Action Plan and Shoreline Management Strategy.

5. World Day to Combat Desertification 2012

The Authority coordinated the commemoration of the World Day to Combat Desertification at Tarasaa Secondary school, Tana River County. The theme of the event was *“Healthy soil sustains your life: Let's Go Land-Degradation Neutral”*.

The event involved key stakeholders who included local community groups and elders, provincial administration and development partners. During the commemoration, community groups show-cased efforts in combating desertification and improving their livelihoods.

The local community groups involved in combating desertification were recognized by being awarded with certificates and empowered with finances to strengthen their livelihood initiatives. Some of the environmental challenges include pressure for utilization of natural resources, human settlement in the Tana delta, loss of biodiversity, siltation, scarcity and depletion of water sources and high rate of deforestation.

ENVIRONMENTAL EXHIBITIONS AND EVENTS

The Authority uses environmental exhibitions and events to showcase best environmental practices at national, regional and international levels. They enable the Authority to interact with wide range of stakeholders, disseminate environmental information, offer interventions and advise to the public. These exhibitions and events include:

1. Agricultural Society of Kenya (ASK) Shows

The Authority coordinated the preparations and participation in Nairobi, Mombasa, Kisumu among other ASK Shows guided by the theme: *“Driving Agribusiness in attaining food sufficiency and vision 2030”*. NEMA exhibited its services and how it contributed to the theme. In the Nairobi show the Authority's stand scooped third position in the category of the Best Stand demonstrating the application of Environmental and Quality Standards.

2. Go Green Expo 2012

NEMA organized regional environmental exhibitions christened: Go Green Expo where stakeholders had an opportunity to showcase their green initiatives and how they can contribute to a green economy. The exhibitions highlighted key issues on best practices in waste management, energy conservation, wise use of natural resources, recycling, rehabilitation efforts and clean development mechanism among others.

3. Other sector exhibitions

The Authority participated in other sector-based exhibitions which included, World Water Day celebrations, Homes Kenya Expo, UNHABITAT Day, tourism sector exhibitions among others.

EDUCATION AND AWARENESS

NEMA develops environmental awareness materials that are used in education. These are disseminated to various stakeholders during public forums, exhibitions and events. The Authority also organizes capacity building forums for its staff and lead agencies to enable them enforce environmental regulations. Some of the materials developed and trainings undertaken are highlighted below:

i) Materials

- Mau booklet detailing the status of the Mau catchment as a key water tower that faces severe degradation from illegal settlements and logging. It also recommended interventions which if undertaken will contribute to the conservation of the water tower.
- Water quality posters for hotels and lodges, slaughter houses, sugar and jaggeries, tanneries, sewerage, distillers, flower farms, chemical and petroleum sectors. The posters highlight the standards that are to be met by the sectors before discharge of effluent in to the environment.

- A Green Economy poster highlighting some of the green initiatives in Kenya such as geothermal and solar power generation, wind energy, biogas among others.
- ICZM booklet and 2 brochures bearing information on conservation and utilization of coastal resources. The materials target various sectors at the coast involved in conservation activities.
- E-Learning strategy was finalized and printed to promote technology supported learning in response to a resolution of African Ministerial Conference on Environment (AMCEN).
- I-call messages on wetlands and environmental impact assessment regulations were developed. These messages are to be uploaded on a toll free number to enable the public to access simplified information on the two regulations.
- Environmental education packs with messages promoting sound waste management practices were developed. The packs are to be distributed to several primary and secondary schools countrywide.
- Calendars featuring messages on waste management were developed and disseminated.
- Four editions of NEMA news magazines bearing various environmental themes were produced and disseminated.
- Environmental eco-friendly bags were produced and disseminated to NEMA staff and the public to promote use of recycled materials and reduce use of polythene bags.
- The Authority updated the content of its website to ensure its stakeholders who include the public and lead agencies continuously have access to information on NEMA programmes and activities.

ii) Art and essay competition for schools

NEMA organized the national Environmental Award Scheme with the aim of creating environmental awareness and awarding best environmental practices in different sectors of the environment. In this regard students participated in both essay writing and art work under the following topics:

1. Primary school (Standard 4-8) – “If I were the Minister for Environment...”
2. Secondary schools – “Environment: Gateway to Development”

The winners were awarded with certificates and shopping vouchers.

iii) Digitization of NEMA library

The Authority undertook to digitize its library with funding from the Natural Resource Management Programme (NRMP) to the tune of Ksh 2 Million. The digitization will result in cost reduction as well as enable NEMA officers to access the library from their work stations thus overcoming constraints of space.

