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KENYA NATIONAL ASSEMBLY TENTH PARLIAMENT – THIRD SESSION (2009)

THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES

REPORT

ON THE SCRUTINY OF ANNUAL ESTIMATES FOR THE FY 2009/2010

FOR

1. VOTE 20 – MINISTRY OF WATER AND IRRIGATION;
2. VOTE 21 – MINISTRY OF ENVIRONMENT AND MINERAL RESOURCES
3. VOTE 36 – MINISTRY OF LANDS
4. VOTE 55 – MINISTRY OF FORESTRY AND WILDLIFE

Clerks Chambers Kenya National Assembly Nairobi

July, 2009

1.0 PREFACE

Mr. Speaker Sir,

1.1 On behalf of Members of the Departmental Committee on Lands and Natural Resources, I feel honoured to present to the House the Committee's Report on the Scrutiny of Annual Estimates for the Financial Year 2009/2010 for Votes – 20, 21, 36 and 55, pursuant to provision of Standing Order No. 152 (1) and (2).

1.2 MANDATE OF THE COMMITTEE

1.2.1 The Departmental Committee No. J on Lands and Natural Resources is established pursuant to provisions of Standing Order No. 198 (2) and (3) with the following terms of reference: -

- a) to investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned Ministries and Departments;
- b) to study the programme and policy objectives of Ministries and Departments and the effectiveness of the implementation;
- c) to study and review all legislation referred to it;
- d) to study, assess and analyse the relative success of the Ministries and Departments as measured by the results obtained as compared with their stated objectives;
- e) to investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as may be referred to them by the House or a Minister; and
- f) to make reports and recommendations to the House as often as possible, including recommendation of proposed legislation.

1.2.2 The Committee is mandated to consider:-

- Lands and Settlement,
- Forestry, Water Resource Management and Development,
- Irrigation;
- Environment,
- Wildlife,
- Mining and Natural Resources.

1.3 OVERSIGHT

In executing its mandate, The Committee oversees the following Government Ministries; namely: -

- 1.3.1 Ministry of Water and Irrigation – **vote 20**;
- 1.3.2 Ministry of Environment and Minerals Resources – **vote 21**;
- 1.3.3 Ministry of Lands – **vote 36**; and
- 1.3.4 Ministry of Forestry and Wildlife – **vote 55**.

1.4 COMMITTEE COMPOSITION

The Departmental Committee on Lands and Natural Resources was constituted on June 17, 2009 and its Membership is as follows:-

- 1.4.1 Hon. Mutava Musyimi, M.P. – **Chairman**
- 1.4.2 Hon. Peris Chepchumba Simam, M.P. - **Vice Chairperson**
- 1.4.3 Hon. George Thuo, MGH, M.P.
- 1.4.4 Hon. Benjamin Jomo Washiali, M.P.
- 1.4.5 Hon. Silas Ruteere Muriuki, M.P.
- 1.4.6 Hon. Benedict Fondo Gunda, M.P.
- 1.4.7 Hon. Martin Ogindo, M.P.
- 1.4.8 Hon. Njuguna Gitau, M.P.
- 1.4.9 Hon. Mohammed Affey, M.P.
- 1.4.10 Hon. Omar Zonga, M.P.
- 1.4.11 Hon. Kiema Kilonzo, M.P.

Mr. Speaker Sir,

1.5 COMMITTEE UNDERTAKINGS AND SUBMISSION GATHERING

- 1.5.1 Subsequent to its appointment, the Committee commenced its work immediately. During its first sitting on Thursday, June 25th, 2009, the Committee elected the Hon. Mutava Musyimi, M.P. and the Hon. Peris Simam, M.P., as Chairperson and Vice-Chairperson, respectively. Thereafter, pursuant to Standing Order 152, the Committee commenced on the scrutiny of printed Estimates of the Ministries of Environment and Mineral resources, Water and Irrigation, Lands, Forestry and Wildlife on Tuesday July 7, 2009. These Estimates were Laid in the House on 10th June, 2009.
- 1.5.2 In total, the Committee held twelve (12) sittings to consider the Estimates. The minutes of these meetings are appended to this report;
- 1.5.3. The Committee received submissions, presentations and other reports from the four Ministries and the Parliamentary Budget Office as below:-

Mr. Speaker Sir,

1.5.4 RECEIVED SUBMISSION FROM:-

- 1.5.4.1 Minister and Permanent Secretary, Ministry of Environment and Mineral Resources (MEMR). Accompanied by:-

- Director General, National Environmental Management Authority(NEMA);
- Executive Director, Kenya Meteorological Department(KMD);
- Director, Department of Remote Sensing and Resource Survey(DRSRS);
- Head of Mining and Geology Department;
- Director of Administration, Ministry of Environment and Mineral Resources(MEMR);
- Deputy Director, Kenya Meteorological Department
- Assistant Director, Kenya Meteorological Department;
- Chief Geologist, Department of Remote Sensing and Resource Survey (DRSRS);

- Senior Superintendent Geologist, Department of Remote Sensing and Resource Survey (DRSRS);
- Principal Accountant, Ministry of Environment and Mineral Resources (MEMR); and
- Chief Economist, Ministry of Environment and Mineral Resources (MEMR).

1.5.4.2 Minister and Permanent Secretary, Ministry of Water and Irrigation (MWI). Accompanied by:-

- Chief Executive Officer – Water Services Trust Fund;
- Chief Executive Officer - Athi Water Services Board,
- Chief Executive Officer – Water Resources Management Authority;
- Director- Irrigation and Water Storage;
- Director- Water Services;
- Managing Director, National Water Conservation and Pipeline Corporation;
- General Manager, National Irrigation Board;
- Director, Land Reclamation;
- Principal Account Controller, MWI;
- Assistant Director - Human Resource Management; and.
- Chief Finance Officer, MWI

1.5.4.3 Minister and Permanent Secretary, Ministry of Forestry and Wildlife (MFW). Accompanied by:-

- Director, Kenya Forest Service (KFS);
- Director, Kenya Forestry Research Institute (KEFRI);
- Deputy Director, Kenya Wildlife Service (KWS);
- Deputy Director Planning, KFS;
- Senior Deputy Director, KFS;
- Deputy Director, Finance and Administration, KWS;
- Deputy Director, Finance, KFS;
- Principal Administration Officer, KEFRI;
- Head Planning Officer, KFS;
- Head Forest Plantation, KEFRI;
- Head of Resource Mobilization, KWS; and
- Chief Economist, MFW

1.5.4.4 Minister and Permanent Secretary, Ministry of Lands. Accompanied by:-

- Commissioner of Lands;
- Director Administration;
- Chief Finance Officer;
- Director; Physical Planning;
- Director; Lands Adjudication and Settlement;
- Deputy, Director of Lands Adjudication and Settlement;
- Director of Surveys;
- Accounts Controller; and
- Assistant Director Human Resource, Ministry of Lands.

1.5.4.5 Head of Budget office, Kenya National Assembly. Accompanied by:-

- 2 - Budget officers;

1.6 The Committee also considered the following reports in connection to the scrutiny of the Annual estimates for the respective Ministries: -

1.6.1 Vision 2030;

1.6.2 Printed Estimates for the Financial Year 2009/2010 for vote 20, 21, 36 and 55;

1.6.3 Budget Speech for 2009/010;

1.6.4 Budget outlook paper for Financial Year 2009/010;

1.6.5 Budget Strategy Paper for Financial Year 2009/010;

1.6.6 Public Accounts Committee report for the Financial Year 2004/05 and 2005/06 on audit queries of the various votes – vote 20, 21, 36 and 55; and

1.6.7 Report on Water and Governance by Transparency International – Kenya Chapter;

1.7 ACKNOWLEDGEMENT

1.7.1 The Committee wishes to sincerely thank the Offices of the Speaker and the Clerk of the National Assembly for the necessary support extended to it in the execution of its mandate. The Committee further wishes to thank the Ministers for Environment and Mineral Resources, Water and Irrigation, Lands, Forestry and Wildlife for responding promptly to issues raised by the Committee during the examination of the 2009/2010 Estimates.

1.7.2 I take this opportunity to thank all the Members of the Committee for their patience, sacrifice, endurance and hard work during the long sitting hours under tight schedules which enabled us to complete the tasks within the stipulated period.

1.7.3 The Committee wishes to record its appreciation for the services rendered by the staff of the National Assembly attached to the Committee. Their efforts made the work of the Committee and the production of this report possible.

1.8 RECOMENDATIONS

Mr. Speaker Sir,

Based on the submission, presentations and evidence adduced before the Committee, the Committee makes the following recommendations, that :-

1.8.1 sub head – 2210300, **Gender and Education**, which has been allocated Kshs. 180,000, under head 628 be reduced to Kshs. 0, as it is provided for under head 567;

1.8.2 the five large dams - Maruba in Machakos, Kiserian in Kajjado, Umaa in Kitui, Baldesa in Marsabit and Chemsusu in Koibatek, whose construction commenced in the last financial year, and that were left out of the budget allocation in the current financial year, be allocated funds to complete their construction in the next budget Estimates;

1.8.3 the Head 944 and 945 on integrated ASAL programme and Turkana Rehabilitation project respectively, be re-allocated to the relevant Ministry, the Ministry of State for Development of Northern Kenya and other Arid Lands, because it appears as a duplication of roles;

1.8.4 under heads 524 and 560, on recurrent disaggregated funds which have been designated for development type of activities yet they are in the recurrent budget be re-designated for development budget vote;

- 1.8.5 there should be comprehensive audit on Water Services Boards to determine their accountability and transparency and that the Ministry should delay the process of phasing out the District Water Officers until the Water Boards justify their viability;
- 1.8.6 the Ministry of Water and Irrigations should invest in conservation of wetlands and water catchments;
- 1.8.7 the funds allocated for Mineral Resource Management be re-allocated to National Environment Management Authority to further enable the Authority carry out its mandate because it has lost considerable funds through reduction in Appropriation-In-Aid;
- 1.8.8 being the lead Ministry with regards to climate change, the Ministry of Environment and Mineral Resources, should allocate resources on climate change education and awareness as a matter of priority;
- 1.8.9 the Mining Act be reviewed before the end of the current financial year, as a matter of urgency so as to exploit the opportunities in the mining subsector;
- 1.8.10 the rent accruing from KMD's Institutional Houses be collected and used by the KMD to finance its operations, and that the Ministry of Housing transfers collections of the rent accruing from KMD's Institutional houses to the Department;
- 1.8.11 more funds be allocated in the next budget estimates to the Ministry of Lands, to re-settle the landless and squatters in the Republic of Kenya;
- 1.8.12 more funds be allocated in the next budget estimates to the Ministry of Lands for computerization, Land policy implementation and Land Information Management System;
- 1.8.13 the Ministry of Lands be considered for additional vehicles to enable the Ministry carry out its mandate effectively;
- 1.8.14 the Ministry of Lands be allowed to retain and utilize revenue collected each year to finance its operations;
- 1.8.15 the Kenya Forestry Research Institute should be allocated more funds for research and operations;
- 1.8.16 given that Kenya Forest Service is a parastatal that has some staff under the institution and others under the Government of Kenya, the Committee recommends that adequate funds be allocated to Kenya Forest Service to harmonize the situation;

and from the above,

The Committee is agreeable to the proposals by the Ministers for Water and Irrigations, Environment and Mineral Resources, Lands, Forestry and Wildlife, and recommends that a sum not exceeding :-

1. **Kshs. 3, 336, 787, 570** be allocated to the Ministry of Water and Irrigation – Vote 20 for Recurrent, (*note this is after netting out the sub head- 2210300, Gender and Education, which was a repetition amounting to Kshs 180, 000, the amount is less than 1% of the whole vote allocation as provided for in the standing orders*) and **Kshs. 13, 724, 122, 865** for Development expenditure, proposed in the **Heads under Vote 20**, and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 1, 141, 834, 301** for recurrent and **Kshs. 10, 971, 366, 194** from Development Partners, for development to finance its operation;
2. **Kshs. 2, 001, 500, 000** be allocated to the Ministry of Environment and Mineral Resources – Vote 21 for Recurrent and **Kshs. 1, 566, 118, 920** for Development expenditure, proposed in the **Heads under Vote 21**, and that the Ministry be allowed to raise Appropriation-in-Aid


amounting to Kshs. 63, 500, 000 for recurrent and Kshs. 702, 071, 615 from Development Partners, for development to finance its operations;

3. Kshs. 1, 436, 963, 200 be allocated to the Ministry of Lands – Vote 36 for Recurrent and Kshs. 450, 400, 000 for Development expenditure, proposed in the **Heads under Vote 36**, and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 237, 880, 544 for recurrent and Kshs. 409, 600, 00 from Development Partners, for development to finance its operations;
4. Kshs. 3, 573, 100, 000 be allocated to the Ministry of Forestry and Wildlife – Vote 55 for Recurrent and Kshs. 1, 698, 128, 850 for Development expenditure, proposed in the **Heads under Vote 55**, and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 196, 560, 000 for recurrent and Kshs. 305, 833, 775 from Development Partners, for Development to finance its operations;

Be approved by the House.

1.9. CONCLUSION

- 1.74 Finally, it is now my pleasant duty, on behalf of the Departmental Committee on Lands and Natural Resources, to present and recommend this report to the House pursuant to the provisions of Standing Orders of the National Assembly. And, request the House to adopt the report.

SIGNED:.....

HON. MUTAVA MUSYIMI, MP
CHAIRMAN
DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES

Dated July 23, 2009

**SCRUTINY OF THE ANNUAL ESTIMATES OF VOTE 20, 21, 36 AND 55 FOR THE FINANCIAL YEAR
2009/010**

1. VOTE 20 – MINISTRY OF WATER AND IRRIGATION

1.1. INTRODUCTION - Mandate

- 1.1.1 The Ministry of Water and Irrigation has the mandate of ensuring that there is sustainable conservation, management and development of the available water and land resources and facilitates, their planned exploitation. The provision of adequate and clean water both for domestic, farming and livestock has been a major goal that the government has been pursuing for years.
- 1.1.2 A review of the Vision 2030 and the Medium-Term Plan indicates that among the flagship projects in the sub sector were the expansion of the hectarage under irrigation.

2.0 State Corporations and Departments

2.1 The Ministry has **five departments** and they are: -

- Water and Sewerage Services;
- Water Resources Management;
- Irrigation, Drainage and Water Storage;
- Land Reclamation; and
- Support Services.

2.2 Key **state corporations** are:-

- National Water Conservation and Pipeline Corporation;
- National Irrigation Board;
- Kenya Water Institute;
- Water Services Trust Fund
- Water Resource Management Authority
- Water Services Regulatory Board;
- Water Appeals Board;
- Eight regional Water Services Boards – Athi, Lake Victoria South, Lake Victoria North, Rift Valley, Coast, Tanathi, Tana, and Northern;

2.3 Papers Laid - Documents of reference

- The Minister statement;
- Draft Strategic Plan of the Ministry;
- Draft Strategic Plan for the National Irrigation Board;
- Draft Policy on Irrigation and Drainage;
- The budget Estimates (recurrent and Development)
- Disaggregated Budget;

2.4 Areas of concern under the sub sector

- 2.4.1 Current water supply is poor as it stand at 57% of households that are the only ones using water that is considered to be safe;
- 2.4.2 Poor irrigation only about 105,800 hectares under irrigation;
- 2.4.3 Drying river beds/many have become seasonal;
- 2.4.4 The few dams & water pans have dried up;
- 2.4.5 Uncoordinated harvesting of rain and underground water;

- 2.4.6 The Ministry since 2000 after the enactment of the water act has established several Water Boards and hence a substantial amount of resources are going towards transfers to these boards;
- 2.4.7 Poor/slow implementation of the Water reforms introduced in 2003, following the enactment of the Water Act 2003;
- 2.4.8 The overall budget of the Ministry for the year 2009/10 is Kshs 29.2 billion which is a substantial increase from the previous year which was Kshs 19.922 billions;
- 2.4.9 Major increase in development expenditure;
- 2.4.10 Huge provisions to state corporation why/. Is this not against government policy of reducing allocation to none strategic institutions;
- 2.4.11 Low absorption of funds and the measures the ministry has put in place; and
- 2.4.12 There is duplication of roles with other ministries and government departments;

2.5 ALLOCATION

2.5.1 REQUEST, ALLOCATION, EXPENDITURE AND ABSORPTION CAPACITY

i). GOK RECURRENT

	REQUEST	ALLOCATION	EXPENDITURE	ABSORPTION RATE
2007/08	4,945,000,000	3,158,351,940	3,154,237,682	99.87%
2008/09	6,785,450,000	3,530,457,160	3,045,087,765	86.25%
2009/010	4,929,000,000	3,336,967,570		

ii). GOK DEVELOPMENT

	REQUEST	ALLOCATION	EXPENDITURE	ABSORPTION RATE
2007/08	19,406,000,000	4,991,952,005	4,950,237,498	99.16%
2008/09	40,011,122,499	7,807,695,391	7,806,459,605	99.98%
2009/010	39,643,000,000	8,735,017,466		

iii). DONOR FUNDS

	DONOR ALLOCATION- DEVELOPMENT	DONOR PENDITURE -DEV	ABSO. RATE
2007/08	6,850,138,029	5,377,872,830.57	78.51%
2008/09	8,530,093,674	4,213,203,419.90	49.10%
2009/010	15,960,471,120		

2.5.2. ACTUAL ALLOCATIONS

The Ministry's budget- Allocations for the year 2009/10(in Kshs millions)

Vote	Details of Vote	Gross Rec. estimates 2008/09	Gross Dev. Estimates . 2008/09	Total 2008/09	Gross Rec. Exp. 2009/10	Gross Dev. Exp. 2009/10	Total 2009/10
20	Ministry of Water and Irrigation	4,481	15,441	19,922	4,479	24,695	29,174
all	Total for all votes	349,954	203,383	585,172	419,181	258,094	678,085
% of Total.		1.28	7.59	3.40	1.07	9.57	4.30

2.5.3 AREAS LEFT OUT OF THE BUDGET

	Planned Programmes	Amount Kshs.
1	Servicing Construction contracts for the ongoing 5 dams	3.2 billion
2	Up-scaling irrigation development	4.158 billion
3	Funding for 9 new dams to increase water storage	4.3 billion
4	Up-scaling rural water storage	1.0 billion
	total	12. 858 billion

2.6 CONSIDERATION OF ESTIMATES

2.6.1 SCRUTINY OF THE RECURRENT ALLOCATIONS (R20) - OBSERVATIONS AND RECOMMENDATION

Examination of Heads, by the Committee, under Vote R. 20 was as follows:-

567: HEADQUARTERS ADMINISTRATIVE AND TECHNICAL SERVICES

The proposed net expenditure under this head is **Kshs 210, 709, 397**. In addition, under this head, the Ministry expects to raise Kshs. **200, 000** in Appropriation-in-Aid. The Committee observed that the net allocations decreased from Kshs 240,570,949 in 2008/09 to Kshs 210, 709,397 in 2009/010.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 210, 709, 397** be allocated to the Ministry for the expenditure proposed in the items under Head 567 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. **200, 000** to finance its operations.