iv) Training and curriculum programmes

- a. Two Basic Enforcement Course (BEC)** were undertaken targeting NEMA staff and lead agencies in the environment sector who implement environmental laws and regulations. The 9-day exercise equipped officers in these institutions with knowledge on how to conduct investigations, collect evidence, store exhibits and prepare case files for court cases. Lead agencies whose staff were trained include Water Resources Management Authority (WARMA) and Mines and Geology.
- b. Environmental Impact Assessment (EIA) reviewers' course:** the Authority trained NEMA and lead agencies staff on EIA review in order to equip them with skills on how to review EIAs and Environmental Audits (Eas).
- c. Training of technicians:** The Authority conducted three trainings for laboratory and service technicians, regulators and consumers of ozone depleting substances (ODS) in Nairobi, Mombasa and Naivasha.
- d. Curriculum development:** A review of the current curriculum on Environmental Impact Assessment Training being used by training institutions in the country was undertaken. The Authority also developed a Strategic Environment Assessment (SEA) curricular to train experts.
- e. Environmental training programs:** The Authority developed a brochure detailing training programs offered by NEMA for dissemination.



INSTITUTIONAL CAPACITY

Performance Contract Management

Performance Contracting (PC) is a statutory requirement for all ministries, local authorities and state corporations in order to deliver quality and timely services to the citizens. PC ensures that ministries, local authorities and state corporations remain focused on undertaking their mandate, account for resources allocated, aim deliver results, improve service delivery to citizens among others.

During the period, the Authority signed a new performance contract with the government through the Ministry of Environment and Mineral Resources. The Authority was expected to achieve a number of targets which included:

- Enhancing cost reduction by employing technologies that save on stationery, water and electricity within the Authority.
- Enhancing revenue collection from enforcement of gazetted environmental regulations.
- Implementation of service delivery charter to improve on customer satisfaction through service delivery innovations.
- Under Kenya Vision 2030 Flagship Projects/Programmes, the Authority focused on solid waste management as well as securing of wild life corridors and migratory routes through development controls
- Other targets included improved work environment, employee satisfaction and safety measures at the workplace. Prevention of alcohol and drug abuse, gender mainstreaming, disability mainstreaming and corruption eradication

During the performance contract annual evaluation, the Authority recorded improvement performance and was rated good. The Authority will strive to improve on its performance.

ISO Certification

The Authority was ISO 9001:2008 certified during the year. This was after having documented and implemented standard operation procedures (SOPs) as required by ISO 9001:2008 quality management system. Two internal audits of the system were conducted and all non-conforming areas identified and addressed. The external audit was conducted by Bureau Veritas thus paving way for the certification.

Automation

NEMA enhanced automation of its services which included licensing and accounts processes, digitization of library services, procurement and installation of Wide Area Network in Nakuru and Kisumu County offices, remote back up installed to secure the authorities records. The Information Communication and Technology policy was rolled out and staff sensitized. In addition, the Compliance and Enforcement database was established to track environmental impact assessment and audit processing.

Competency Development

To ensure highly skilled personnel, the Authority trained 109 staff. Kshs. 13.3million was spent inclusive of Kshs. 9.8 million from the Natural Resource Management Programme.

Work Environment

The Authority ensured that staff operate in a safe, clean and healthy environment by ensuring adequate office space, equipping officers with computers, vehicles, and sound level meters. The construction of field offices in Malindi, Narok and Bomet was initiated. Training on first aid was undertaken and first aid Kits installed. On health and safety measures of the staff, one fire drill was held and staff trained in record security management. In addition the Authority enhanced the facilities in the visitors waiting lounge and provided ramps for persons with disability.

Employee Satisfaction

During the year the Authority had a staff compliment of 337. 10 staff were recruited while 12 left the organization either through resignation or death. The Authority also endeavored to improve employee satisfaction through various interventions. Notable among these included enhanced commuter allowance for staff, recruitment of more technical and support staff to improve service delivery. A team building session for senior management staff was conducted for improving working relations. A staff welfare fund was also established and registered.

Cross Cutting Issues

The Authority continued to mainstream cross cutting issues on HIV and Aids, gender, prevention of alcohol and drugs abuse (ADA), disability, and corruption eradication in its operations as required in the public sector. This was done through development of policies and strategies.