628: FINANCE AND PROCUREMENT SERVICES

The proposed net expenditure under this head is **Kshs 8, 240, 000**. The Committee noted a decrease in the allocation, from Kshs. 13,312,323 to Kshs. 8,240,000. This is due to the adjustments made on items for compensation to employees which have been reduced to zero. However, a new sub head has been introduced on **Gender and Education** which has only one item domestic travel. This sub head also appears also under 567.

The Committee recommends that the sub head, **Gender and Education** be rationalized and should appear under only one head i.e 567;.

The Committee therefore proposes that a sum not exceeding **Kshs. 8, 060, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **628**.

714: THE WATER SERVICES TRUST FUND

The proposed net expenditure under this head is **Kshs 10, 000, 000**. The Committee observed that the allocations have remained constant at Kshs 10,000,000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 10, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **714**.

716: WATER SERVICES BOARDS

The proposed net expenditure under this head is **Kshs. 155, 000, 000**. In addition, under this head, the ministry expects to raise Kshs. **967, 624, 301** in Appropriation-in-Aid.

The Committee observed that the allocations have remained more or less Constant and these funds are for the eight regional Water Services Boards that arose through the reforms in the water sector.

The Committee observed that the net Appropriations-in-Aid for the institutions – water services boards, is remaining constant yet they are collecting levies through provisions of water. The Committee further observed that the management of Water Services Boards are not as expected and need further restructuring.

The Committee observed that the boards need to have been audited to ascertain their profitability or making losses. This will help in allocation of resources i.e. the criteria to apportion the resources among them should be based on performance and collection of A-IA.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 155, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 716 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 967, 624, 301** to finance its operations.

886: HEADQUARTERS PROFESSIONAL SERVICES

The proposed net expenditure under this head is **Kshs. 533, 647, 009**. The Committee observed that the allocations decreased from Kshs. 562,680,200 to Kshs. 533,647,009, the allocation on item such as utilities has been allocated large amount;. There is an allocation for payment of utilities which basically caters for electricity for the various plants.

The Committee noted that even though the Water Services Boards collect A-I-A, the Ministry is still paying utilities expenditure on their behalf, the same case applies to the allocation for specialized materials which consist of treatment materials for water.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 533, 647, 009** be allocated to the Ministry for the expenditure proposed in the items under Head **886**.

888: MECHANICAL AND ELECTRICAL DIVISION

The proposed net expenditure under this head is **Kshs 104, 540, 255**. In addition, under this head, the ministry expects to raise **Kshs. 60, 000** in Appropriation-in-Aid.

The Committee observed that the allocation slightly decreased from Kshs 105,206,686 to Kshs 104,540,255.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 104, 540, 255** be allocated to the Ministry for the expenditure proposed in the items under Head 888 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 60, 000** to finance its operations.

899 : WATER INSTITUTE

The proposed net expenditure under this head is **Kshs 80, 000, 000**. In addition, under this head, the ministry expects to raise **Kshs. 30, 000, 000** in Appropriation-in-Aid.

The Committee observed that the allocations increased from Kshs 100,000,000 to Kshs 110,000,000

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 80, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **899** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 30, 000, 000** to finance its operations.

991: DEVELOPMENT PLANNING

The proposed net expenditure under this head is **Kshs. 11, 697, 975**. The allocation slightly went down from Kshs 11,952,072 to Kshs 11,697,975

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 11, 697, 975** be allocated to the Ministry for the expenditure proposed in the items under Head **991**.

887: DISTRICT WATER SERVICES

The proposed net expenditure under this head is **kshs. 1, 060, 232, 835**. In addition, under this head, the ministry expects to raise **Kshs. 3, 000, 000** in Appropriation-in-aid.

The Committee noted that the allocations decreased from Kshs.1,100,530,828 in 2008/09 to Kshs. 1,060, 232,835 in 2009/010 and the reductions were mainly in utilities, specialized materials, fuel oil and lubricants. And this may affect operations at the district level and delivery of services.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 1, 060, 232, 835** be allocated to the Ministry for the expenditure proposed in the items under Head 887 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 3, 000, 000** to finance its operations.

889: WATER RESOURCES POLLUTION CONTROL

The proposed net expenditure under this head is **Kshs. 51, 537, 089**. The Committee observed that the allocations decreased from Kshs 58,409,415 to Kshs 51,537,089. The reduction was on specialized materials.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. **51, 537, 089** be allocated to the Ministry for the expenditure proposed in the items under Head **889**.

890: WATER RESOURCES- SURFACE WATER

The proposed net expenditure under this head is **Kshs 131, 217, 521**. The allocations remained constant since last financial year.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 131, 217, 521** be allocated to the Ministry for the expenditure proposed in the items under Head **890**.

892: COASTAL WATER SUPPLY

The proposed net expenditure under this head is **Kshs. 73, 147, 261**. In addition, under this head, the ministry expects to raise Kshs. **1, 650, 000** in Appropriation-in-aid.

The Committee observed that there was a slight decrease in the allocations from Kshs. 74,582,169 to Kshs. 73,147,261. However, the Committee also observed that this head contradicts the allocations under head 524, 560, 716, 785, hence need to be rationalized.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 73, 147, 261** be allocated to the Ministry for the expenditure proposed in the items under Head 892 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. **1, 650, 000** to finance its operations.

893: WATER RESOURCES

The proposed net expenditure under this head is **kshs 128, 933, 282**. The Committee observed that there was a slight decrease from Kshs. 135,964,332 to Kshs 128, 933 282 reduction in compensation to employees and on domestic travel

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 128, 933, 282** be allocated to the Ministry for the expenditure proposed in the items under Head 893.

894: OTHER MUNICIPALITIES WATER SUPPLY

The proposed net expenditure under this head is **Kshs. 105, 033, 202**. In addition, under this head, the ministry expects to raise Kshs. **1, 000, 000** in Appropriation-in-aid.

The Committee observed that the allocations decreased from Kshs. 114,638,474 to Kshs. 105,033,702 and the decrease was mainly on compensation to employees.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 105, 033, 202** be allocated to the Ministry for the expenditure proposed in the items under Head 282 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. **1, 000, 000** to finance its operations.

895: SEWERAGE MAINTENANCE

The proposed net expenditure under this head is **Kshs 7, 600, 000**. The Committee observed that the allocations decreased from Kshs 10,000,000 to Kshs 7,600,000. The decrease was mainly in routine maintenance of other assets.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 7, 600, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **897**.

250: IRRIGATION AND LAND RECLAMATION

The proposed net expenditure under this head is **Kshs. 183, 032, 936**. The Committee observed that the allocation decreased from Kshs 194,136,326 to Kshs 183,032,936. The decrease was in the subhead on Community-based small holder irrigation under construction and civil works and that the item on provision for civil works has remained a recurrent item when it is a development item.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 183, 032, 936** be allocated to the Ministry for the expenditure proposed in the items under Head **250**.

944. INTEGRATED ASAL PROGRAMME

The proposed net expenditure under this head is **Kshs. 36, 482, 516**. The Committee observed that the allocation has decreased from Kshs. 42,478,043 to Kshs. 36,482,516.

The Committee noted that Head 944 on integrated ASAL programme is duplication of roles with the Ministry of State for Development of Northern Kenya and other ASAL areas.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 36, 482, 516** be allocated to the Ministry for the expenditure proposed in the items under Head 944.

945: TURKANA REHABILITATION PROJECT

The proposed net expenditure under this head is **Kshs 22, 675, 292**.

The Committee observed that the net allocations have decreased from **Kshs. 27,725,847** to **Kshs. 22,675,292**. The Committee noted that Head 945 on Turkana Rehabilitation project is duplication of roles with the Ministry of State for Development of Northern Kenya and other ASAL areas.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 22, 675, 292** be allocated to the Ministry for the expenditure proposed in the items under Head 945.

995: NATIONAL IRRIGATION BOARD

The proposed net expenditure under this head is **Kshs. 130, 000, 000**. In addition, under this head, the ministry expects to raise **Kshs. 128, 000, 000** in Appropriation-in-Aid.

The Committee observed that the allocations remained Constant at Kshs 130,000,000 and also A-I-A remains constant at Kshs 128,000,000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 130, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 995 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 128, 000, 000** to finance its operations.

785 : NATIONAL WATER CONSERVATION AND PIPELINE CORPORATION

The proposed net expenditure under this head is **Kshs 287, 000, 000**. In addition, under this head, the ministry expects to raise **Kshs. 10, 000, 000** in Appropriation-in-Aid. The Committee observed that the allocation remains constant at **Kshs. 287,000,000**

The Committee notes that the Appropriations-in-Aid for the institution is remaining constant as the previous years despite the fact that they charge levies and other fees on the use of their assets and through provision of water. And that the relationship between the National Water Conservation and Pipeline Corporation and Water Services Boards, especially when it comes to undertaking of projects in the districts should be harmonized.

The Committee also noted that most of the funds will be used to pay pending bills accrued over a few years.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 287, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 785 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 10, 000, 000** to finance its operations.

897 : WATER RIGHTS

The proposed net expenditure under this head is **Kshs 6, 241, 000**. In addition, under this head, the Ministry expects to raise **Kshs. 300, 000** in Appropriation-in-aid. The Committee observed that the net allocations have decreased from **Kshs 8,110, 000** in 2008/9 to **Kshs 6,241,000** in 2009/010.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 6, 241, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 897 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 300, 000** to finance its operations.

2.6.2 ANALYSIS OF THE DEVELOPMENT BUDGET (D20) - COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

Examination of Heads, by the Committee, under Vote D 20 was as follows:-

282: MOUNT KENYA EAST PILOT PROJECT

The proposed net expenditure under this head is **Kshs 218, 256, 188**. In addition, under this head, the Ministry expects to raise **Kshs. 141, 675, 000** in Appropriation-in-Aid from Development Partners.

The Committee noted that the net amounts has increased from **Kshs 199,158,412** to **Kshs. 218,256,188** and that though the head covers several districts in Mount Kenya East Area for development purpose, it mainly finances recurrent type of expenditure.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 218, 256, 188** be allocated to the Ministry for the expenditure proposed in the items under Head 282 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 141, 675, 000** from Development Partners to finance its operations.

567: HEADQUARTERS ADMINISTRATIVE AND TECHNICAL SERVICES

The proposed net expenditure under this head is **Kshs 15, 000, 000**. The Committee observed that the net allocations decreased from Kshs 40,000,000 in 2008/09 to Kshs 15,000,000 in 2009/010 and amounts is meant for item 3110300 - refurbishment of buildings;

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 15, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 567.

714 : THE WATER SERVICES TRUST FUND

The proposed net expenditure under this head is **Kshs 60, 000, 000**. In addition, under this head , the Ministry expects to raise **Kshs. 481, 821, 200** in Appropriation-in-Aid from Development Partners.

The Committee observed that the net allocations have decreased from Kshs. 100,000,000 to Kshs. 60,000,000.

The Committee has observed that the water service borads are collecting revenues from water users and that the Ministry continues to allocated substantial amounts of funds to boards and further, that the transfer of assets to the boards has not ben effected as anticipated under the water sub sector reforms.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 60, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 714 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 481, 821, 200** from Development Partners to finance its operations.

716: WATER RESOURCES BOARDS

The proposed net expenditure under this head is **Kshs 5, 329, 525, 177**. In addition, under this head , the Ministry expects to raise **Kshs. 6, 034, 385, 389** in Appropriation-in-Aid from Development Partners.

The Committee observed that the allocations have substantially increased from Kshs. 4,256,427,657 to Kshs. 5,329,525,177 and the allocations is for the eight regional Water Services Boards in the country.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 5, 329, 525, 177** be allocated to the Ministry for the expenditure proposed in the items under Head 716 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 6, 034, 385, 389** from Development Partners to finance its operations.

886: HEADQUARTERS PROFESSIONAL SERVICES

The proposed net expenditure under this head is **Kshs 640, 000, 000**. In addition, under this head, the ministry expects to raise Kshs. **3, 617, 384, 605** in Appropriation-in-Aid from Development Partners.

The Committee observed that the allocations decreased from Kshs 2,038,255,100 to Kshs. 640,000,000. Most of the resources are from Development Partners in form of loans and grants and they are disbursed through the direct mode of payment (AIA).

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 640, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 886 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 3, 617, 384, 605** from Development Partners to finance its operations.

899: WATER INSTITUTE

The proposed net expenditure under this head is **Kshs 30, 000, 000**. The Committee observed that the net allocations increased from Kshs 25,000,000 to Kshs 30,000,000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 30, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 899.

991 : DEVELOPMENT PLANNING

The proposed net expenditure under this head is **Kshs 6, 000, 000**. The Committee observed that the net allocation slightly increased from Kshs 3,500,000 to Kshs 6,000,000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 6, 000, 000** be allocated to the Ministry for the expenditure proposed on the items under Head 991.

511: CENTRALIZED SERVICES

The proposed net expenditure under this head is **Kshs 15, 000, 000**. The Committee observed that the net allocations remained Constant at Kshs 15,000,000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 15, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 511.

524; CONSTRUCTION OF WATER SUPPLIES

The proposed net expenditure under this head is **Kshs 1, 037, 829, 000**. The Committee observed that the net allocations Decreased from Kshs. 1,041,687,051 to Kshs 1,037,829,000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 1, 037, 829, 000** be allocated to the Ministry for the expenditure proposed on the items under Head 524.

560 : CONSTRUCTION OF WATER SUPPLIES

The proposed net expenditure under this head is **Kshs. 551, 125, 000**. The Committee observed that the net allocations increased from Kshs 501,500,000 to Kshs 551,125,000

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 551, 125, 000** be allocated to the Ministry for the expenditure proposed on the items under Head 560.

563: CONSTRUCTION OF SEWERAGES

The proposed net expenditure under this head is **kshs 226, 000, 000**, The allocation increased from Kshs 178,000,000 to Kshs. 226,000,000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 226, 000, 000** be allocated to the Ministry for the expenditure proposed on the items under Head 563.

889: WATER RESOURCE- POLLUTION CONTROL

The proposed net expenditure under this head is **Kshs 3, 320, 000**. The Committee observed that the net allocation remain constant from the last financial year at **Kshs 3, 320, 000**.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 3, 320, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 889.

893 : WATER RESOURCES

The proposed net expenditure under this head is **Kshs 7, 200, 000**. The Committee observed that the net allocations remained the same at Kshs 7,200,000

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 7, 200, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 893.

250; IRRIGATION AND LAND RECLAMATION

The proposed net expenditure under this head is **Kshs 278, 105, 000** In addition, under this head , the ministry expects to raise Kshs. **209, 100, 000** in Appropriation-in-Aid from Development Partners. The Committee notes that the allocation decreased from Kshs. 338,455,000 to 278,105,000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 278, 105, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 250 and the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 209, 100, 000** from Development Partners to finance its operations.

944: INTEGRATED ASAL PROGRAMME

The proposed net expenditure under this head is **Kshs 28, 500, 000**. In addition, under this head , the ministry expects to raise **Kshs. 12, 000, 000** in Appropriation-in-Aid from Development Partners. The allocation has increased from Kshs 21,000,000 to Kshs. 28,000,000 at net level.

The Committee notes that the head appears a duplication of roles with the roles under the ministry of State for the Development of Northern Kenya and other Arid Lands therefore need to re-locate to the relevant Ministry or department.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 28, 500, 000** be allocated to the Ministry for the expenditure proposed In the items under Head 944 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 12, 000, 000** to finance its operations.

945: TURKANA REHABILITATION PROJECT

The proposed net expenditure under this head is **Kshs 13, 062, 500**. The Committee notes that the allocations have decreased from Kshs 14,062,500 to Kshs 13,062,500.

The Committee notes that the head appears a duplication of roles with the roles under the ministry of State for Development of Northern Kenya and other Arid Lands therefore need to re-locate to the relevant Ministry or department.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 13, 062, 500** be allocated to the Ministry for the expenditure proposed on the items under Head 945.

995 : NATIONAL IRRIGATION BOARD

The proposed net expenditure under this head is **Kshs 1, 064, 000, 000**. In addition, under this head , the Ministry expects to raise **Kshs. 475, 000, 000** in Appropriation-in-Aid from Development Partners.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 1, 064, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 995 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 475, 000, 000** from Development Partners to finance its operations.

784: FLOOD CONTROL MANAGEMENT

The proposed net expenditure under this head is **Kshs 197, 000, 000**.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 197, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **784**.

785 : NATIONAL WATER CONSERVATION AND PIPELINE CORPORATION

The proposed net expenditure under this head is **Kshs 1, 044, 000, 000**. The Committee noted that the allocations have decreased from Kshs 1,051,700,000 in financial year 2008/010 to Kshs 1,044,000,000 in financial year 2009/010.

The Committee notes that most of the funds allocated to National Water Conservation and Pipeline Corporation is to clear Pending bills acrued over the year's therefore no funds for developemnt or little goes to actual development.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 1, 044, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 785.

896 WATER CONSERVATION AND DAM CONSTRUCTION

The proposed net expenditure under this head is **Kshs 2, 960, 200, 000**. The allocations have increased substantially from Kshs 1,753,500,000 in 2008/09 to Kshs 2,960,200,000 in 2009/010.

The Committee observed that there 5 major/large dams that construction commenced in the last Finanacial Year and they are – Maruba, Kiserian, Umaa , Baldesa and chemsusu and that if allocated funds to complete their construction will go along way in solving the water shortages.

The Committee recommends that the funds be allocated funds for the Completion of the 5 dams in the next buget.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 2, 960, 200, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 896.

3. VOTE 21 – MINISTRY OF ENVIRONMENT AND MINERAL RESOURCES

3.1 Introduction – Mandate

3.1.1 The Ministry of Environment and Mineral Resources has the mandate to protect, conserve, and sustainably manage the environment and mineral resources through sustainable exploitation of resources for socio-economic and national development;

3.1.2 the challenges facing the Ministry are: -

- Catchments area protection;
- Insufficient funds allocation to NEMA;
- Inadequate staffing in NEMA at lower levels in District and Provinces;
- Liquid solid and air pollution and Waste management;
- Weak collaboration with other Ministries, Departments and Stakeholders in Environmental Management;
- Climate change and desertification;
- Lack of a Mineral policy and legal framework;
- Exploration and mining licensing;
- Old Aircraft for the Department of Resource Survey and Remote Sensing for carrying out surveys and mapping among other challenges; and
- Inadequate equipment for Kenya Meteorological Department for monitoring weather patterns.

3.1.3 Ministry is undertaking the following measures to address these challenges:-

- The National Environment Management Authority is working closely with all stakeholders on air pollution, polythene and plastics, waste and suspected dumping of toxic waste materials for proper management control;
- NEMA is currently addressing many issues of concern through the elaboration of land use regulations, guidelines and standards;
- The District Environmental Committees which are multi-disciplinary and multi-stakeholder are now being involved in the formulation of District Environment Action Plans;
- The Ministry is endeavoring to work closely with other ministries, Departments and other stakeholders on environmental management and conservation e.g the Nairobi River Rehabilitation and Restoration Programme;
- The current Mining Act has been reviewed and is now at the cabinet level. Strategies will be formulated for promotion of mining industry, promotion packages of the Sector will be undertaken for both the communities and investors;
- The Ministry is collaborating closely with the Kenyan on Mines to ensure stakeholders participation on the minerals sector activities;
- The Mines and Geology Department has been conducting assessment on landslides in the past as they occur and has been giving advice on the necessary mitigation measures;
- The department has also put in place a programme entitled Geological Hazard Mapping which will identify all areas of landslide potential amongst other geo-hazards including those of seismic and volcanic activities;
- The Department of Resource Surveys and Remote Sensing has continued to provide survey and information on crop forecasting and wildlife/ livestock census; and

- The ministry is developing the National Climate Change strategy to address the adverse effects of climate and propose adaptation and mitigation measures.

3.2 State Corporations and Departments

3.2.1 The Ministry has five departments and they are: -

- General Administration and Planning;
- Directorate of environment;
- Mines and Geology ;
- Remote Survey and Remote Sensing; and
- Kenya meteorological Department.

3.2.2 Key state corporations are:-

- National Environment Management Authority (NEMA);

3.3 Papers Laid - Documents of reference

3.3.1 The Minister's statement on the FY 2009/2010 Annual Estimates;

3.3.2 Draft Strategic Plan (2008 – 2012) for the Ministry of Environment and Natural Resources;

3.3.3 Disaggregated Budget for the Ministry and NEMA, and

3.3.4 The Annual Estimates of the Ministry 2009/2010;

3.4 Areas of concern under the sub sector

3.4.1 There continued destructions and encroachment to Catchments areas and that there no concrete steps being undertaken to protect;

3.4.2 Climate change effects and lack of legal framework in kenya despite signing of the conventions;

3.4.3 Lack of government commitmnet in protection of the environment, forest and catchment/wetlands areas as it relies on development partners for funds to undertake catchment/wetiand protections;

3.5 ALLOCATION

3.5.1 ALLOCATION AND ABSORPTION CAPACITY

i.). RECURRENT AND DEVELOPMENT

	RECURRENT	DEVELOPMENT	ALLOCATION	ABSORPTION RATE
2008/09	1, 960, 884, 000	946, 549, 847	2, 907, 434, 757	95 %
2009/010	2, 001, 500, 000	932, 734, 607	2, 934, 234, 607	

3.5.2 AREAS LEFT OUT OF THE BUDGET

	Planned Programme	Amount in Kshs.
1.	Integrated Meteorological information system	220,000,000
2	Acquisition of drilling rig for geological surveys and Mineral exploitation	150,000,000
3	Acquisition of Modern Aircraft for DRSSRS	300,000,000
4	Staffing and operation for NEMA	518,000,000
	total	1, 188, 000, 000

3.5.3. ACTUAL ALLOCATIONS

The Ministry's budget- Allocations for the year 2009/10(in Kshs millions)

Vote	Details of Vote	Gross Recc. estimates 2008/09	Gross Dev. Estimats es. 2008/09	Total 2008/09	Gross Rec. Exp. 2009/10	Gross Dev. Exp. 2009/10	Total 2009/10
21	Ministry of Environment & Mineral Resources	1,196	1,043	2,239	2,065	2,269	4,334
all	Total for all votes	349,954	203,383	585,172	419,181	258,094	678,085
	% of Total.	0.34	0.51	0.38	0.49	0.88	0.64

3.5.3 The ministry has considerably more allocation for this financial year and the major increments in allocation are to environmental management and protection and mineral Services. The allocation has increased both in absolute value terms and relative to the total discretionary expenditure.

3.6 CONSIDERATION OF ESTIMATES

3.6.1 SCRUTINY OF THE RECURRENT BUDGET ALLOCATIONS (R21) - OBSERVATIONS AND RECOMMENDATIONS

670: HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 313, 817, 546**. In addition, under this head, the Ministry expects to raise **Kshs. 10, 000, 000** in Appropriation-in-Aid.

The Committee noted that the net allocation went down from Kshs 352, 473, 916 in 2008/09 to Kshs 313, 817, 546 in 2009/010 while A-I-A went down slightly from ksh10, 600, 000 to Kshs 10, 000, 000.

The Committee further observed that the major allocations is going to training, hospitality and Membership fees to International Organizations. However, following discussion with the Minister, the Committee is agreeable with the Minister's recommendation on subscription to international organizations and hospitality as the host to UNEP and other environmental conventions. Some include; -

- General Trust fund for operational Budget of the Rotterdam convention;
- General Trust Fund for the African Ministerial Conference on the Environment(AMCEN) (AM);
- General Trust fund for the Stockholm convention;
- Ramsar Convention provides the framework for national action;

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 313, 817, 546** be allocated to the Ministry for the expenditure proposed in the items under Head 670 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 10, 000, 000** to finance its operations.

749: FINANCIAL MANAGEMENT AND PROCUREMENT SERVICES

The proposed net expenditure under this head is **Kshs 10, 503, 000**. The Committee noted that the Allocation went up from Kshs. 9, 315, 000 in 2008/09 to Kshs 10, 503, 000 in 2009/010. And that the allocations went up despite reduction in utilities cost to zero allocation. Major increments are in training, travel, office supplies printing and advertising.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 10, 503, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 749.

885: DEVELOPMENT PLANNING DIVISION

The proposed net expenditure under this head is **Kshs 11, 326, 416**. The Committee observed that the net allocation went up from Kshs 9, 848, 605 in 2008/09 to Kshs 11, 326, 416 in 2009/010. However, non-priority areas like travel and hospitalities allocations went up, while other items remain constant.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 11, 326, 416** be allocated to the Ministry for the expenditure proposed in the items under Head 885.

690 : MINES & GEOLOGY DEPARTMENT

The proposed net expenditure under this head is **Kshs 122, 923, 082**. In addition, under this head, the Ministry expects to raise **Kshs. 5, 000, 000** in Appropriation-in-Aid.

The Committee noted that the net allocation went up marginally from Kshs 120, 496, 275 to Kshs 122, 923, 082 in 2009/010, with A-I-A remaining constant at Kshs 5, 000, 000.

The Committee was persuaded by the Minister submission that the A-I-A is not sufficient because of the archaic nature of the Mining Act. The Committee is therefore agreeable to the Minister's proposal.

RECOMMENDATION.

The Committee recommends that the Minister undertake a speedy review of the Mining Act to enable the Department collect sufficient A-I-A and supplement the contribution of the Ministry.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 122, 923, 082** be allocated to the Ministry for the expenditure proposed in the items under Head 690 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 5, 000, 000** to finance its operations.

691: PROVINCIAL OFFICES – HEADQUARTERS

The proposed net expenditure under this head is **Kshs 56, 068, 376**. In addition, under this head, the Ministry expects to raise **Kshs. 5, 00, 000** in Appropriation-in-Aid.

The Committee noted that net allocation went down marginally from Kshs 57, 558, 696 in 2008/09 to Kshs 56, 068, 376 in 2009/010 and that A-I-A remaining constant at Kshs 500,000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 56, 068, 376** be allocated to the Ministry for the expenditure proposed in the items under Head 691 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 500, 000** to finance its operations.

692: MINERAL SURVEY AND EXPLORATION

The proposed net expenditure under this head is **Kshs 23, 275, 789**. In addition, under this head, the ministry expects to raise **Kshs. 500, 000** in Appropriation-in-Aid.

The Committee observed that the net allocation decreased marginally from **Kshs 23, 957, 772** in 2008/09 to **Kshs 23, 275, 789** in 2009/010 while the A-I-A remained constant at **Kshs 500,000**.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 23, 275, 789** be allocated to the Ministry for the expenditure proposed in the items under Head 692 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 500, 000** to finance its operations.

219: DEPARTMENT OF RESOURCE SURVEY AND REMOTE SENSING

The proposed net expenditure under this head is **Kshs 157, 544, 690**. In addition, under this head, the Ministry expects to raise **Kshs. 1, 500, 000** in Appropriation-in-Aid.

The Committee observed that the net allocation increased from **Kshs 147, 260, 669** to **Kshs 157, 544, 690** while the A-I-A remained constant at **Kshs 1, 500, 000**. major allocations on fuel, operating expenses and travel since its a field intensive department.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 157, 544, 690** be allocated to the Ministry for the expenditure proposed in the items under Head 219 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 1, 500, 000** to finance its operations.

702: DIRECTORATE OF ENVIRONMENT

The proposed net expenditure under this head is **Kshs 47, 918, 815**. The Committee observed that the net allocation increased from **Kshs 26, 697, 627** to **Kshs 47, 918, 815** in 2009/010 and that major increment is on employee compensation. This is due to the creation of the environment directorate which has recruited staff.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 47, 918, 815** be allocated to the Ministry for the expenditure proposed in the items under Head 702.

736: NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY (NEMA)

The proposed net expenditure under this head is **Kshs 379, 357, 307**. In addition, under this head, the Ministry expects to raise **Kshs. 30, 000, 000** in Appropriation-in-Aid.

The Committee observed that the net allocation reduced from **Kshs 389, 357, 307** in 2009/010 to **Kshs 379, 357, 307** in 2009/010 while the A-I-A reduced from **Kshs 170, 000, 000** to **Kshs 30, 000, 000** in 2009/010.

The Committee observed that, following the submission by the Minister, the A-I-A for NEMA is reducing because the Environmental Impact Assessment license fee was

reduced from 0.1% of the total cost of the project to 0.05%, to the minimum of Kshs. 10,000 and a maximum of KShs. 1,000,000. Based on this reduction, NEMA projects to collect Kshs. 30, 000, 000 as A-I-A and this will create a shortfall of Kshs. 140, 000, 000 in the Financial Year 2009/2010.

Recommendations

The Committee recommends that the Ministry considers allocating the resources to NEMA in the next budget to alleviate the shortfall arising out of the reduction in A-I-A.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 379, 357, 307** be allocated to the Ministry for the expenditure proposed in the items under Head 736 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 30, 000, 000** to finance its operations.

762: PUBLIC COMPLAINTS COMMITTEE

The proposed net expenditure under this head is **Kshs 20, 000, 000**.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 20, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 762.

766: NATIONAL ENVIRONMENT TRIBUNAL

The proposed net expenditure under this head is **Kshs 16, 000, 000**.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 16, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head 766.

442: METEOROLOGICAL DEPARTMENT (HEADQUARTERS)

The proposed net expenditure under this head is **Kshs 841, 964, 979**. In addition, under this head, the Ministry expects to raise Kshs. **16, 000, 000** in Appropriation-in-Aid.

The Committee observed that the net allocation increased from Kshs 787, 119, 043 in 2008/09 to Kshs 841, 964, 979 in 2009/010 and that the A-I-A increased slightly from Kshs 15, 000, 000 to Kshs 16, 000, 000 respectively.

The Committee observed that, through the Minister, the increase in Rentals of Produced Assets is due to the sub-item on hire of transport i.e 2210604 which is intended for hire of an aircraft for feasibility studies under the Weather Modification Project which is a flagship Project under Vision 2030 program. This Project seeks to:

- (i) Enhance rainfall over the Eastern, Northeastern and Northern part of Kenya through advertent Weather Modification Techniques;
- (ii) Augment the snow over Mt. Kenya in an attempt to offset the increasing glacier melt due to Climate Change;
- (iii) Haistone suppression over the Kericho – Nandi Hills area as a way of giving safeguard to destruction of tea plantation and constant loss in profit by farmers.

And that

(iv) The Appropriation – In- Aid (A-I-A) from Kenya Meteorological Department (KMD) institutional houses is collected by the Ministry of Housing. This is despite the fact that these houses were built and are being maintained by KMD.

Recommendations

The Committee recommends that the rent accruing from KMD's Institutional Houses be collected and used by the KMD to finance its operations, and that the Ministry of Housing transfers collections of the rent accruing from KMD's Institutional houses to the Department.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 841, 964, 979** be allocated to the Ministry for the expenditure proposed in the items under Head 691 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 16, 000, 000** to finance its operations.

3.6.2 SCRUTINY OF THE DEVELOPMENT ALLOCATIONS (D21) – COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

670: HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 0**. The Committee observed that the head has been provided for under the Recurrent budget. Hence these items have been removed from the development budget.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 0** be allocated to the Ministry for the expenditure proposed in the items under Head **670**.

698: LAKE VICTORIA ENVIRONMENTAL MANAGEMENT PROJECT

The proposed net expenditure under this head is **Kshs 594, 553, 300**.

The Committee observed that the net allocation went up significantly from Kshs 61, 634, 530 in 2008/09 to Kshs 594, 553, 300 in 2009/010. mostly due to funding by loans and grants from various donors. And that major increments are on employee compensation, purchase of specialised materials, operating expenses, purchase of vehicles. The Committee noted that loans from donors are being used to fund operational expenses that are recurrent in nature yet they are appearing in the development estimates.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 594, 553, 300** be allocated to the Ministry for the expenditure proposed in the items under Head **698**.

885. DEVELOPMENT PLANNING DIVISION

The proposed net expenditure under this head is **Kshs 76, 730, 250**. In addition, under this head, the Ministry expects to raise **Kshs. 108, 078, 190** in Appropriation-in-Aid.

The Committee observed that the net allocation is increasing from Kshs 42, 793, 040 in 2008/09 to Kshs 76, 730, 250 in 2009/010 as a result of funding mostly by grants from EEC/EDF, DANIDA and various donors - (both AIA and Revenue).

The Committee observes that the donors are funding a planning division which appears a recurrent item.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 76, 730, 250** be allocated to the Ministry for the expenditure proposed in the items under Head **885** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 108, 078, 190** to finance its operations.

692: MINERAL SURVEY AND EXPLORATION

The proposed net expenditure under this head is **Kshs 85, 719, 804**. The Committee observed that the net allocation increased from kshs 24, 219, 802 in 2008/09 to kshs 85, 719, 804 in 2009/010, all GoK funded.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 85, 719, 804** be allocated to the Ministry for the expenditure proposed in the items under Head **692**.

219: DEPARTMENT OF RESOURCE SURVEY AND REMOTE SENSING

The proposed net expenditure under this head is **Kshs 177, 400, 000**.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 177, 400, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **219**.

612: INSTITUTIONAL STRENGTHENING OZONE DEPLETING SUBSTANCE MANAGEMENT.

The proposed net expenditure under this head is **Kshs 9, 779, 125**. The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 9, 779, 125** be allocated to the Ministry for the expenditure proposed in the items under Head **612**.

702: DIRECTORATE OF ENVIRONMENT

The proposed net expenditure under this head is **Kshs 307, 474, 836**. In addition, under this head, the Ministry expects to raise Kshs. **423, 400, 000** in Appropriation-in-Aid

The Committee observed that the net allocation decreased from kshs 403, 890, 453 to kshs 307, 474, 836 in 2009/010, because of funding mostly through grants from UNEP and Government of Japan. However, the Committee has noted that donor funds are used to pay for recurrent type of expenditure e.g. hospitality, operational expenses.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 307, 474, 836** be allocated to the Ministry for the expenditure proposed in the items under Head **702** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. **423, 400, 000** to finance its operations.

736: NATIONAL ENVIRONMENTAL MANAGEMENT AUTHORITY

The proposed net expenditure under this head is **Kshs 11, 731, 605**. In addition, under this head, the Ministry expects to raise Kshs. **170, 593, 425** in Appropriation-in-Aid from Development Partners.

The Committee observed that the net allocation reducing from kshs 31, 000, 000 to kshs 11, 731, 605, in 2009/010. However, the A-I-A increased from kshs 151, 325, 0300 to kshs

170, 593, 425 in 2009/010 and is mostly funds in form of grants from EDF/EEC, and DANIDA.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 11, 731, 605** be allocated to the Ministry for the expenditure proposed in the items under Head **736** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 170, 593, 425** from Development Partners to finance its operations.

442: METEOROLOGICAL DEPARTMENT

The proposed net expenditure under this head is **Kshs 302, 230, 000**.

The Committee observed that the net allocation went up almost doubling from kshs 170, 833, 040 in 2008/09 to kshs 302, 230, 000 in 2009/010 – all GoK funded. This is because of the purchase of specialised materials which include radio sonde in Garrisa, and Lodwar for upper air management for safety of aircrafts, Automatic pilot briefing system, Ozone sonde for stratospheric ozone layer measurement and Satellite imagery for resource mapping and remote sensing.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 302, 230, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **442**.

4 : VOTE 36 – MINISTRY OF LANDS

4.1 Introduction – Mandate and Appearance

4.1.1 The Ministry of Lands has the mandate to ensure security of land tenure, equitable distribution of land and sustainable land use, land planning and management, review and harmonization of laws related to land and its management, preparation and implementation of land use plans for all urban and rural areas, resolution of land and boundary disputes and revision of rents for leased government land;

4.1.2 In achieving the above, the Ministry 's mandate is to; -

- Formulate and implement land policies;
- Undertake physical planning
- Register land transactions
- Undertake land survey and mapping
- Undertake land adjudication and settlement
- Undertake land valuation; and
- Administer state and trust land.

4.2 State Corporations and Departments

4.2.1 The Ministry does not have any state corporation under it; however the Ministry is in the process of converting Kenya Institute of Survey Mapping (KISM) into a Semi Autonomous Government Agency (SAGA).

4.3 Papers Laid - Documents of reference

4.3.1 The presentation statement on the FY 2009/2010 Annual Estimates;

4.3.2 Draft Strategic Plan (2008 – 2012) for the Ministry of Environment and Natural Resources;

4.3.3 Disaggregated Budget for the Ministry; and

4.3.4 The Annual Estimates of the ministry 2009/2010;

4.4 Areas of concern under the sub sector

4.4.1 Allocations of funds to the Draft National Land Policy;

4.4.2 allocation of resources to the land information management system and Computerization of the Ministry;

4.4.3 Revenue generation and retention by the Ministry;

4.5 ALLOCATION

4.5.1 ALLOCATION AND ABSORPTION CAPACITY

i.). GOK - RECURRENT AND DEVELOPMENT AND ABSORPTION CAPACITY

	REQUEST	RECURRENT	DEVELOPMENT	ALLOCATIONS	ABSORPTION RATE -%
2007/08		1, 439, 937, 000	92,000, 000	3, 231, 937, 000	91
2008/09		1, 520, 909, 320	480, 775, 000	2, 001, 684, 320	88
2009/10	12,211,882, 673	1,436,963, 200	450, 400, 000	1, 887, 363, 200	

ii.) REVENUE VERSUS ALLOCATIONS (approx. figures in Kshs.)