- i) With regard to HIV/ Aids, the Authority commemorated the World AIDS Day in Kisumu and organized for activities such as setting up voluntary counseling and testing (VCT) services and holding health talks.
- ii) On gender mainstreaming, the Gender policy was prepared and gender disaggregated data was collected.
- iii) Under ADA, the policy was implemented and annual workplan submitted to National Agency for the Campaign against Drug Abuse (NACADA). Further staff were sensitized, ADA Committee trained and counseling undertaken.
- iv) On disability mainstreaming, a strategy and policy document was prepared and persons with disability considered in recruitment.
- v) The Authority in its endeavor to comply with the Anti-Corruption and Economics Crime Act developed corruption eradication strategies and operationalised an oversight committee.



DEVELOPMENT PARTNERS

Donor funding and support continues to play an important part in financing environmental activities for the Authority. In this regard the Danish International Development Agency (DANIDA) through the Natural Resource Management Programme (NRMP), Regional Coastal Mapping Programme (ReCoMap), Kenya Coastal Development Programme (KCDP), United Nations Environment Programme (UNEP) and the United Nations Development Programme (UNDP) were key partners. Some of the activities supported are highlighted below.

Natural Resource Management Programme

The NRM programme supported the Authority with Kshs. 72.9M towards environment management component. Programmes and activities supported were capacity building through training of staff both locally and internationally, enhanced automation of NEMA processes in accounts and Information Technology.

Kenya Coast Development Programme

The Authority received support from the World Bank through the Kenya Coastal Development project (KCDP) to identify and implement measures that promote conservation and sustainable development in the coastal area. It facilitated the launch of Integrated Coastal Zone Management (ICZM) Action Plan. KCDP further facilitated the development of the Shoreline Management Strategy that identified the need to address the

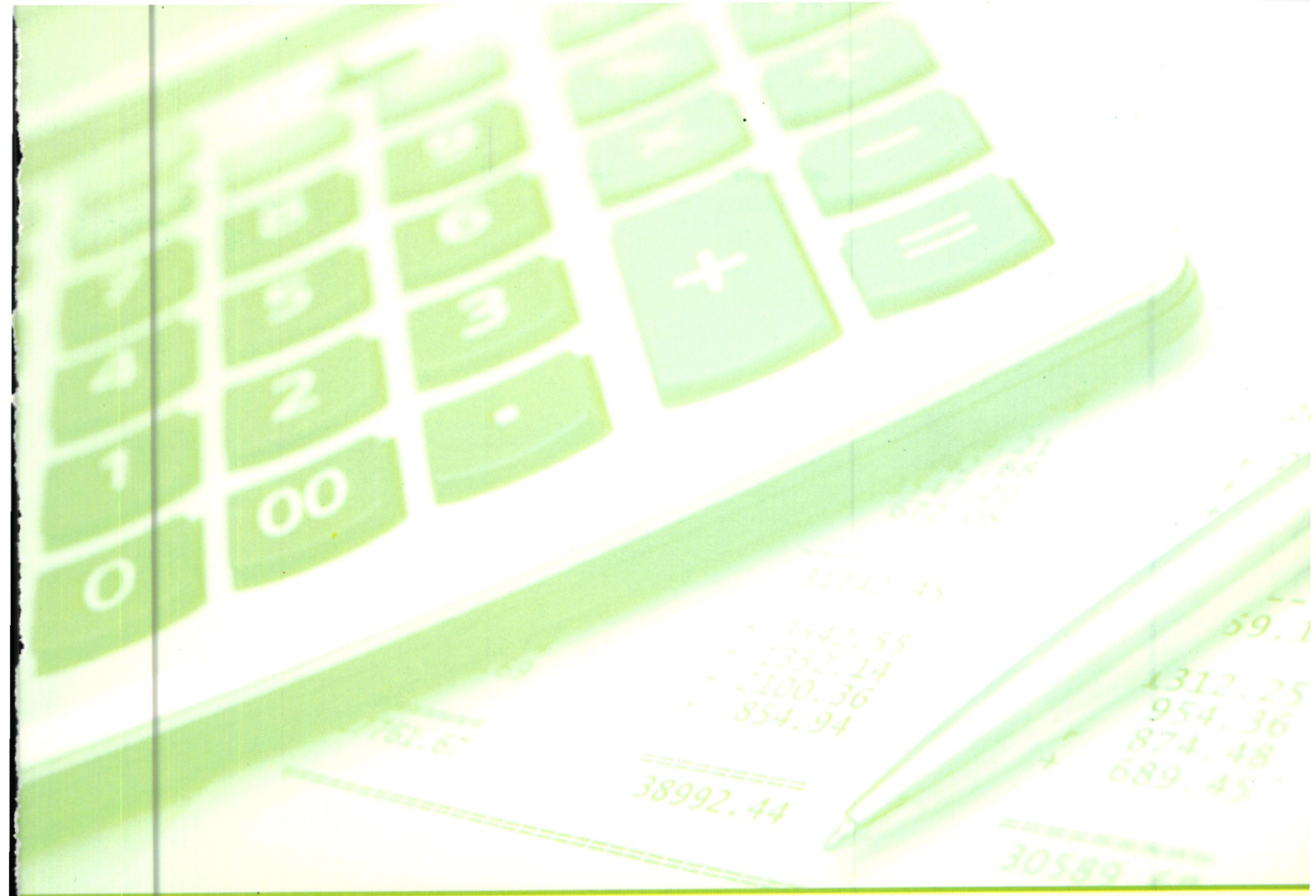
environmental issues facing Sabaki estuary and the adjoining Malindi accreted land as a priority. The aim is to reverse environmental degradation and deterioration of the tourism industry in Malindi.