	REVENUE	ALLOCATION
2006/07	3.5 billion	2.7 billion
2007/08	6 billion	3 billion
2008/09	6 billion	1.8 billion
2009/010	6. billion	1.8 billion

4.5.2 AREAS LEFT OUT OF THE BUDGET

	Planned Programmes	Amount Kshs.
1.	Development of the national land Information Management System	
	Establishment of hydrographic survey office	
3	Operation of land Arbitration Tribunal and Land Acquisition Compensation Tribunal	
4	Purchase of farms to settle the landless poor	
5	Implementation of succession management	
6	recruitment of new staff	
7	Purchase of vehicles	

4.5.3 AREAS PARTIALLY FUNDED BY BUDGET

	Planned Programmes	Amount Kshs.
1	National Land use/spatial Plan	
2	Land use and Land cover mapping	
3	Development of Kenya National Spatial Data Infrastructure	16, 344, 298
4	Preparation of regional and Urban Development plans	
5	Provision of secure land tenure	
6	Training	
7	Conversion of titles from RTA and GLA to RLA registration	273, 207, 993

4.5.3. ACTUAL ALLOCATIONS – printed estimates

The Ministry's budget- Allocations for the year 2009/10(in Kshs millions).

Vote	Details of Vote	Gross Recc. estimates 2008/09	Gross Dev. Estimats. 2008/09	Total 2008/09	Gross Rec. Exp. 2009/10	Gross Dev. Exp. 2009/10	Total 2009/10
36	Ministry of Lands	1,659	649	2,308	1,675	860	2,535
all	Total for all votes	349,954	203,383	585,172	419,181	258,094	678,085
	% of Total.	0.47	0.32	0.39	0.40	0.33	0.37

4.5.4 It is evident that the allocation for the Ministry has increased marginally over the last financial year. However, the allocation has reduced as a percentage of the total discretionary expenditure for this financial year relative to the last financial year.

4.6 CONSIDERATION OF THE ESTIMATES

4.6.1 SCRUTINY OF RECURRENT ALLOCATIONS (R36)- COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

026: HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 289, 484, 981**. The Committee observed that the net Allocation decreased from Kshs 337,872,205 to Kshs 289,484,981.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 289, 484, 981** be allocated to the Ministry for the expenditure proposed in the items under Head **026** and that the ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs 2,053,295** to finance its operations.

576: REVENUE SECRETARIAT

The proposed net expenditure under this head is **Kshs 8, 026, 970**. The Committee observed that the net allocation went down marginally from Kshs 10,180,208 to Kshs 8,026,970 in 2009/010 and that the major reduction is in routine maintenance and printing expenses, while hospitality, furniture taking up large percentage of the allocation.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 8, 026, 970** be allocated to the Ministry for the expenditure proposed in the items under Head **576**.

615 DEVELOPMENT PLANNING SERVICES

The proposed net expenditure under this head is **Kshs 5, 735, 000**. The Committee observed that the net allocation remained constant at Kshs 5,750,000 for over the two years.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 5, 735, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **615**.

030: HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 45, 012, 207**. In addition, under this head, the Ministry expects to raise **Kshs. 1, 082** in Appropriation-in-Aid.

The Committee observed that the net allocations was largely unchanged, i.e. from **Kshs 46,394,890** to Kshs 45,012,207 in 2009/010. Employee emoluments taking up 81% of the total head allocations and that such a huge wage bill may in the long run jeopardize the productivity of the department.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 45, 012, 207** be allocated to the Ministry for the expenditure proposed in the items

under Head **030** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 1, 082** to finance its operations.

040: DISTRICT LAND ADJUDICATION & SETTLEMENT

The proposed net expenditure under this head is **Kshs 288, 769, 935**. In addition, under this head, the Ministry expects to raise **Kshs. 2, 288, 492** in Appropriation-in-Aid.

The Committee observed that the net Allocation for the department increased from Kshs 276,708,278 to kshs 288, 769, 935 in 2009/010 and is attributed to the increase in the allocation for employee emoluments, which is now taking up 87% of head allocation.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 288, 769, 935** be allocated to the Ministry for the expenditure proposed in the items under Head **040** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 2, 288, 492** to finance its operations.

084: S.F.T. MANAGEMENT SETTLEMENT PROJECT

The proposed net expenditure under this head is **Kshs 4, 469, 357**. The Committee observed that the net Allocation largely unchanged, i.e. **Kshs 4,834,019** to **Kshs 4,469,357** in 2009/10.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 4, 469, 357** be allocated to the Ministry for the expenditure proposed in the items under Head **084**.

096: HEADQUARTERS ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 150, 502, 949**. In addition, under this head, the Ministry expects to raise **Kshs. 38, 000, 000** in Appropriation-in-Aid

The Committee observed that the net allocation went down slightly from Kshs 151,953,463 to Kshs 150,502,949 in 2009/010.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 150,502,949** be allocated to the Ministry for the expenditure proposed in the items under Head **096** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 38, 000, 000** to finance its operations.

098: PROVINCIAL SURVEY OFFICES

The proposed net expenditure under this head is **Kshs 28, 660, 106**. In addition, under this head, the Ministry expects to raise **Kshs. 2, 000, 000** in Appropriation-in-Aid. The Committee observed that the net allocation went up from Kshs 27,590,761 in 2008/09 to Kshs 28,660,106 in 2009/010. However, the Committee noted the decrease in A-I-A in the financial year 2009/010 and there is no clear reasons why the Appropriations-in-Aid are set to reduce.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 28, 660, 106** be allocated to the Ministry for the expenditure proposed in the items under Head **098** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 2, 000, 000** to finance its operations.

099: DISTRICT SURVEY OFFICES

The proposed net expenditure under this head is **Kshs 132, 134, 254**. In addition, under this head, the Ministry expects to raise **Kshs. 40, 800, 000** in Appropriation-in-Aid.

The Committee observed that the net allocation increased from Kshs 128,118,454 to Kshs 132,134,254 in 2009/010 and that the operational expenses went up but employee emoluments remained constant. The Committee noted that with new districts in place and others being formed, yet there is no allocation for recruitment, the ministry should re-allocated funds for such purposes.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 132, 134, 254** be allocated to the Ministry for the expenditure proposed in the items under Head **099** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 40, 800, 000** to finance its operations.

277: KENYA INSTITUTE OF SURVEYING & MAPPING(KISM)

The proposed net expenditure under this head is **Kshs 53, 490, 009**. In addition, under this head, the Ministry expects to raise **Kshs.12,000, 000** in Appropriation-in-Aid. The Committee observed that the net allocation went up from Kshs 42,384,429 to Kshs 53,490,009 in 2009/010.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 53, 490, 009** be allocated to the Ministry for the expenditure proposed in the items under Head **277** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 12,000, 000** to finance its operations.

130: HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 164, 107, 676**. In addition, under this head, the Ministry expects to raise **Kshs. 32,000, 000** in Appropriation-in-Aid.

The Committee observed that the net allocation decreased from Kshs. 189,990,088 to Kshs 164,107,676 in 2009/010. The items that went up include Hospitality, foreign travel which both non-priority expenditures.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 164, 107, 676** be allocated to the Ministry for the expenditure proposed in the items under Head **130** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 32, 000, 000** to finance its operations.

132: DISTRICT LAND OFFICES

The proposed net expenditure under this head is **Kshs 109, 100, 317**. In addition, under this head, the Ministry expects to raise **Kshs.93, 000, 000** in Appropriation-in-Aid

The Committee observed that the net allocation went down from Kshs 155,156,676 in 2008/09 to Kshs 109,100,317 in 2009/010. Allocation went down partly because of Cost cutting mainly in hospitality and supplies items.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 109, 100, 317** be allocated to the Ministry for the expenditure proposed in the items under Head **132** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 93, 000, 000** to finance its operations.

376: HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 68, 314, 507**. In addition, under this head, the Ministry expects to raise **Kshs.1, 000, 000** in Appropriation-in-Aid.

The Committee observed that the net allocation increased slightly, from Kshs 67,764,646 from Kshs 68,314,507 in 2009/010. And that wage bill held constant, although still at 70% of total allocation and also non-priority expenses increasing, e.g. foreign travel increasing by 7 times.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 68, 314, 507** be allocated to the Ministry for the expenditure proposed in the items under Head **376** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 1, 000, 000** to finance its operations.

453: DISTRICT PHYSICAL PLANNING OFFICES

The proposed net expenditure under this head is **Kshs 89, 154, 932**. In addition, under this head, the ministry expects to raise **Kshs. 14, 737, 675** in Appropriation-in-Aid.

The Committee observed that the net allocation went up from Kshs 76,211,203 in 2008/09 to Kshs 89,154,932 in 2009/010.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 89, 154, 932** be allocated to the Ministry for the expenditure proposed in the items under Head **453** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 14, 737, 675** to finance its operations.

4.6.2 SCRUTINY OF THE DEVELOPMENT ALLOCATIONS (D36) – COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

026 HEADQUARTERS ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 33, 500, 000**. In addition, under this head, the Ministry expects to raise **Kshs. 400, 000, 000** in Appropriation-in-Aid.

The Committee observed that the net allocations decreased from Kshs 201,775,000 in 2008/09 to Kshs 33,500,000 in 2009/010. A-I-A went up significantly from Kshs 56,139,225 to Kshs 400,000,000 in 2009/010 mostly due to donor funds in form of loans and grants with some GoK allocation.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 33, 500, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **026** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 400, 000, 000** to finance its operations.

084: S.F.T. MANAGEMENT SETTLEMENT PROJECT

The proposed net expenditure under this head is **Kshs 1, 892, 448**. The Committee observed that the net allocation reduced from Kshs 2,492,448 in 2008/09 to Kshs 1,892,448 in 2009/010 – all GoK funded.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 1, 892, 448** be allocated to the Ministry for the expenditure proposed in the items under Head **084**.

173: S.F.T. STATE LAND; INCLUDES LAMU DISTRICT, WITU FARM

The proposed net expenditure under this head is **Kshs 5, 377, 400**. The Committee observed that the net allocation down significantly from Kshs 18,177,400 in 2008/09 to Kshs 5,377,400 in 2009/010 – all GoK funded and that major reduction is in construction of roads, buildings and public works. therefore, the Committee noted that there is duplications of roles with the Ministry of Roads on the road construction.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 5, 377, 400** be allocated to the Ministry for the expenditure proposed in the items under Head **173**.

199: S.F.T. SHIRIKA CONVENTIONAL SCHEME

The proposed net expenditure under this head is **Kshs 42, 930, 152**. The Committee observed that the net allocation went up significantly from Kshs 29,330,152 in 2008/09 to Kshs 42,930,152 in 2009/010 – all GoK funded. And its due to items on construction of roads. the Committee noted that there is duplications of roles with the Ministry of Roads on the road construction.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 42, 930, 152** be allocated to the Ministry for the expenditure proposed in the items under Head **199**.

096: SURVEY OF KENYA – HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 77, 279, 089**. In addition, under this head , the Ministry expects to raise **Kshs. 9, 600, 000** in Appropriation-in-Aid.

The Committee observed that the net allocation went down significantly from Kshs 102,344,298 in 2008/09 to Kshs 77,279,089 in 2009/010 and A-I-A reduced from Kshs 23,200,000 to Kshs 9,600,000 in 2009/010. A-I-A is funded with grants from government of Japan, GOK and other donors.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 77, 279, 089** be allocated to the Ministry for the expenditure proposed in the items under Head **096** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 9, 600, 000** to finance its operations.

277:KENYA INSTITUTE OF SURVEY AND MAPPING

The proposed net expenditure under this head is **Kshs 69, 434, 218**. The Committee observed that the net allocation went up significantly from Ksh 40,369,009 in 2008/09 to Kshs 69,434,218 in 2009/010 and all the funds are from GoK funded.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 69, 434, 218** be allocated to the Ministry for the expenditure proposed in the items under Head **277**.

132: DISTRICTS LANDS OFFICES

The proposed net expenditure under this head is **Kshs 150, 286, 693**. The Committee observed that the net allocation increased from Kshs 52,286,693 in 2008/09 to Kshs 150,286,693 in 2009/010 and is all GoK funded. And further, that routine maintenance classified as development expenditure while it is recurrent in nature.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 150, 286, 693** be allocated to the Ministry for the expenditure proposed in the items under Head **132**.

376: PHYSICAL PLANNING – HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 44, 000, 000**. The Committee observed that the net allocation has doubled from Kshs 22,000,000 to Kshs 44,000,000 in 2009/010.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 44, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **376**.

453: DISTRICT PHYSICAL PLANNING OFFICES

The proposed net expenditure under this head is **kshs 25, 700, 000**. The Committee observed that the net allocation was almost doubling from Kshs 13,000,000 to Kshs 25,700,000 in 1009/010.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 25, 700, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **453**.

5. VOTE 55 – MINISTRY OF FORESTRY AND WILDLIFE

5.1 Mandate and appearance

5.1.1 The Ministry of Forestry and Wildlife has the mandate to formulate, implement, monitor and review the forestry and wildlife policies in collaboration with relevant stakeholders;

5.1.2 It conserve and manage Forestry and Wildlife resources in the country in addition to being responsible for 75% of the tourism product, the country water towers, and supporting the environmental conservation, agricultural sector and energy production.

5.2 State Corporations and Departments

5.2.1 Key state corporations are:-

- Kenya Forest Service
- Kenya Wildlife Service; and
- Kenya Forest Research Institute;

5.3 Papers Laid - Documents of reference

- 5.3.1 The Minister statement;
- 5.3.2 Draft Strategic Plan of the Ministry;
- 5.3.3 Strategic Plan for KWS, KFS, KEFRI and MFW;
- 5.3.4 The budget Estimates (recurrent and Development); and
- 5.3.5 Disaggregated Budget.

5.4 Areas of concern under the sub sector

- 5.4.1 The Kenya Wildlife conservation and Management legal frameworks have been pending for long time;
- 5.4.2 The continued Human-wildlife conflicts have not been well addressed in terms of budgetary allocations;
- 5.4.3 There is conflicting roles with the Ministry of Environment and Mineral Resources in terms of forest and catchment area conservation;
- 5.4.4 There has been continuous logging in major forest by major millers, while the small millers have been banned;
- 5.4.5 The staffing of Kenya Forest Service has not been resolved since its formation, leading to absorption of staff from the parent ministry and hence conflicts in staff management;
- 5.4.6 Delay in bring into force the forest and reforestation policy;
- 5.4.7 There is continuous planting of eucalyptus trees in Kenya's major forest areas including catchment areas; and
- 5.4.8 Poor implementation of the Kenya Forest Act;

5.6 ALLOCATION

5.6.1 REQUEST, ALLOCATION, EXPENDITURE AND ABSORPTION CAPACITY

i.) GOK - RECURRENT AND DEVELOPMENT AND ABSORPTION CAPACITY

	REQUEST (Kshs.)	RECURRENT Kshs.)	DEVELOPMENT (Kshs.)	ALLOCATIONS (Kshs.)	ABSORPTION RATE -%
2008/09		3, 507 million	971.1 million	4.478 billion	98
2009/10	9.5 billions	3. 573 million	833.85 million	4.406 billion	

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ii.) AREAS LEFT OUT OF THE BUDGET

	Planned Programmes	Amount (Kshs.)
1	Ministry Headquarters	153 million
2	Kenya Wildlife Service	977 million
3	Kenya Forest Service	3, 631 million
4	Kenya Forest reserarch Institute	282 Million
5	Wildlife Clubs of Kenya	20 Million
	Total	5, 063 million

5.6.2 ACTUAL ALLOCATIONS

Allocations for the year 2009/10(in Kshs millions)

Vote	Details of Vote	Gross Recc. estimates 2008/09	Gross Dev. Estimats es. 2008/09	Total 2008/09	Gross Rec. Exp. 2009/10	Gross Dev. Exp. 2009/10	Total 2009/10
55	Ministry of Forestry and Wildlife	3,439	1,974	5,413	3,770	2,004	5,774
all	Total for all votes	349,954	203,383	585,172	419,181	258,094	678,085
	% of Total.	0.98	0.97	0.93	0.90	0.78	0.85

5.6.3 There is an increase in the allocation for the ministry for both development and recurrent expenditure. However, the allocation has decreased as a percentage relative to the total discretionary expenditure.

5.7 CONSIDERATION OF ESTIMATES

5.7.1 SCRUTINY OF THE RECURRENT ALLOCATIONS (R55) – COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

170: HEADQUARTERS AND ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 235, 957, 960**. In addition, under this head, the Ministry expects to raise **Kshs. 360,000** in Appropriation-in-Aid. The Committee observed that the net allocation went down from Kshs 241,687,200 in 2008/09 to Kshs 235,957,960 in 2009/010.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 235, 957, 960** be allocated to the Ministry for the expenditure proposed in the items under Head **170** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 360,000** to finance its operations.

531: KENYA WILDLIFE SERVICE

The proposed net expenditure under this head is **Kshs 937, 300, 000**. The Committee observed that the net allocation has remained constant at **Kshs 937,300,000**. And that the Committee was informed by the Minister that allocation for the KWS has been constant from last financial year into the medium term. This was because there has been no substantial increase on the Ministry's budgetary ceiling through the same period. However, KWS has been allowed to retain and utilize funds collected as revenue.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 937, 300, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **531**.

646: FORESTRY RESEARCH INSTITUTE, HEADQUARTERS

The proposed net expenditure under this head is **Kshs 705, 000, 000**. In addition, under this head, the Ministry expects to raise **Kshs. 4, 600, 000** in Appropriation-in-Aid

The Committee observed that the net allocation went up from Kshs 634,900,000 to kshs 705,000,000 and A-I-A increasing from kshs 4,100,000 in 2008/09 to Kshs 4,600,000 in 2009/010 respectively.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. kshs 705, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **646** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. **Kshs. 4, 600, 000** to finance its operations.

672: HEADQUARTERS, FORESTRY DEVELOPMENT

The proposed net expenditure under this head is **Kshs 1, 694, 842, 040**. In addition, under this head, the ministry expects to raise Kshs. **191, 600, 000** in Appropriation-in-Aid.

The Committee observed that the net allocation went up from Kshs 1,693,942,040 to Kshs 1,694,842,040 and that A-I-A decreased slightly from Kshs 192,500,000 in 2008/09 to Kshs 191,600,000 in 2009/010 respectively, and latter decrease is attributed to the closure of Pan Paper Mills which used to account for more than 50% percent of the AIA collection by Kenya Forest Service.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 1, 694, 842, 040** be allocated to the Ministry for the expenditure proposed in the items under Head **672** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 191, 600, 000** to finance its operations.

5.7.2 SCRUTINY OF THE DEVELOPMENT ALLOCATION (D55)- COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

170: HEADQUARTERS AND ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is **Kshs 17, 525, 000**. The Committee observed that the net allocation almost decreasing from Kshs 35,900,000 to Kshs 17,525,000 in 2009/010 and its all GoK funded. The specialised items has substantial allocations because Kenya Forest Service has arranged to procure specialized equipments to support security, conservation and protection of forests.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 17, 525, 00** be allocated to the Ministry for the expenditure proposed in the items under Head **170**.

531:KENYA WILDLIFE SERVICE

The proposed net expenditure under this head is **Kshs 808, 667, 450**. In addition, under this head, the Ministry expects to raise **Kshs. 16, 483, 775** in Appropriation-in-Aid from Development Partners.

The Committee observed that the net allocation increased up from Kshs 660,278,500 to Kshs 808,667,450 – AIA down from Kshs 51,750,000 in 2008/09 to Kshs 16,483,775 in 2009/010 respectively – funded mostly by grants from USAID and various donors.

The Committee further observed that the allocation for the KWS has been constant from last financial year into the medium term. This was because there has been no substantial increase of the Ministry's budgetary ceiling through the same period. The position has brought a lot of concern to KWS services due to subsequent low funding from the exchequer, and therefore urge the Ministry to consider in subsequent supplementary estimates to allocate sufficient funds to Kenya Wildlife Service in order for it to attain sustainability.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 808, 667, 450** be allocated to the Ministry for the expenditure proposed in the items under Head **531** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 16, 483, 775** from Development Partners to finance its operations.

646: FORESTRY RESEARCH INSTITUTE, HEADQUARTERS

The proposed net expenditure under this head is **Kshs 44, 000, 000**. The Committee observed that the net allocation increased significantly from Kshs 15,997,395 to Kshs 44,000,000 in 2009/010 financial year and all items are GoK funded.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 44, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **646**.

672: HEADQUARTERS, FORESTRY DEVELOPMENT

The proposed net expenditure under this head is **Kshs 23, 986, 750**. The Committee observed that the net allocation decreased significantly from Kshs 304,842,265 to Kshs 23,986,750 in 2009/010 and that all funds are from GoK.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 23, 986, 750** be allocated to the Ministry for the expenditure proposed in the items under Head **672**.

675: FORESTRY TRAINING COLLEGE

The proposed net expenditure under this head is **Kshs 750, 000**. The Committee observed that the net allocation increased from kshs 500,000 to kshs 750,000 in 2009/010 and that all funds are from GoK.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 750, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **675**.

676: FORESTRY AND PLANTATION DEVELOPMENT

The proposed net expenditure under this head is **Kshs 260, 300, 000**. The Committee observed that the net allocations decreased slightly from Kshs 260,687,000 to Kshs 260,300,000 in 2009/010 and that all fund through loans from IDA .

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 260, 300, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **676**.

678: CATCHMENTS AND NATURAL FOREST CONSERVATION

The proposed net expenditure under this head is **Kshs 497, 061, 400**. In addition, under this head , the Ministry expects to raise **Kshs. 139, 350, 000** in Appropriation-in-Aid

The Committee observed that the net allocation increased significantly from **Kshs 292.452,400** in 2008/09 to Kshs 497,061,400 in 2009/010 and the A-I-A increasing from Kshs 39,000,000 to Kshs 139,350,000 respectively. Most of the funding is through loans from ADF, some GoK and other donors.

The Committee observed that this is attributed to the fact that this vote head is designed to enhance conservation and protection of indigenous forests and therefore the main activities here include patrols and surveillance. Other programmes designed to address tree planting outside the protected forest areas e.g. ASAL and where the actual expansion of forest cover will take place. This is part of the efforts to increase forest cover.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 497, 061, 400** be allocated to the Ministry for the expenditure proposed in the items under Head **678** and that the ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 139, 350, 000** from Development Partners to finance its operations.

681:ROAD CONSTRUCTION UNIT

The proposed net expenditure under this head is **kshs 3, 000, 000**. The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 3, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **681**.

738: ARID AND SEMI – ARID LANDS FORESTRY

The proposed net expenditure under this head is **Kshs 38, 838, 250**. In addition, under this head , the Ministry expects to raise **Kshs. 150, 000, 000** in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 38, 838, 250** be allocated to the Ministry for the expenditure proposed in the items under Head **738** and that the Ministry be allowed to raise Appropriation-in-Aid amounting to **Kshs. 150, 000, 000** to finance its operations

748: FORESTRY INSPECTION AND PATROL UNIT

The proposed net expenditure under this head is **Kshs 4, 000, 000**. The Committee is agreeable to the proposal by the Minister that a sum not exceeding **Kshs. 4, 000, 000** be allocated to the Ministry for the expenditure proposed in the items under Head **748**.

APPENDIX ONE – PROGRAMME
NATIONAL ASSEMBLY

DEPARTMENTAL COMMITTEE (J) ON LANDS AND NATURAL RESOURCES
PROGRAMME FOR CONSIDERATION OF THE 2009/2010 ESTIMATES

<p style="text-align: center;">Tuesday, July 7, 2009</p>
<p style="text-align: center;">Morning Sitting (9.00 A.M. – 12.30 P.M.) Deliberations on the Committee programme and Meeting with the Office of Fiscal Analysis (Venue – Meeting room, first floor, KICC)</p>
<p style="text-align: center;">Wednesday, July 8, 2009</p>
<p style="text-align: center;">Morning Sitting (9.00 A.M. – 12.30 P.M.) Considerations of submission to the Committee by the Budget office and related matters (Venue – Meeting room, first floor, KICC)</p>
<p style="text-align: center;">Thursday, July 9, 2009</p>
<p style="text-align: center;">Morning Sitting (9.00 A.M. – 12.30 P.M.)</p> <p style="text-align: center;">Meeting with the Minister for Environment and Mineral resources</p> <p>Examination of Estimates for the Ministry of Environment and Mineral Resources: R.21 and D.21 (Recurrent and Development); (Venue – Meeting room, first floor, KICC)</p>
<p style="text-align: center;">Thursday, July 9, 2009</p>
<p style="text-align: center;">Afternoon Sitting (2.30 P.M. – 4.30 P.M.)</p> <p style="text-align: center;">Meeting with the Minister for Environment and Mineral Resources</p> <p>Continuation of Examination of Estimates for R.21 and D.21 (Recurrent and Development (Venue – Meeting room first floor, KICC)</p>
<p style="text-align: center;">Tuesday, July 14, 2009</p>
<p style="text-align: center;">Morning Sitting (9.00 A.M. – 12.30 P.M.)</p> <p style="text-align: center;">Meeting with the Minister for Water and Irrigation</p> <p>Examination of Estimates for Ministry of Water and Irrigation: R. 20 and D.20 (Recurrent and Development); (Venue – Meeting room, first floor, KICC)</p>
<p style="text-align: center;">Tuesday, July 14, 2009</p>
<p style="text-align: center;">Afternoon Sitting (2.30 P.M. – 4.30 P.M.)</p> <p style="text-align: center;">Meeting with the Minister for Water and Irrigation</p> <p>Continuation of Examination of Estimates for R.20 and D.21 (Recurrent and Development)</p> <p style="text-align: center;">*Note: this meeting is subject to conclusion of agenda during morning sitting.</p> <p style="text-align: center;">(Venue – Meeting room, first floor, KICC)</p>
<p style="text-align: center;">* Wednesday, July 15, 2009</p>

Morning Sitting (09.00 A.M. – 12.30 P.M.)

Meeting with the Minister for Forestry and Wildlife

Examination of Estimates for the Ministry of Forestry and Wildlife: R.55 and D.55
(Recurrent and Development);

(Venue – Meeting room, first floor, KICC)

Wednesday, July 15, 2009

Afternoon Sitting (2.30 A.M. – 12.30 P.M.)

Meeting with the Minister for Forestry and Wildlife

Continuation of Examination of Estimates for R.55 and D.55 (Recurrent and Development)
Venue – Meeting room, first floor, KICC

Thursday, July 16, 2009

Morning Sitting (9.00 A.M. – 12.30 P.M.)

Meeting with the Minister for Lands

Examination of Estimates for the Ministry of Lands: R.36 and D.36
(Recurrent and Development);

(Venue – Meeting room, first floor, KICC)

Thursday, July 16, 2009

Afternoon Sitting (2.30 P.M. – 4.30 P.M.)

Meeting with the Minister for Lands

Continuation of Examination of Estimates for R.36 and D.36 (Recurrent and Development)

*Note: this meeting is subject to conclusion of agenda during morning sitting.

(Venue – Meeting room, first floor, KICC)

Monday, July 20, 2009

Afternoon Sitting (2.30 P.M. – 4.30 P.M.)

Consideration of submissions/presentations

(Estimates for Votes – 20, 21, 36, and 55)

(Venue – Meeting room, first floor, KICC)

Tuesday, July 21, 2009

Consideration of Submissions, Report and Adoption of Report.

Morning Sitting (9.00 A.M. – 12.30 P.M.)

(Estimates for Votes – 20, 21, 36, and 55)

(Venue – Meeting room, first floor, KICC)

APPENDIX TWO – MINUTES

MINUTES OF THE FIRST SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON THURSDAY, JUNE 25, 2009 IN COMMITTEE ROOM 5, FIFTH FLOOR, CONTINENTAL HOUSE, PARLIAMENT BUILDINGS AT 9.30 A.M

PRESENT

The Hon. Mutava Musyimi, MP
The Hon. Peris Chepchumba Simam, M.P
The Hon. Silas Ruteere Muriuki, M.P
The Hon. Benedict Fondo Gunda, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Kiema Kilonzo, M.P
The Hon. Njuguna Gitau, M.P
The Hon. Omar Zonga, M.P
The Hon. George Thuo, M.P
The Hon. Mohammed Affey, M.P

ABSENT

The Hon. Martin O. Ogindo

IN ATTENDANCE –

KENYA NATIONAL ASSEMBLY

C. W. Munga - Deputy Director Committees
Sarah Kioko - Clerk Assistant
Rana Tiampati - Clerk Assistant
Elijah Aming'a - Parliamentary Intern

MIN: 01/2009: INTRODUCTION

The Clerk called the meeting to order at 10 02 a m., requested a Member leads in prayers and thereafter welcomed the Members present.

The Clerk made brief introduction on the process and procedure of chairing of Committees and made clarifications on various issues pursuant to Standing Orders as follows: -

- Standing Order 162, on Chairing Select Committees and requisite quorum;
- Standing Order 163, on election of the Chairperson;
- frequency of the meetings and absenteeism from Committee sittings pursuant to Standing Orders 165, 168 and 169;
- Standing Order 177, that the chair has an original vote but not a casting vote;
- The public access to the Select Committee pursuant to the Standing Order 180; and
- Appointment and mandate of the Departmental Committee pursuant to Standing Order 198

Taking into consideration the time constraints posed by the requirements of House rules, the Clerk requested the Members to move with speed in scrutinizing the Financial Estimates of the four mandated Ministries.

MIN: 02/2009: ELECTION OF THE CHAIRPERSON AND VICE CHAIRPERSON

The Clerk called for names of those seeking the post of Chairperson and vice chairperson. The Clerk further reminded members that the voting is by secret ballot and that the contestant must be proposed and seconded.

Upon calling for the proposals, Hon. Mutava Musyimi, MP was proposed by most of the members, and therefore with no other contestant, the clerk declared the Hon. Mutava Musyimi, MP the Chairman of the Committee on Lands and Natural Resources.

Thereafter, Hon. Peris Chepchumba Simam, MP was unanimously elected as the Vice Chairperson. Hon. Mutava Musyimi, MP was officially welcomed to take the chair.

The Chairperson thanked the Members for electing him and congratulated Hon. Peris Simam for being elected as a Vice Chairperson and asked the Members to work as a team, putting the interest of the Nation first and move fast as far as the mandate of the committee is concerned and also matters concerning with the Agenda Four.

MIN: 03/2009: DATE OF NEXT SITTING

The Committee agreed to meet in Naivasha during the forthcoming Training Workshop for Departmental Committees on Scrutiny of the Budget and then set the date of the next meeting.

MIN: 04/2009: ADJOURNMENT

There being no any other business, the Chairperson adjourned the sitting of the Committee at twenty three minutes past ten o'clock till the date of the next sitting is set.

Signature...Hon. M. Musyimi, MP.

Chairman

Dated Tuesday, July 7, 2009

MINUTES OF THE THIRD SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON TUESDAY, JULY 7, 2009 IN CAUCUS ROOM 105, KENYATTA INTERNATIONAL CONFERENCE CENTRE AT 9.00 A.M

PRESENT

The Hon. Mutava Musyimi, MP – **Chairperson**
The Hon. Peris Chepchumba Simam, M.P – **V/chairperson**
The Hon. Njuguna Gitau, M.P
The Hon. Silas Ruteere Muriuki, M.P
The Hon. Benedict Fondo Gunda, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Martin O. Ogindo, M.P

ABSENT WITH APOLOGY

The Hon. George Thuo, M.P

ABSENT

The Hon. Omar Zonga, M P
The Hon. Mohammed Affey, M P
The Hon. Kiema Kilonzo, MP

IN ATTENDANCE - KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Fredrick Muthengi - Budget Officer, PBO
Gichohi Mwaniki - Parliamentary Intern,
Elijah Aming'a - Parliamentary Intern,

MIN: 08/2009: INTRODUCTION

The Chairman called the meeting to order at 9 20 a.m. and welcomed the Members and other persons present in the meeting after prayers were said by Hon. Benedict Fondo, MP. He further took Members through the agenda items for adoption.

MIN: 09/2009: CONFIRMATION OF THE PREVIOUS MINUTES

Minutes of the First and the Second sittings were confirmed by the Members present as the true record of the Committee deliberations and thereafter signed by the Chairman.

MIN: 10/2009 MATTERS ARISING

Under minute 06/2009

The Committee noted that on the programme of sittings, a sitting has been scheduled for Monday July 20, 2009 at 2.30 p.m and agreed to sit as is in the programme in order to consider submissions/ presentation by all the Ministries and thereafter prepare a report.

MIN: 11/2009: Papers Laid

The following paper was laid before the Committee:- **Brief to the Departmental Committee on Lands and Natural Resources on the 2009/2010 Budget for the Ministries that fall under the Committee's mandate by the Parliamentary Budget Office - (PBO).**

MIN: 12/2009 : BRIEFING BY THE PARLIAMENTARY BUDGET OFFICE

The Chairman welcomed the Parliamentary Budget Office and requested the officers to introduce themselves and thereafter proceed to brief the Members.

The Committee was informed that the Brief is based on the Annual Estimates laid in the House on June 11, 2009 for FY 2009/2010 and are for Ministries of Water and irrigation, Lands, Environment and Mineral Resources, and Forestry and Wildlife. The policy document taken into account included:-

- i. Vision 2030;

- ii. Medium term Plan;
- iii. The MDGs Report;
- iv. Printed Estimates for 2009/2010;
- v. Budget speech for 2009/10- 2011/12;
- vi. The Budget strategic paper for 2009/10- 2011/12;
- vii. Budget outlook paper for the FY 2009/2012; and
- viii. Fiscal Management Act, 2009.

a.) Ministry of Water and Irrigation – Vote 20

The Committee was informed that the Ministry of Water and Irrigation was allocated a gross expenditure (both Recurrent and Development) a total of **Kshs. 29,174, 290, 930**. The areas of concern under the Ministry of Water and Irrigation are as follows:-

- i. The ministry is to ensure Sustainable, conservation, Management and Development of water and resources thereby facilitating the exploitation;
- ii. Current water supply is poor as it stands at 57% of households, that are believed to be using water which is safe;
- iii. Lack of piped water in the catchment areas;
- iv. Small land area under irrigation, that is about 105,800 hectares;
- v. Many rivers have dry riverbeds or have become seasonal;
- vi. Uncoordinated water harvesting or lack of it;
- vii. Dry or silted dams and pans;
- viii. Challenges in the implementation of Water Reforms introduced in 2002;
- ix. Duplication of duties in Water Services Boards with the National Water Conservation and Pipeline Corporation.
- x. The A-I-A in various heads remain constant and therefore need clarifications – especially heads 716, 899, 995 and 785;
- xi. The Audit Report of the various Water Services Boards is needed to ascertain whether they are making surpluses or deficits; and further establish whether there is leakage in the boards;
- xii. The preparation and submission of audit report of the Water Institute to the Controller & Auditor & General under HEAD 899 should be ascertained before allocations in addition to clarifying its A-I-A;
- xiii. The ministry needs to clarify why Items of development nature or capital projects appearing as recurrent items like the construction and civil works under head 250;
- xiv. Under heads 944 and 945, the purpose of the head versus the heads in the Ministry of Northern Kenya and other Arid lands;
- xv. The Ministry needs to provide the list of all projects and programmes - status, total cost, remaining amount to completion under the various water services boards; also provide the geographical distribution of water projects and criteria used to apportion resources among districts;
- xvi. The use of the water trust fund - in relation to geographical distribution and projects Under the development budget, the Water Service Boards have been allocated Kshs. 11.4 Billion, but 50% is from Development Partners and the concern is which are the projects being carried out;
- xvii. Under head 866, the Ministry to provide detailed list of Projects being funded by these funds from Development Partners;
- xviii. In construction of water supplies - a detailed list of projects is required under 560, and the criteria of allocations of resources be made clear.
- xix. In construction of sewage under head 563 - a detailed project is also needed;
- xx. Increased allocation to head 944, versus the provisions or heads under Ministry of State for the Development of Northern Kenya and other arid lands;

b.) Ministry of Lands - vote 36

The Committee was further informed that the Ministry of Lands was allocated **Kshs 2, 534,843, 744** and the areas of concern are:-

- i. Under head 576, Revenue secretariat - large percentage has been allocated to Hospitality and furniture that are not of priority areas;
- ii. Under head 615, allocation of operation expenses is 15% while 51% of the whole allocation goes to travel expenses;