During the year under review, 5 sites were monitored in the coastal region and documentation of baseline information on mining areas and degradation in the Coast. The project supported training, awareness for Coast Provincial Environment Committee on Environmental Management Coordination Act, 1999 and regulations, environmental offences and sustainable coastal tourism management particularly on waste.

Strengthening Information Systems for Implementation of Multilateral Environment Agreements

UNEP supported a project which aims at enhancing Kenya's ability to address global environmental issues related to land degradation, climate change, biodiversity conservation and chemical management through enhanced assessment and monitoring procedures.

The project was piloted in three sites namely Athi River Export processing Zone, Mara Ecosystem and the Yala Ecosystem to test EIA and audit tools and procedures and to enhance domestication of MEAs.



FINANCIAL MANAGEMENT

During the financial year 2011-2012, the Authority was allocated a government grant of Kshs. 551,789,249 compared to Kshs. 663,127,507 in the 2010-2011 financial year. This is in line with government policy that state corporations are required to be less dependent on the exchequer to fund their operations. Further it was granted authority to spend Kshs. 233 million from the accumulated revenue from licensing of previous years to fund priority activities in the annual work plan. The Authority collected Kshs. 298,414,682 revenue from licensing which was 10.9% higher than the previous year.

The A in A was collected from licensing of 6 gazetted regulations namely Environmental Impact Assessment and Environmental Audit Regulations, 2003; Waste Management Regulations, 2006, Water Quality Regulations 2006, Conservation of Biological Diversity and Resources, Access to Genetic Resources and Benefit Sharing Regulations, 2006, Controlled Substances Regulations, 2007 and Noise and Excessive Vibrations Control Regulations 2009.

A in A trends

A in A collections has been on an upward trend for the last 4 years.

Years	2008/09	2009/10	2010/11	2011/12
Printed Estimates	170.00	70.00	160.00	185.00
Actual collection	166.27	175.91	273.42	298.4

FINANCIAL STATEMENTS

The Authority in the period complied with the financial policies and procedures set by the government for state corporations under various legislation. Consequently the Authority was audited by Kenya National Audit Office and annual financial reports for the period under review as set out in the appendix.

Internal Audit

During the financial year, the Authority undertook internal audits of its activities at the headquarters and in field offices to ensure compliance with set budgetary levels, policies and procedures of the Authority. It also enhanced the risk management focus of the Internal Audit function by assisting the Authority to Identify, understand and appropriately manage its risk exposures.

This was achieved through the finalization and implementation of the Risk Management Policy. Other activities were audit inspections of waste oil recycling facilities and rehabilitation of selected degraded sites by the Audit Risk and Governance Committee of the board to ensure accountability, value for money and the right procedures were adhered to.



APPENDIX 1

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2012

	2012 Kshs	2011 Kshs
Government Grants - recurrent	551,789,249	633,127,502
Donor funds	69,174,990	80,005,580
Revenue Receipts	291,263,035	266,184,691
Interest Received	898,480	3,938,106
Other Income	6,253,168	2,906,622
	919,378,922	986,162,500
Expenditure		
Staff Costs	509,737,500	446,258,771
Administrative expenses	407,292,076	328,521,676
Statutory Committee expenses	74,406,866	80,739,138
Project expenses	77,610,506	90,329,662
	1,069,046,948	945,849,247
Total Expenditure		
Surplus/(Deficit)	(149,668,026)	40,313,253

FINANCIAL STATEMENTS (continued)**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2012**