- iii. Under head 030, cost cutting on hospitality allocation is offset by increase in furniture allocation. Further 81% of the total head allocation is taken up by wages hence may jeopardize productivity;
- iv. Under heads 040 and 084, large percentage is on wages;
- v. Under head 099, increased slightly however with new districts coming up no allocation for recruitment of new Staff;
- vi. Under head 277, Most operational expenses reduced yet the overall allocation for the head increased;
- vii. Under heads 376 and 453 research and feasibility studies items have the allocation doubled, could the ministry clarify what research is it?;
- viii. Under head 277, construction of buildings increased, detailed report is required,
- ix. Most of the recurrent items are considered as Development items and further funded by Development partners like under heads 132, 096, 026;
- x. Construction of Roads is it not duplication of work under heads 084 and 173;
- xi. Little allocation for the implementation of the National Land Policy;
- xii. Appropriation-in-Aid on issue of Title Deeds and Charges on property transfers not well detailed;
- xiii. No allocation on the development of Land Information Management System.

c.) Ministry of Environment and Mineral Resources – vote 21

Under vote 21, the Committee was informed that the Ministry of Environment and Mineral Resources was allocated a gross expenditure of Kshs. **Kshs. 4, 333, 690, 535** - both for Recurrent and Development; The areas of Concern under the Ministry are -

- i. Under head 670, Membership fees to International Organization is not detailed;
- ii. Under head 885- increased allocation on travel and hospitality which are non priority expenditures;
- iii. Under head 692, Re-enumeration of Permanent Employees is low and how many are they;
- iv. Under head 219- being a field Intensive Department, the allocation on fund remain constant while printing and advertisement are doubled;
- v. Under head 702, Increased allocation to employee compensation and hospitality,
- vi. Under heads 736,762,766 and 742, the Ministry needs to provide a detailed budget of the State corporations including AIA-
- vii. Under head 736; why is the AIA reducing;
- viii. Under head 442, Increases allocation for Rent while KMD is collecting Rent as Part of A-I-A;
- ix. Under head 670, Why Zero allocation?
- x. Under head 698, Lake Victoria Environmental Management Programme funded by loans from donors, why is the loan funding the operational expenses or recurrent?
- xi. Under heads 885 and 702, the donor funds are used to paying recurrent expenditure

D.) Ministry of Forestry and wildlife – Vote 55

On vote 55, the committee learned that:-

- i. The Ministry of Forestry and wildlife was allocated **Kshs. 5, 773, 622, 625** Being an increased in both Recurrent and Development;
- ii. The issue of concern in the Ministry are that :-
 - the government is lacking commitment in forest, wetlands and catchment areas conservation and protection due to lack of resource allocation;
 - there is need for disclosure of a detailed budgets and A-I-A, recommendations in Audit reports for the State corporations under the ministry – KWS,KFS,KEFRI - to ascertain whether operating in deficit or surplus is necessary;
 - there no resource allocation to solving the problems of the Mau complex.
 - the clarifications be provided to ascertain the reduction in resource allocation for Kenya Forestry Services,
 - the resource allocation for specialized Material is suddenly rising to medium term, and the disconnect between the current allocation and that of medium term;
 - under heads 646 and 678, the operational expenses treated as development expenses despite being recurrent expenditure;
 - under heads 672, there is a disconnect between current allocation and Medium term
 - under head 676, there is sudden increase in Forestry and Plantation Development Insurance Cost, why?; and

- That there is sudden increase in road construction unit from Kshs.3 Million to Kshs. 100 Million, why and is it not duplication of roles work with the Ministry of Roads and Public Works.

MIN: 13/2009: COMMITTEE OBSERVATION

The Committee made the following observations based on the brief and the annual estimates laid before the House, that:-

- the Ministry should have made sufficient allocations to conservations of wetlands, forest and catchment areas;
- donor funds meant for conservation should not be used for recurrent expenditure and that the ministry should show commitment to conservation by allocating funds from the exchequer to conservation instead of relying on donor funds;

MIN: 14/2009: ADJOURNMENT

There being no any other business, the Chairperson adjourned the sitting of the Committee at thirty minutes past Twelve o'clock till the Wednesday, July 8, 2009 in Caucus room 105 on the First Floor, KICC AT 9.00 a.m.

Signature...Hon. M. Musyimi, MP..... Date.....Monday, July 20, 2009.....
Chairman

MINUTES OF THE FOURTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON WEDNESDAY, JULY 8, 2009 IN CAUCUS ROOM 105, KENYATTA INTERNATIONAL CONFERENCE CENTRE AT 9.00 A.M

PRESENT

The Hon. Mutava Musyimi, MP – **Chairperson**
The Hon. Mohammed Affey, M.P
The Hon. Njuguna Gitau, M.P
The Hon. Silas Ruteere Muriuki, M.P
The Hon. Benedict Fondo Gunda, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Martin O. Ogindo, M.P

ABSENT WITH APOLOGY

The Hon. George Thuo, M.P

ABSENT

The Hon. Peris Chepchumba Simam, M P – **V/chairperson**
The Hon. Omar Zonga, M.P
The Hon. Kiema Kilonzo, MP

IN ATTENDANCE - KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Elijah Aming'a - Parliamentary Intern

MIN: 15/2009: INTRODUCTION

The Chairman called the meeting to order at 9 20 a.m. after the prayers were said he welcomed the members present and thereafter read through the Agenda Items for the Meeting.

MIN: 16/2009: CONFIRMATION OF THE PREVIOUS MINUTES

Confirmation of Minutes of the Third sitting was postponed to a later date.

MIN: 17/2009: DELIBERATIONS ON THE SUBMISSIONS BY THE PARLIAMENTARY BUDGET OFFICE

The Committee emphasized on the need to have the issue of Protection and conservation of the Forests, Wetlands and Catchment areas well addressed by the Ministry of Environment and Mineral Resources.

The Committee further noted that there is no commitment for conservation in the part of government owing to lack of budget allocation in the budget estimates 2009/10. They as well realized that there are many policy issues overlapping between the Ministry of Environment and Mineral Resources and that of the Ministry of Forestry and Wildlife and therefore the committee agreed to address it and suggest some recommendations to the House. The Committee also revisited the following items under vote 21, that:-

- There is membership fees for international organizations appearing in various heads - 670, 690,442, what are this organizations and what is the reason for these fees appearing every financial year;
- There is increased allocation on hospitality in various heads – 702, 885 and others which are non priority expenditures, why such big allocations and why is it appearing in both Development and recurrent? when it is recurrent expenditure;
- Why millions of money is allocated to temporary employees is it appears in head 698 instead of permanent employees and who are they being trained as it appears to have a huge training allocation;
- Under heads - 442, 692 there are constructions, civil works and refurbishments, could the minister give a detailed budget on what is this being constructed or refurbished, which projects and where are they?

- Under head 442, what is these household furniture and office furniture? The difference that results to separate allocations;
- Under heads - 442, 702, 219 and 692, what are this specialized equipment?
- Under head 692, can the ministry give detailed information on department on mineral development on the research, feasibility studies project preparation and design and project supervision;
- Under head 219, being a field intensive Department why the allocation on funds remains constant while allocation for printing and advertisement is doubled?
- Under head 885, why do we have hospitality expenses increased and its donor funded/ why do we have donors funding recurrent expenses as can be seen also in head 702? A detailed budget is necessary.

MIN: 18 /2009: A.O.B

The Committee directed the secretariat to prepare the following:-

- Excerpts from Vision 2030;
- Audit queries directed to the Ministry of Environment and Mineral Resources by Public Accounts Committee in their 2005/2006 FY Report;
- Questions based on the brief and observations made by Members on budget estimates for Vote 21;
- The summary on the brief made to the Committee by the PBO;

MIN: 19/2009: ADJOURNMENT

There being no any other business, the Chairperson adjourned the sitting of the Committee at thirty minutes past Twelve o'clock till the Thursday, July 9, 2009 in Caucus room 105 on the First Floor, KICC AT 9.00 a.m.

Signature..... Hon. M. Musyimi, MP Date.....Monday, July 20, 2009.....
Chairman

MINUTES OF THE FIFTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON THURSDAY, JULY 9, 2009 IN SHIMBA HILLS HALL, KENYATTA INTERNATIONAL CONFERENCE CENTRE AT 9.00 A.M

PRESENT

The Hon. Mutava Musyimi, MP – **Chairperson**
The Hon. Peris Chepchumba Simam, M.P – **V/chairperson**
The Hon. Benedict Fondo Gunda, M.P
The Hon. Mohammed Affey, M.P
The Hon. Njuguna Gitau, M.P
The Hon. Silas Ruteere Muriuki, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Martin O. Ogindo, M.P

ABSENT WITH APOLOGY

The Hon. George Thuo, M.P

ABSENT

The Hon. Omar Zonga, M.P
The Hon. Kiema Kilonzo, MP

IN ATTENDANCE

KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Nicodemus Odongo - Parliamentary Budget Office
Elijah Aming'a - Parliamentary Intern

MINISTRY OF ENVIRONMENT AND MINERAL RESOURCES (MENR)

The Hon. Jackson K. Kiptanui, MP - Assistant Minister
Lawrence Lenayapa, CBS - Permanent Secretary
Dr. Muusya Mwinzi - Director General, NEMA
Joseph .R. Mukabana - Executive Director, Kenya Meteorological Dept
Jasper Agatsiva - Director, DRSSRS
Patrick Onsare - Director of Administration, MENR
N.W Maingi - Ass. Director, Kenya Meteorological Dept,
S.M Gachara - Deputy Director, Kenya Meteorological Dept
S. M Kimomo - Ag Chief Geologist
T.O. Muhaha - Senior Superintendent Geologist
B. Okari - Finance Officer
C. O. Olando - Principal Accountant, A MENR
G.K Mwitari - Mines and Geology
F. K. Gitahi - Ag. Chief Economist
Moses Too - Finance HQ, MENR
Patrick I. Kinyua - Finance HQ, MENR

MINISTRY OF FINANCE

Martin Wamwea - Treasury,
Joel Ngao - Treasury

MIN: 20/2009: INTRODUCTION

The Chairman called the meeting to order at 9.20 a.m after prayers were said.

He welcomed the Members present, the Minister together with staff accompanying him and all other persons present in the meeting. Thereafter read through the Agenda Items for the Meeting and introduced the Members and invited the Minister to introduce himself and staff accompanying him.

The Chairman further reminded the Committee and the Minister, that while scrutinizing the Budget, emphasis is placed on environment, conservation and climate change as they are some of the priority issues in the Ministry that must be taken into serious consideration.

MIN: 21/2009: PAPERS LAID

The Minister laid before the Committee the following documents; -

- i) The presentation statement on the FY 2009/2010 Annual Estimates;
- ii) Draft Strategic Plan (2008 – 2012) for the Ministry of Environment and Natural Resources;
- iii) Disaggregated Budget for the Ministry; and
- iv) The Annual Estimates of the ministry 2009/2010.

MIN: 22/2009: SCRUTINY OF ESTIMATES FOR FY 2009/2010 FOR VOTE 21

The Committee learnt that:-

a) challenges facing the ministry are: -

- Catchments area protection;
- Insufficient funds allocation to NEMA;
- Inadequate staffing in NEMA at lower levels in District and Provinces;
- Liquid solid and air pollution and Waste management;
- Weak collaboration with other Ministries, Departments and Stakeholders in Environmental Management;
- Climate change and desertification;
- Inadequate Mineral policy and legal framework;
- Exploration and mining licensing; and
- Old Aircraft for the Department of Resource Survey and Remote Sensing for carrying out surveys and mapping among other challenges;
- Inadequate equipment for Kenya Meteorological Department for monitoring weather patterns

b) The Ministry is undertaking the following measures to deal with these challenges:-

- The National Environment Management Authority is working closely with all stake holders on air pollution, polythene and plastics, waste and suspected dumping of toxic waste materials for proper management control;
- NEMA is currently addressing many issues of concern through the elaboration on land use regulations, guidelines and standards;
- The District Environmental Committee which are multi-disciplinary and multi-stakeholder are now being involved in the formulation of District Environment Action Plans;
- The Ministry is endeavoring to work closely with other ministries, Departments and other stakeholders on environmental management and conservation e.g the Nairobi River Rehabilitation and Restoration Programme;
- The current Mining Act has been reviewed and is now at the cabinet level. Strategies will be formulated for promotion of mining industry, promotion packages of the Sector will be undertaken for both the communities and investors;
- The Ministry is collaborating closely with the department of Mines and Geology to ensure stakeholders participation on the minerals sector activities;
- The Mines and Geology Department has been conducting assessment on landslides in the past as they occur and has been giving advice on the necessary mitigation measures;
- The department has also put in place a programme entitled Geological Hazard Mapping which will identify all areas of landslide potential amongst other geo-hazards including those of seismic and volcanic activities;
- The Department of Resource Surveys and Remote Sensing has continued to provide survey and information on crop forecasting and wildlife/ livestock census;
- The Ministry is developing the National Climate Change strategy to address the adverse effects of climate and propose adaptation and mitigation measures.

- d). the Ministry requested from the exchequer a net total of Kshs. 2,934,234,607 in 2009/10 financial year, out of which Kshs. 2,001,500,000 is recurrent and Kshs.932, 734,607 is for development. In the last financial year the Ministry received Kshs. 1,960,884,910 compared to Kshs. 2,001,500,000 expected this year. Though there is an increment of about Kshs. 40,615, 090 in the overall budget, there is a reduction of Kshs. 13,815,240 in the development budget which might affect the contribution of this sector to the country's economic sector.
- e) The ministry is concentrating in the ongoing programmes that were being undertaken in the last financial year 2008/09 which include:-
- Restoration and rehabilitation of Nairobi River programme which is a flagship of project in Vision 2030; and
 - Lake Victoria Environment Management programme Phase II
- f) The absorption capacity in the Ministry under exchequer in 2008/09 financial year was 95%;
- g) The areas and projects that have been left out of the estimates in the Ministry in 2009/10 financial year include:-
- Integrated Meteorological Information System estimated at Kshs. 220,000,000 which will enhance the collection, data processing, archival and retrieval of Meteorological Information and Products
 - Acquisition of drilling rig estimated at Kshs. 150,000,000 for geological surveys and Mineral exploitation;
 - Acquisition of Modern Aircraft for DRSRs estimated at Kshs. 300,000,000 and
 - Staffing and operation for NEMA at Kshs. 518,000,000

h) The proposed programmes in the Financial year 2009/010 include:-

- **Environmental Management and Protection, Natural Resource Data and information;** under this programme the Ministry was allocated Kshs. 1, 501,052,577 which is a decrease of 222,197, 552. Under this programme there are sub programmes; -
 - Nairobi River restoration and rehabilitation,
 - National Environmental Management,
 - Environmental Education and Awareness,
 - Lake Victoria Environmental Management,
 - Resource Surveys and Remote Sensing.

Through the above programmes, the Ministry realized the following achievements:-

- the cleaning and removal of solid waste and dumping sites under rehabilitation;
 - Restoration of Nairobi River basin programme;
 - Planting of seedlings along Nairobi River in Collaboration with other government departments;
 - Environmental Education and awareness initiative launched in the eight provinces in Kenya;
 - Data and information on Natural Resource collected and analyzed for decision making; and
 - Enhanced enforced and compliances with environmental standards
- **Mineral Resource Management;**
The Department was allocated Kshs. 287,987,051 which is an increment of Kshs. 61,754,506 from Kshs. 226,232,545 in 2008/09 financial year. The Department has two sub programmes that are; Mineral Development and Geological Survey and Exploration and through which some achievements have been realized as follows:-
 - Generation of revenue amounting to Kshs. 30 Million from services to the public such as drilling and laboratory analysis among others;
 - responded to Geohazard occurrences and Mapped six geo- hazard incidences;
 - undertook Mineral evaluation of four (4) Mineral Occurrences in Murang'a, Busia, West Pokot and Coast Provinces;
 - carried out geo- hazard reconnaissance mapping in Garissa area; and
 - provided support to the private sector in Mineral resources department by provision of drilling services;

➤ **Meteorological services and climate change:-**

The Department received Kshs. 957, 952,083 in 2008/09 compared to Kshs. 1,145,194,979 in the current financial year. This is an increment by 187,242,896.

- **NEMA** being the only Parastatals in the Ministry and was in 2009/10 financial year NEMA was allocated Kshs. 427,888,912 which is a decrease of Kshs. 29,268,395 from previous financial year.
- NEMA collection of Appropriation-In-Aid (AIA) is expected to decline from Kshs. 170, 000, 000 to Kshs. 30, 000, 000 due to the review of Environmental Impact Assessment (EIA) license fee from 0.1% to 0.05% of the total project cost between Kshs. 10,000 and Kshs. 1,000,000. In the light of the above the Authority requires Compensation of Kshs. 140,000,000 from the exchequer in order to maintain its operation.

➤ **Under District allocation**, that the Ministry has 10 and 44 outstations for the departments of mines and geology and Kenya meteorological department respectively with a total budgetary allocation of Kshs. 43, 694,604 (disaggregated as outlined in the Ministries district budget.)

- i) The Ministry requires an additional allocation of Kshs. **1,188,000,000** to support areas and the projects that have not been financed in the current financial year.

After Deliberations the Committee was informed that:-

- There was a review of the Strategic Plan by the Ministry to accommodate the vision 2030, the Medium Term Plan and the restructuring of the Ministry by the Government;
- the absorption Capacity was 95% and the 5% was not achieved due to donor conditions that they could not address sufficiently and low personnel;
- the Aircraft for DRSRS is necessary for it is going to be used for collection of data and information necessary for remote sensing, aerial survey and planning. The aircraft was estimated at Kshs. 300,000,000 and the Kshs. 170,000,000 allocated in last financial year was not sufficient the need to allocate Kshs.150,000,000
- Much has been achieved in rehabilitation of Nairobi River. Among the measures to rehabilitate the three rivers that make Nairobi river include:-
 - i. Cleaning by removing all the solid waste;
 - ii. Preventing the raw waste water that flows direct into the river; and
 - iii. Relocation of the residents within the 30 meter riparian land
- Under head D698, hospitality and supplies was necessary to cater for the big number of international and UN organizations that Kenya host as is a member of United Nations Environmental Programme and is the regional headquarter, in addition, being a member of UNEP, membership fee is Mandatory hence the high allocation to membership fees;
- printing and advertisement estimates was increased mainly to enhance sensitization of the public through media, private sector and civil societies on the NEMA activities;
- plastic bags still remains a menace and the measures to curb this problem still remains to be the increase levies up to 120% and the thickness of at least 20 Microns which can be recycled;
- Household furniture include those of the regional meteorological college hostel for the Anglophone-African countries whose capacity is about 120 students while office furniture include those of offices like Wajir and Mandera that needs to be furnished, because most stations are manned on a 24 hour basis;
- Mines and Geology Department has a project to construct offices in Garissa and Wundanyi, at a total cost of 8 Million and the construction is yet to begin;
- The department of Mines and geology is planning to have preliminary geological survey and planning in the North Eastern province and some of the challenges the department is facing include Mining Act, 1940 which is outdated and little income received from the prospectus. However the department is working on a new policy that may lead to the review of the Act.
- under head D692, most of the items that were under development budget in the last financial year were recurrent and were reverted back to recurrent this financial year;

- under head 702, there are two new projects which are Nyando and Nakuru community environmental management project;
- Meteorological department has RANET- FM stations to be broadcasting in vernacular languages in stations in various strategic points like Suswa, Budalangi, Kakamega, Kwale, Kitui, Nyando and other areas. This is mainly for:-
 - a. Sensitization, reporting, alerting and warning on various issues like weather for Agricultural activities and aviation, flooding, drought, stream flow and others
 - b. The construction of provincial offices in various areas like in Kakamega, Embu Nakuru, Wajir and Mandera
 - c. A three storey building for Meteorological Centre is to be constructed at a cost of 20 Million
- That NEMA:-
 - i. Most of the projects are donor funded like from European Union;
 - ii. Has devolved Environmental Management programme to support district committees
 - iii. Relocation of the residents of the riparian land along Nairobi River
 - iv. There is planned waste management landfill and transfer station in Ruai;
 - v. NEMA has about 500 staff that needs to be increased to 1000 by the end of the year.

However the committee further inquired about:-

- i. Status of the Ministry pending Bills;
- ii. the recurrent items like hospitality and supplies treated as Development Items and why donor funds are used to pay for recurrent items instead of development items;
- iii. The various sources of financing the Lake Victoria Environmental Management Projects;
- iv. The finalization time of the draft strategic plan;
- v. the Ministry position on the Inter-ministerial policy issues that are overlapping between the Ministry of Environment and Mineral resources and the Ministry of Forestry and wildlife;
- vi. the legal measures in place to curb the effects of Eucalyptus trees on rivers and catchments in the country and the achievement of the taskforce that was formed to look into the matter;
- vii. the ministry role in controlling/ protecting the environment in Migingo Island;
- viii. The specific interventions by the Ministry in terms of policy, allocation and timeline to save the drying rivers across the country and effects of Hydro Electric Power production on the Rivers;
- ix. the temporary employees being paid Millions of Money rather than permanent employment and what are the specialized equipment Materials and supplies; and
- x. Under head 670:- the Development budget for NEMA was scaled down to Zero in the current financial year only.

MIN: 23/2009 ADJOURNMENT

There being no any other business, the chairman adjourned the sitting at thirty five minutes past two o'clock till Tuesday, July 14, 2009 in Caucus room 105, first floor, KICC at 9.00 a.m.

SignatureHon. M. Musyimi, MP...

Date.....Monday, July 20, 2009.....

Chairman

MINUTES OF THE SIXTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON TUESDAY, JULY 14, 2009 IN SHIMBA HILLS HALL, FIRST FLOOR, KENYATTA INTERNATIONAL CONFERENCE CENTRE AT 9.00 A.M

PRESENT

The Hon. Mutava Musyimi, MP – **Chairperson**
The Hon. Silas Ruteere Muriuki, M.P
The Hon. Benedict Fondo Gunda, M.P
The Hon. Mohammed Affey, M.P
The Hon. Njuguna Gitau, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Martin O. Ogindo, M.P

ABSENT WITH APOLOGY

The Hon. Peris Chepchumba Simam, M.P – **V/chairperson**
The Hon. George Thuo, M.P

ABSENT

The Hon. Omar Zonga, M.P
The Hon. Kiema Kilonzo, MP

IN ATTENDANCE

KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Elijah Aming'a - Parliamentary Intern

MIN: 24/2009: INTRODUCTION

The Chairman called the meeting to order at 9.20 a.m. After prayers were said, he welcomed the Members present and thereafter read through the Agenda Items for the Meeting for adoption.

MIN: 25/2009: DELIBERATION IN BUDGET ESTIMATES FOR THE MINISTRY OF WATER AND IRRIGATION

The Secretariat briefed the Committee on the FY 2009/2010 budget estimates for the Ministry of Water and Irrigations. However, Due to absence of the Minister for Water and Irrigation therefore, the Committee agreed to postpone the scrutiny of the budget estimates for the Ministry to **Thursday, July 16, 2009 at 2.30 p.m.**

MIN 26/2009: ANY OTHER BUSINESS

The Chairman informed the Committee that, he will be absent and therefore the committee elected Hon. Silas Ruteere, M.P to chair the sittings of the Committee, pursuant to standing Order No. 170.

MIN 27/2009: ADJOURNMENT

There being no any other business, the chairman adjourned the sitting at thirty five minutes past ten o'clock till Wednesday, July 15, 2009 in Shimba Hills Hall, first floor, KICC at 9.00 a.m.

Signature Hon. M. Musyimi, MP.....
Chairman

Date.....Monday, July 20, 2009...

MINUTES OF THE SEVENTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON WEDNESDAY, JULY 15, 2009 IN SHIMBA HILLS HALL, FIRST FLOOR, KENYATTA INTERNATIONAL CONFERENCE CENTRE AT 9.00 A.M

PRESENT

The Hon. Silas Ruteere Muriuki, M.P- **Acting Chairperson**
The Hon. Benedict Fondo Gunda, M.P
The Hon. Mohammed Affey, M.P
The Hon. Njuguna Gitau, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. George Thuo, M.P

ABSENT WITH APOLOGY

The Hon. Mutava Musyimi, MP – **Chairperson**
The Hon. Peris Chepchumba Simam M P – **V/chairperson**

ABSENT

The Hon. Omar Zonga, M.P
The Hon. Kiema Kilonzo, MP
The Hon. Martin O. Ogindo, M.P

IN ATTENDANCE

KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Elijah Aming'oa - Parliamentary Intern

MINISTRY OF FORESTRY AND WILDLIFE

M A. M. Wa- Mwachai - Permanent Secretary
Emilio N. Mugo - Senior Deputy Director, KEFRI
Lucy Kimboi - Deputy Director Planning, KFS
Bruno Linyiru - Deputy Director, Finance
Prof. Erick Koech - Chairman, KFS Management Board
Ruth Macharia - Principle Administration Officer, KEFRI
James Wainaina - S.C.F
Martin K. Wamea - Budgetary Supply Officer, Ministry of Finance
Joel O. Ongao - Budgetary Supply Officer, Ministry of Finance
Patrick M. Kariuki - Head Planning Officer, KFS
Mbae N. Muchiri - CRO, KEFRI

MIN: 28/2009: INTRODUCTION

The Chairman called the meeting to order at 9 20 a.m. After prayers were said, he welcomed the Members present and thereafter read through the Agenda Items of the Meeting for adoption.

He further welcomed and introduce all persons present in the meeting, thereafter requested the Permanent secretary, Ministry of Forestry and Wildlife to introduce himself and his team.

MIN: 29/2009: DELIBERATION IN BUDGET ESTIMATES FOR THE MINISTRY OF FORESTRY AND WILDLIFE

The Secretariat briefed the Committee on the FY 2009/2010 budget estimates for the Ministry of Forestry and Wildlife.

The Permanent Secretary on Behalf of the Minister conveyed his apologies to the Committee and informed that the Minister was indisposed.

The Committee informed him that they will only receive evidence and submission/presentation from the Minister responsible for a given Ministry as provide by the Standing Orders the Committee resolved to postpone the meeting until Friday, July 16, 2009 at 8.30 a.m.

MIN 30/2009: ANY OTHER BUSINESS

The Chairman informed the Committee that:-

- The proposed Nile Basin Initiation Workshop will be held on July 30- August 1, 2009 in Kisumu. He therefore requested all the Members to attend this workshop;
- The proposed briefing meeting with the Ministry of Environment and Mineral Resources will held on the last week of July, 2009 but may be convenient that it be held during the Strategic planning workshop for the Committee tentatively scheduled for August 13 – 16, 2009;
- The meeting with the Ministry of Water and Irrigation is on Thursday, July 16, 2009 at 2.30 p.m.; and
- The meeting with the Ministry of Forestry and Wildlife will be held on Friday, July 17, 2009 at 8.30 a.m.

MIN 31/2009: ADJOURNMENT

There being no any other business, the chairman adjourned the sitting at thirty five minutes past ten o'clock till Thursday, July 16, 2009 in Shimba Hills Hall, first floor, KICC at 9.00 a.m.

SignatureHon. M. Musyimi, MP..... Date.....Monday, July 20, 2009.....
Chairman

MINUTES OF THE EIGHTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON THURSDAY, JULY 16, 2009 IN SHIMBA HILLS HALL, FIRST FLOOR, KENYATTA INTERNATIONAL CONFERENCE CENTRE AT 9.00 A.M

PRESENT

The Hon. Silas Ruteere Muriuki, M.P- **Acting Chairman**
The Hon. Benedict Fondo Gunda, M.P
The Hon. Mohammed Affey, M.P
The Hon. Njuguna Gitau, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Martin O Ogindo, M.P
The Hon. Omar Zonga, M P

ABSENT WITH APOLOGY

The Hon. Mutava Musyimi, MP – **Chairperson**
The Hon. Peris Chepchumba Simam, M.P – **V/chairperson**
The Hon. George Thuo, MGH, M.P

ABSENT

The Hon. Kiema Kilonzo, MP

IN ATTENDANCE

KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Elijah Aming'a - Parliamentary Intern

MINISTRY OF LANDS

Hon. James Orengo, MP - Minister
Dorothy Angote, CBS - Permanent Secretary
Karoli O. Ooko - Director Administration
Z A. Mabea - Commissioner of lands
Julius Mwangi - CFO
Njiru M. Nthiga - Director of Physical Planning
Esther N. Ogega - Director of Lands Adjudication and Settlement
P.K Mwangi - Deputy Director of Lands Adjudication and Settlement
E. M. Murage - Director of Surveys
G O. Okoth - Ag. Accounts Controller
C.N Ombali - Finance Officer
D.O Ongechi - Assistant Director Human resource
Maurice Misigo - HRM
Gideon W. Mwangi - Economist

MIN 32 /2009: INTRODUCTION

The Chairperson called the meeting to order at 9.25 a.m. After prayers were said, he welcomed the Members present and thereafter he read through the Agenda Items of the Meeting for adoption. He further welcomed the Minister and his team who introduced themselves

MIN 33 /2009: BUDGET SCRUTINY

The Minister informed the Committee that the Ministry has always been allocated inadequate funds despite the Ministry registering significant annual contribution in revenue and AIA collection averaging Kshs. 6 Billion for the last three years. This has negatively impacted service delivery and has impaired the capacity of the Ministry to generate more revenue and AIA.

He further told the Committee that, his Ministry requested for Kshs. 12,211,882,673 but only Kshs. 1,887,363,200 was provided in the 2009/10 financial year. Out of this amount 76% which amounts to

Kshs. 1,436,963,200 is recurrent while 24% amounting to Kshs. 450,400,000 is for Development. The Minister informed the Committee that within the recurrent vote 80.7% that is Kshs. 1,160,000,000 shall be used for personnel costs leaving only Kshs. 276,963,200 to finance operations and maintenance cost.

Some of the projects in the Ministry which were partially funded include:-

- Preparation for National land Use/ Spatial plan
- Land use and land cover mapping;
- Development of Kenya National Spatial Data Infrastructure;
- Preparation of regional and urban development plans
- Provision of secure land tenure i.e. completion of adjudication sections and land titling;
- Training;and
- Conversion of titles from RTA and GLA to RLA registration.

The projects that were not funded include:-

- Development of National Land Information Management System;
- Establishment of hydrographic survey office;
- Purchase of vehicles;
- National land Policy;
- Purchase of land to settle the landless and the poor;
- Operation of Land Arbitration Tribunal and Land Acquisition Compensation Tribunal;
- Implementation of succession management;
- Recruitment of new staff.

He however informed the Committee that they have always had good absorption capacity rate averaging 91% but in 2008/09 absorption rate was 88% due to delay in development spending as a result of procurement related appeals.

On disaggregated budget the Minister told the committee that out of the total allocation of Kshs. 1,887,363,200, Kshs. 342,122,908 was allocated to the districts on the basis of criteria such as workload, revenue collection and operational stations.

He finally informed the committee that the ministry generates the revenue and KRA collects at a fee, which they suggest that they be left to collect for themselves.

After deliberations the committee was informed that: -

- The strategic plan is a draft awaiting approval by the Ministry of planning;
- Several flagship projects will not be carried out due to lack of enough funds to implement some of their programmes like special data infrastructure and special equipments like cadastals to provide relevant and accurate information to achieve vision 2030;
- On land policy, the development partners are waiting for the allocation of resources by Government to show commitment for them to invest on the same;
- That the Ministry be given a chance to use the AIA collected so as to implement most of their programmes since the revenue and AIA collected by the ministry is enough to cater for their needs;
- The Ministry has been supported by funds from CDF programmes at some point to carry out some of their activities;
- There was no allocation for acquisition of land for resettlement, and this should be considered in every year's budget;
- That donor funds goes directly to the projects and they are allocated for both recurrent and the Ministry does not have any authority over it.
- That the Ministry has 53 operating land registries countrywide which are faced with a lot of challenges due to poor infrastructure;
- Construction of Roads, dams, pans and other infrastructure is a condition for resettlement hence there is no duplication of work with other ministries

- The land policy will be presented to the committee before it is tabled in the House.

The committee further asked the Ministry to submit the all the list pending bills and the total cost of Projects together with their geographical locations.

MIN. 34/2009: ADJOURNMENT

There being no any other business, the chairman adjourned the sitting at fifth six minutes past twelve o'clock till Thursday, July 16, 2009 in Shimba Hills Hall, first floor, KICC at 2.30 p.m.

Signature ...Hon. M. Musyimi, MP...

Date...Monday, July 20, 2009.....

Chairman

MINUTES OF THE NINTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON THURSDAY, JULY 16, 2009 IN SHIMBA HILLS HALL, FIRST FLOOR, KENYATTA INTERNATIONAL CONFERENCE CENTRE AT 2.30 P.M

PRESENT

The Hon. Silas Ruteere Muriuki, M.P- **Acting Chairman**
The Hon. George Thuo, MGH, M.P
The Hon. Benedict Fondo Gunda, M.P
The Hon. Mohammed Affey, M.P
The Hon. Njuguna Gitau, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Martin O. Ogindo, M.P
The Hon. Omar Zonga, M.P

ABSENT WITH APOLOGY

The Hon. Mutava Musyimi, MP – **Chairperson**
The Hon. Peris Chepchumba Simam, M.P – **V/chairperson**

ABSENT

The Hon. Kiema Kilonzo, MP

IN ATTENDANCE

KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Elijah Aming'a - Parliamentary Intern

MINISTRY OF WATER AND IRRIGATION

Hon. Charity Ngilu, MP- Minister for Water and Irrigation
Eng. Jacqueline Musyoki, CEO- WSTF
Eng. Lawrence W. Mwangi, CEO- Arthi Water Services Board
Philip Olum, CEO- WRMA
Eng. Meshack Saboke, MD- NWCP
Eng. Daniel K. Barasa, GM National Irrigation Board
Nicolas Muthui, Engineer – National Irrigation Board
Peter M. Musuka, Economist- MWI
Theresa Wasike, Ag. USLA MWI
James K. Yatich Director, Land Reclamation
Francis W. Kariuki, Ag. PAC MOWI
Frederick J Mugambi, Ag. AD/ HRM
M.N. Musoma, CFO
R.K Gaita, Director- Irrigation and Water Storage
Lawrence N. Simitu, Director- water services

MIN: 35/2009: INTRODUCTION

The Chairman called the meeting to order at 8.25 a.m. After prayers were said, he welcomed the Members present and thereafter he read through the Agenda Items for the Meeting. The Chairman further welcomed the Minister and his team.

MIN: 36/2009: BUDGET SCRUTINY FOR MINISTRY OF WATER AND IRRIGATION

The Minister briefed the committee on the Ministries composition, mandate, achievement and challenges facing the Ministry in areas like

- Water supply;
- Irrigation Development;
- Water Storage;
- Water Resource Management;
- Land Reclamation.

She further told the committee that the Ministry's gross development allocation in the financial year 2009/10 is Kshs.24,695,489,059 out of which Kshs. 15,960,471,120 is a donor funding (that is Kshs. 4,989,104,926 is grant while Kshs.10,971,366,194 is loan). The Government of Kenya net allocation to the Ministry is Kshs. 8,735,017,939 On recurrent estimate gross allocation is Kshs. 4,478,801,871 out of which the Appropriation in Aid amounts to Kshs. 1,141,834,301.

The Minister further informed the committee that the main projects that had been planned for implementation during the financial year 2009//10 were not covered in the allocation and they include:-

- Servicing construction contracts for ongoing five (5) dams amounting to Kshs. 3.2 Billion;
- Up scaling irrigation development amounting to Kshs 4.158 Billion;
- Funding for Nine (9) new dams projects to increase water storage summing up to Kshs. 4.3 Billion;
- Up scaling of rural water coverage of up to Kshs 1.2 Billion.

Therefore the Ministry is underfunded by Kshs. 12.858 Billion. As a result, this shortage will cause:-

- i. None production of the targeted 188,000 bags of maize by December 2009 which will result to food importation, expensive relief operations and water trucking.
- ii. Stalling of ongoing constructions contracts for the 5 dams resulting to penalties and pending Bills;
- iii. Increase of number of people without access to clean and adequate water supply and sanitation

After deliberations, the committee was informed that:-

- Under head 866, the process of transferring the assets to the water boards has not been finalized and the ministry is still working on it;
- The water service providers cannot sufficiently cater for their day to day running of their activities because most of them do not generate enough revenue to cater for the expenses like electricity bills;
- The Northern Water Services board is very poor and therefore generate very little just like Rift Valley and Tanathi Water Boards;
- That the audit for water services boards and the institute is done annually and that other than Tana and Athi water boards the rest operate on deficit;
- Most of the water companies always make losses since they are serving poor communities but the case of Nairobi Water company is being investigated to determine the reason for their losses,
- Kshs. 678 Million was set aside emergency drought mitigation;
- That more water boards needs to be created to bring services closer to the people and the Ministry looking into the matter;
- More districts are attached to one district water officer and that they officers are gradually being faced out to give room for Water boards;
- Development partner is required to cater for Mzima pipeline since the Ministry has not funded and that to address the issue of water shortage the Sabaki pipeline is being worked on to supplement the water shortage;
- A-I-A remain constant because during drought, collection drastically drops because people have to look for alternative sources of water like water supply through water tankers and water venders. However, the ministry is ensuring safety of the public through sensitization programmes and licensing water venders to ensure that public get clean water;
- National Water Conservation and Pipeline Corporation is an implementing arm of the Ministry while Water Service Providers are responsible for water supply or provision of water at a fee;
- That there were liabilities carried forward to the water boards and the ministry is providing Money every year through the budget to settle these debts;

- The Ministry has a plan for a long term sustainable water sources of water but they are lacking funds to implement some of its programmes like the five large dams, kazi kwa vijana initiative to dig small dams and pans to store water and also the Kshs. 2 Billion set aside for emergency irrigation;
- The disaggregation of resources in water supplies was done by the treasury and not according to the Ministry's budget estimates;
- Trust Funds prioritization is done according to poverty index and allocation Kshs. 60 Million was from GOK and the rest from donors;
- The five dams are well and evenly distributed in the country's areas of need starting from Chemosu, Kiserian, Baldesa, Maruba and Umaa.
- Licensing or licences needs to be provided on all water intakes that the Ministry is looking into the issue of illegal water intakes in Mt. Kenya Rivers and even lake Naivasha;
- Water harvesting need to be encouraged and the Minister has considered the issue in the next cabinet Memo;
- Under head 944 and 945, the Ministries are constantly in consultation and the budget allocations are different and carrying out different projects though of the same nature. The Minister further promised affirmative action on the Northern Kenya to arrest the crisis of drought in the region;
- The UN Habitat is very slow in it's activities like in Kisii and Homabay districts and the Minister is going to look into the matter and that Kshs. 20 Million has been allocated to improve Homabay sewerage system;
- The issue of piped water to the catchment area residents, the Ministry always consider them whenever there is funds;

The Minister however informed the committee that the Kshs. 37 Billion shillings used to buy food can be a long term solution to food crisis in the country if the money is invested in irrigation;

The Committee further inquired on:-

- i. Strategic plan which the Minister said will present to the committee a draft which is being worked on;
- ii. The list of all pending bills which the ministry promised to submit in due time.