	2012 Kshs	2011 Kshs
Recurrent grants		
National Environment Management Authority	435,789,249	547,037,504
Public Complaints Committee (PCC)	30,000,000	20,089,998
National Environment Tribunal (NET)	21,000,000	16,000,000
National Environment Trust Fund (NETF)	65,000,000	50,000,000
	551,789,249	633,127,502
Revenue receipts		
EIA Registration fees	9,917,450	7,931,207
Water Quality	29,253,100	41,432,311
Waste Management	9,831,200	12,476,690
Biodiversity	595,000	140,000
Ozone Depleting Substances	272,546	179,500
Noise Pollution	22,973,970	21,168,848
EIA income	218,419,768	182,856,135
Interest received	291,263,035	266,184,691
Other Incomes		
Sale of Tender Documents	1,426,000	1,055,000
Canteen Services	100,000	205,000
Sale of Obsolete Stock/Furn/Eq	115,228	-
Sale of Bonded Motor Vehicles	-	641,512
Surcharges and fines	298,000	-
Donations	2,973,040	-
Miscellaneous Income	1,340,900	1,005,110
	6,253,168	2,906,622

FINANCIAL STATEMENTS (continued)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2012

Donor Funds	2012 Kshs	2011 Kshs
DANIDA /SIDA - EPS Project	60,012,500	64,282,500
EU - Capacity Building Facility	-	-
KCDP	4,489,000	-
UNDP -SoE Project	-	2,022,250
ASARECA	-	2,673,025
Pacelia	-	147,857
UNEP General	-	4,442,519
Other Donor funds	4,673,490	6,437,429
	69,174,990	80,005,580

FINANCIAL STATEMENTS (continued)**STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2012**

ASSETS	2012 Kshs	2011 Kshs
Non-current assets		
Property, plant and equipment	139,564,020	104,007,499
Capital Work in Progress	3,936,024	-
	143,500,044	104,007,499
Current assets		
Cash at bank and in hand	271,935,036	461,910,628
Trade and other receivables	41,433,121	32,126,500
	313,368,157	494,037,128
TOTAL ASSETS	456,868,201	598,044,627
FUNDS AND LIABILITIES		
Capital Fund	175,472,531	171,972,531
Revenue Reserves	202,824,326	352,492,352
	378,296,857	524,464,883
Current liabilities		
Bank overdraft	-	309,272
Trade and other payables	78,571,344	73,270,471
	78,571,344	73,579,744
TOTAL FUNDS AND LIABILITIES	456,868,201	598,044,627

FINANCIAL STATEMENTS (continued)**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2012**

	2012 Kshs	2011 Kshs
Cash flows from operating activities		
Surplus / (Deficit) for the year	(149,668,026)	40,313,253
Adjustments for:		
Depreciation of property, plant and equipment	34,688,491	21,996,639
Interest received	(898,480)	(3,938,106)
Profit on disposal of motor vehicle	-	(641,513)
Changes in operating assets and liabilities		
Increase/ Decrease in trade and other receivables	(9,306,620)	(21,242,598)
Increase (decrease) in trade payables	5,300,873	44,620,489
	(119,883,762)	81,108,165
<i>Net cash from operating activities</i>		
Cash flows from investing activities		
Purchase of property, plant and equipment	(70,245,014)	(40,515,869)
Proceeds from disposal of Motor vehicle	-	892,135
Work in Progress	(3,936,024)	-
Interest received	898,480	3,938,106
	(73,282,558)	(35,685,628)
<i>Net cash used in investing activities</i>		
Cash flows from financing activities		
Development grant received	3,500,000	15,705,000
<i>Net cash used in financing activities</i>	3,500,000	15,705,000
Net increase (decrease) in cash and cash equivalents	(189,666,320)	61,127,537
Cash and cash equivalents at start of year	461,601,356	400,473,819
Cash and cash equivalents at end of year	271,935,036	461,601,356

FINANCIAL STATEMENTS (continued)**STATEMENT OF CHANGES IN CAPITAL FUND
FOR THE YEAR ENDED 30TH JUNE 2012**

	Accumulated Fund KShs	Revenue Reserve KShs	Total Kshs
At 1st July 2010	156,267,531	312,179,098	468,446,629
Development grant received	15,705,000		15,705,000
Net Surplus for the year	-	40,313,253	40,313,253
At 30th June 2011	171,972,531	352,492,352	524,464,883
At 1st July 2011	171,972,531	352,492,352	524,464,883
Development grant received	3,500,000	-	3,500,000
Net Deficit for the year	-	(149,668,026)	(149,668,026)
At 30th June 2012	175,472,531	202,824,326	378,296,857