MIN: 37/2009: ADJOURNMENT

There being no any other business, the chairman adjourned the sitting at five o'clock till Monday, July 20, 2009 in caucus room 105, first floor, KICC at 2.30 p.m..

Signature ... Hon. M. Musyimi, MP ...
Chairman

Date...Monday, July 20, 2009...

MINUTES OF THE TENTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON FRIDAY, JULY 17, 2009 IN SHIMBA HILLS HALL, FIRST FLOOR, KENYATTA INTERNATIONAL CONFERENCE CENTRE AT 8.00 A.M

PRESENT

The Hon. Benedict Fondo Gunda, M.P- **Acting Chairman**
The Hon. Mohammed Affey, M.P
The Hon. Njuguna Gitau, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Martin O. Ogindo, M.P

ABSENT WITH APOLOGY

The Hon. Mutava Musyimi, MP – **Chairperson**
The Hon. Peris Chepchumba Simam M.P – **V/chairperson**
The Hon. Silas Ruteere Muriuki, M.P
The Hon. George Thuo, M.P

ABSENT

The Hon. Omar Zonga, M.P
The Hon. Kiema Kilonzo, MP

IN ATTENDANCE

KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Elijah Aming'a - Parliamentary Intern

MINISTRY OF FORESTRY AND WILDLIFE

Hon. Noah Wekesa, MP- Minister
M. A. M. Wa- Mwachai- Permanent Secretary
Dr. Ben Chikamai, Director, KEFRI
David mbugua- Director, KFS
Lucy Kimboi- Deputy Director Planning, KFS
Emilio N. Mugo- Senior Deputy Director, KFS
Francis Fondo- Deputy Director, Finance and Administration
Bruno Linyiru- Deputy Director, Finance
Ruth Macharia- Principle Administration Officer, KEFRI
James Wainaina- S.C.F
Patrick M. Karuki- Head Planning Officer, KFS
Mbae N. Muchiri- Head Forest Plantation, KEFRI
Edwin Wanyaonyi- Head Resource mobilization
Anthony Mugane- Ag. Chief Economist
Robert A. Birundu- Senior Accountant, HQs
Ahmed Kalmey- Finance Officer, HQs
Peter Rutto- Senior Accountant, KFS

MINISTRY FOR FINANCE

Martin K. Wamea- Budgetary Supply Officer, Ministry of Finance
Joel O. Ongao- Budgetary Supply Officer, Ministry of Finance

MIN: 38/2009: INTRODUCTION

The Chairman called the meeting to order at 8.25 a.m. After prayers were said, he welcomed the Members present and thereafter he read through the Agenda Items for the Meeting. The Chairman further welcomed the Minister and his team

MIN: 39/2009: BUDGET SCRUTINY FOR MINISTRY OF FORESTRY AND WILDLIFE

The Minister apologized for not making to the meeting when was first scheduled and thanked the committee for taking their time to give them a chance to take part in scrutinizing the budget allocation to their ministry for the financial year 2009/10

He informed the committee that the Ministry is in charge of the five water towers in the country and has three Parastatals, one NGO and one institute. He also highlighted the mandate of the ministry as well as the challenges.

The Minister further informed the Committee that the Ministry submitted a budget proposal of Kshs. 9.5 Billion but only allocated Kshs. 4.406 Billion which is a reduction from Kshs. 4.478 Billion received in financial year 2008/09. Out of the funds allocated only Kshs. 240 Million has been allocated to headquarter which will limit his working capacity. The areas underfunded in the Ministry include:-

- Ministry headquarter underfunded by Kshs. 153 Million;
- Kenya Wildlife Service underfunded by Kshs.977 Million;
- Kenya Forest Service Underfunded by Kshs. 3.63 Billion;
- Kenya Forest Research Institute underfunded by Kshs. 282 Million; and
- Wildlife Clubs of Kenya underfunded by Kshs. 20 Million.

The Minister however promised the Committee that he will do the best to ensure that the funds allocated to the Ministry will be well utilized with a high degree of accountability and urged the Committee to help the Ministry in fixing the poor policies and practices and recognize the disaster pending by helping the Ministry to get more funds.

After Deliberation, the committee informed:-

- That under head 170 and 672, the specialized materials and equipments are security equipments;
- That some of the constructions and civil works to be carried out involves the construction of Laboratory and greenhouses at KEFRI;
- That audit for KEFRI and KWS is being done yearly, it's up to date and clean for the last three years but for KFS and the institute is yet to be conducted
- That the Ministry is aware of the Ministry of education involvement in reforestation, they are encouraging the move and even offering technical support to ensure that the exercise is carried out in the right way in improving the country's forest
- That in head 698, the net allocation was made to protect and monitor the Natural forest. The source of funding for KFS is expected to come from the commercial forest that is about 125,000 hectares of mature trees ready for harvest;
- That the Ministry recommend lifting the ban on logging to harvest about 125 000 hectares of mature trees and because the illegal logging has greatly contributed to the destruction of the forest in the past 10 - 15 years and that the Ministry has shortage of Rangers. Currently, one Ranger is patrolling about 1500 hectares of forest hence protection of the forest is not effective;
- That the policy paper is underway to address the issue of Eucalyptus trees and it's yet to be presented before the cabinet;
- That shamba system should be used to address the problem of reforestation because it is cheap and easy and more funds are required to educate the public and provide seedlings;
- That there is an overlap in the mandate of the Ministry with that of the Ministry of Environment and Mineral Resources but the two are working together to ensure the smooth running and enhancement of faster development of the country.

MIN: 40/2009: ADJOURNMENT

There being no any other business, the chairman adjourned the sitting at ten minutes past eleven o'clock till Monday, July 20, 2009 in caucus room 105, first floor, KICC at 2.30 p.m.

Signature ... Hon. M. Musyimi, MP....

Date.....Monday July 20, 2009...
Chairman

MINUTES OF THE ELEVENTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON MONDAY, JULY 20, 2009 IN CAUCUS ROOM 105, FIRST FLOOR, KENYATTA INTERNATIONAL CONFERENCE CENTRE AT 2.30 P.M

PRESENT

The Hon. Mutava Musyimi, MP – Chairperson
The Hon. Peris Chepchumba Simam, M.P – V/Chairperson
The Hon. Benedict Fondo Gunda, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Silas Ruteere Muriuki, M.P

ABSENT WITH APOLOGY

The Hon. George Thuo, M.P
The Hon. Mohammed Affey, M.P
The Hon. Njuguna Gitau, M.P
The Hon. Martin O. Oginoo, M.P

ABSENT

The Hon. Omar Zonga, M.P
The Hon. Kiema Kilonzo, MP

IN-ATTENDANCE

KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Elijah Aming'a - Parliamentary Intern

MIN: 41/2009: INTRODUCTION

The Chairman called the meeting to order at 2.35 p.m. After prayers were said, he welcomed the Members and other persons present in the meeting. He further took the committee through the Agenda Items and therefore adopted.

MIN 42/2009: CONFIRMATION OF THE PREVIOUS MINUTES

Minutes of the 3rd, 4th, 5th, 6th, 7th, 8th, 9th and 10th sittings were confirmed by the members present as true record of the Committee deliberations and signed by the chairman.

MIN 43/2009: MATTERS ARISING

Absence from Committee Meetings

The Committee deliberated on the above matter in order to find a lasting solution to it. However, the committee agreed that as provided by Standing Order 169, it was clear that missing four consecutive sittings has a clear procedure for addressing it.

The Committee therefore resolved the matter be reported as provided for in the Standing Orders.

MIN 44/2009 CONSIDERATION OF SUBMISSIONS BY MINISTRIES ON SCRUTINY OF ANNUAL ESTIMATES

The Committee was informed that the four Ministries that fall within its mandate have completed making submissions/presentations. However, some have not re - submitted to the Committee requests. They include- Ministry of Water and Irrigation, Forestry and Wildlife, and Lands.

The Committee was further informed that a draft report on the scrutiny of estimates has been prepared to assist it in making recommendations.

The Committee agreed to formulate the recommendations. at least four recommendations per Ministries based on scrutiny of heads, policy, and mission of each ministry, with the assistance from secretariat.

The Committee resolved to finalize the report on Tuesday, July 21, 2009 at 9.30 a.m.

MIN 45/2009: REPORT FROM LIAISON COMMITTEE

The Hon. Benedict Gunda, MP reported on the progress and deliberations of the Liaison Committee in which he attended on behalf of the chairperson that: -

- i. The budget of Committees were not finalized because other Committees have not submitted the work plan and budget;
- ii. All committees were allocated Kshs. 280 Million for the whole Financial year 2009/10;
- iii. Reports of Committees would be deliberated in the House based on the schedule presented and that the Departmental Committee on Lands and Natural Resources will be fourth in line in debates of the Reports;
- iv. Permission must be sought by the Committee when they want to set outside parliament and it applies to the upcoming committee workshop on Strategic Planning

The committee resolved to adhere to the resolution of the Liaison Committee.

MIN 46/2009: ADJOURNMENT

There being no any other business, the chairman adjourned the sitting at fifty minutes past four o'clock till Tuesday, July 21, 2009 in caucus room 105, first floor, KICC at 9.30 a.m.

Signature ...Hon. M. Musyimi, MP.....

Date...Monday, July 20, 2009...

CHAIRPERSON

MINUTES OF THE TWELVETH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON TUESDAY, JULY 21, 2009 IN CAUCUS ROOM 105, FIRST FLOOR, KENYATTA INTERNATIONAL CONFERENCE CENTRE AT 9.30 A.M

PRESENT

The Hon. Mutava Musyimi, MP – Chairperson
The Hon. Benedict Fondo Gunda, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Silas Ruteere Muriuki, M.P
The Hon. Martin O. Ogindo, M.P
The Hon. Njuguna Gitau, M.P

ABSENT WITH APOLOGY

The Hon. George Thuo, M P
The Hon. Mohammed Affey, M.P

ABSENT

The Hon. Peris Chepchumba Simam, M.P – V/chairperson
The Hon. Omar Zonga, M.P
The Hon. Kiema Kilonzo, MP

IN-ATTENDANCE

KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Elijah Aming'a - Parliamentary Intern

MIN: 47/2009: INTRODUCTION

The Chairman called the meeting to order at 9 35 a.m After prayers were said, he welcomed the Members and other persons present in the meeting. He further took the committee through the Agenda Items and therefore adopted.

MIN 48/2009: CONFIRMATION OF THE PREVIOUS MINUTES

Minutes of the eleventh sitting were confirmed by the members present as true record of the committee deliberations and signed by the Chairman

MIN 49/2009: MATTERS ARISING

The Committee agreed on the amendments of previous minutes and that a letter be written and forwarded to the Liaison Committee for those Members that have been absent for four consecutive sitting pursuant to the Standing Order 169.

MIN 50/2009: CONSIDERATION OF THE SUBMISSIONS AND REPORT WRITING

The Committee considered the submissions by the Ministries and made various recommendations as follows.

MINISTRY OF WATER AND IRRIGATION

The committee recommended that: -

- the funds be provided in the supplementary budget for the completion of the five (5) large dams that is Chemsusu in Ravine, Kiserian in Kajiado, Baldesa in Marsabit, Maruba in Machakos and Umaa in Kitui to facilitate the water storage in this areas;
- there should be reprioritization in the Ministry to consider the projects like sewerage systems in the upcoming densely populated townships to avoid outbreaks of diseases in these areas;
- under heads 524 and 560, the disaggregated funds that have been allocated for recurrent items to be diverted to development items;

- there should be comprehensive audit on water boards to determine their accountability and transparency and that the Ministry should not hurry the process of facing out the District Water Officers until these water boards satisfactorily satisfies the needs of the people;
- the Ministry should invest in conservation of the water sources catchments and wetlands. Funds should be committed on this course to ensure sustainable water sources in the country.

MINISTRY OF ENVIRONMENT AND MINERAL RESOURCES

The committee recommended that: -

- following the state of resources in this country, the funds allocated for Mineral Resource Management be reallocated to NEMA considering the reduction in AIA collected by NEMA to enable the department to carry out its activities effectively;
- the funds that have been allocated to the Ministry is fair proportion in the budget considering the resource available in the country and therefore conservation of wetlands should be considered as a matter of prioritization. Further the, Ministry should consider rehabilitating other rivers in the country besides the Nairobi River
- being the lead Ministry in the issue climate change, allocation of funds for this issue should be done by the Ministry and as a matter of priority;
- there should be a review of the ratio of allocation between recurrent and development and that development should be given a better part;
- review of the Mining act should considered as a matter of urgency and can be a source of funding for the Ministry.

MINISTRY OF LANDS

The committee recommended that: -

- more funds should be allocated on the supplementary budget to the ministry of Lands, for settlement of landless, squatters and settlers on the five water towers/catchment areas, as a way of solving the land problems and protecting the catchment areas in Kenya;
- more funds be allocated to computerization of the ministry of land, Land policy implementation and land information management System under the ministry in the supplementary estimates bas this is one – off;
- funds be allocated for the purchase of vehicles for the department of survey to enhance revenue and AIA collection;
- The ministry should retain and utilize the total revenue collected each financial year.

THE MINISTRY OF FORESTRY AND WILDLIEF

The committee recommends:-

- That that funds be allocated to the Kenya Forest Service to harmonise the staff and put them under the service;
- That KEFRI allocated with funds to research and come up with appropriate seedlings to be planted in catchment areas in the country besides the 5 water towers;
- That indigenous tree species be protected and those species that seem to be endangering water catchments and rivers be uprooted

MIN 51/2009: ADJOURNMENT

There being no any other business, the Chairman adjourned the sitting at eighteen minutes past eleven o'clock.

Signature ...Hon. M. Musyimi, MP...
Chairman

Date...Thursday July 23, 2009...

MINUTES OF THE THIRTEENTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON THURSDAY, JULY 23, 2009 IN ROOM 5, FIFTH FLOOR, CONTINENTAL HOUSE, PARLIAMENT BUILDINGS AT 11.30 A.M.

PRESENT

The Hon. Mutava Musyimi, MP – **Chairperson**
The Hon. Peris Chepchumba Simam, M.P – **V/chairperson**
The Hon. Benedict Fondo Gunda, M.P
The Hon. Benjamin Jomo Washiali, M.P
The Hon. Silas Ruteere Muriuki, M.P
The Hon. Mohammed Affey, M.P

ABSENT WITH APOLOGY

The Hon. Martin O. Ogindo, M.P
The Hon. George Thuo, M.P
The Hon. Njuguna Gitau, M.P

ABSENT

The Hon. Omar Zonga, M.P
The Hon. Kiema Kilonzo, MP

IN-ATTENDANCE

KENYA NATIONAL ASSEMBLY

Rana Tiampati - Clerk Assistant
Elijah Aming'a - Parliamentary Intern

MIN: 52/2009: INTRODUCTION

The Chairman called the meeting to order at 11.40 a.m. After prayers were said, he welcomed the Members and other persons present in the meeting.

He further took the Committee through the Agenda Items of the meeting and therefore adopted.

MIN 53/2009: CONFIRMATION OF THE PREVIOUS MINUTES

Minutes of the 12th sitting were confirmed by the Members present as true record of the Committee deliberations and signed by the Chairman

MIN 54/2009: MATTERS ARISING

The chairman read the letter to be forwarded to Liaison Committee for those members that have missed four consecutive sittings and approved by the committee.

MIN 55/2009: CONSIDERATION AND ADOPTION OF THE REPORT OF SCRUTINY OF ANNUAL ESTIMATES FOR VOTE 20, 21, 36 AND 55.

The Committee went through the report by submissions, head by head, making amendments As follows: -

- There should be consistency especially in lettering and also to go through the report to ensure that the spellings and grammar are properly corrected,
- The phrase 'being the chairperson of the committee' be deleted from paragraph 1.7.2;
- Paragraph 1.8.5, 1.8.6, 1.8.7, 1.8.9, 1.8.11, and 1.8.16 should be restructured to read as:-
 - i. under heads 524 and 560, on disaggregated funds have been allocated for recurrent items. The Committee recommends that the funds be re-assigned for development;
 - ii. the Ministry of Lands be allowed to retain and utilize revenue collected each year to finance its operations;
 - iii. more funds be allocated in the next Supplementary Budget to the Ministry of Lands, to re-settle the landless and squatters in the Republic of Kenya;
 - iv. the Ministry of Water and Irrigations should invest in conservation of wetlands and water catchments;

- v. the funds allocated for Mineral Resource Management be re-allocated to National Environment Management Authority to further enable the Authority carry out its mandate because it has lost considerable funds through reduction in Appropriation-In-Aid;
- paragraph, 1.8.10 be deleted;

After all the amendments were made and agreed upon. The Committee adopted the report.

MIN 56/2009: ANY OTHER BUSINESS

The Committee was again reminded on the workshops to be held in Kisumu and Mombasa on July 30, 2009 and August 13, 2009 respectively. The committee therefore asked the secretariat to make the necessary arrangements and inform the Members appropriately.

MIN 57/2009: ADJOURNMENT

There being no any other business, the Chairman adjourned the sitting at minutes past o'clock until Wednesday, July 29, 2009 at 11.30 a.m.

Signature ...Hon. M. Musyimi, MP...

Dated Tuesday July 28, 2009

Chairman