

Kenya Consultative Group Meeting

Environment Donors Joint Statement

Introduction

Natural resources underpin cash and subsistence economies in Kenya, yet their contribution to wealth creation and poverty reduction remains undervalued. Soils, forests, wildlife, water, fish and grazing lands sustain the livelihoods of three quarters of Kenya's rural poor, and also play a vital role in urban markets – as food and timber. However, these natural resources are now being rapidly degraded, with concomitant negative impacts on rural incomes. Degradation is also affecting the delivery of critical environmental services that underpin growth, such as watershed protection, which maintains hydropower and water provisioning facilities, and wildlife and habitats which sustain the tourist industry.

In addition, not managing air and water pollution results in negative health effects, and drought or flooding events lead to disproportionate negative impacts on the poorest individuals in society. The costs of these impacts tend to fall to government such in the treatment of pollution related diseases, or the repair of roads and other infrastructure, humanitarian responses or large scale pollution 'clean ups'.

With regard to export-oriented growth, if Kenyan products are to remain competitive on the world market, Kenya will have to ensure that it is meeting the increasingly stringent environmental and social standards set by buyers and importers in industrialised countries.

Given the relatively recent recognition of the environment's influence on growth and poverty reduction in Kenya, policies and legislative mechanisms relevant to environment are not yet well coordinated, and often in conflict with each other. NEMA – mandated with coordination of environmental matters has only just been established. The National Environment Council that brings together all Permanent Secretaries, and holds key environmental policy formulation functions does not meet regularly.

If Kenya is to manage the environment in a way that contributes to sustainable economic recovery and wealth creation, it must, as a matter of urgency, ensure that the policy, legal, regulatory and social contexts within which the environment and natural resources are utilised, conserved and traded enhance collaboration rather than exacerbating conflict.

Recent Developments

Recent positive developments in the Environment sector include the operationalization of the Environment Management Coordination Act (EMCA) 1999. The National Environment Management Authority was established in 2002 and its Board appointed this year. Other organs of EMCA such as the National Environment Council and the Public Complaints Committee facility are operational. Environment Impact Assessment Guidelines have also been finalized and are now being applied as prescribed by the Act.

The Water Act and policy were also finalized in the year 2002 and major progress made in reforms to involve local communities and the private sector in the management and development of water resources. In the forest sector the new government has made a significant attempt at creating an enabling environment for protection of forests. A forest Sector Strategic Plan has been drawn up and both the forest policy and Forest Bill are ready for submission to the Cabinet and Parliament.

The Government has initiated reforms in the land sector and has produced the Land Sector Strategic Plan for 2003/4-2005/6 produced in July 2003. The plan's logical framework especially shows that an enormous amount of work and thought has been put into the way forward.

Overall the government has showed commitment to the involvement of a wide range of stakeholders in the management of the environment, particularly in participatory management of natural resources in wildlife, water and forest sector. The Government is also in the final stage of finalizing the National Policy for Arid and Semi-Arid lands.

Key Challenges

Development partners welcome the fact that Government's ERSWEC recognizes "the need to achieve broad macro and sectoral objectives and targets without compromising the health of the environment". However, for Government to realize its commitments made in the ERSWEC, it must quickly address the following challenges:

- **Mechanisms for integrating environmental considerations into Government's macroeconomic frameworks and financial sector reforms are not well articulated.** There are two challenges here 1) providing meaningful economic incentives for the sustainable use and conservation of natural resources 2) ensuring compliance with the Environmental Management and Coordination Act's (EMCA) stipulations for screening of all development projects, and instituting mitigation measure where negative impacts might exist, without hindering progress on environment or development investment.
- **Though EMCA is now operational, conflicting and overlapping legislation and institutional mandates are still evident, and negatively affect progress towards sustainable environmental management.** Many sectoral policies were established long before the EMCA (1999) and ensuring that sectoral policy and legislation is in line with the EMCA will be challenging. In other cases, there are inconsistencies between practical reality of natural resource use and what the law says. For instance 80% of the urban population remains dependent on charcoal as a key source of fuel, but charcoal production remains banned on public and trust lands, yet it is not illegal to transport or market charcoal. These legal contradictions have opened up wide opportunities for graft and mean that control of the charcoal trade, and do not recognise the vast dependence on charcoal by most of the urban poor.

- **Delays in approval and debate by the Cabinet and Parliament respectively, of important environmental Policies and Bills that are pending.** The Forest Bill has now been pending for a while, and yet it contains provisions that are crucial in moving Kenya towards sustainable forest management. The same applies to the Wildlife Policy, which has not been revised since 1975, despite the massive contextual changes that have occurred within Kenya pertaining to human-wildlife interactions.
- **Weak incentives for personnel, inadequate levels of human capacity and an absence of long-term institutional development and operational strategies within environmental agencies.** Morale in many of the key environment departments is low after years of neglect and low remuneration. Effective incentives must be instituted if staff performance is to improve.
- **The costs of meeting international environmental standards for export products are prohibitive for some producers (e.g. smallholder tea producers), yet the conversion has to be made.** Buyers of key commodities are now demanding products that are produced under increasingly stringent environmental and social conditions. The costs of converting an unsustainable production system to one that is more sustainable can be high, and prohibitive particularly for small producers. However, if this conversion is not made Kenya's export products are unlikely to remain competitive in the world markets.
- **The level of understanding in wider society of how environment matters affect livelihoods, human health and well-being is very low.** If the necessary changes in behaviour that leads to good environmental management are to happen, environmental awareness will have to be improved across society and not only in schools – and this can be done through primary, secondary, tertiary and civic education.

Priority Actions

The environment sector donors and development partners would recommend a focus on the following:

- **Mainstreaming of environment policies and principles into strategic development plans and in key sectors,** ensuring that the inclusion of environmental considerations does not impact negatively on economic recovery and poverty reduction. This could include, for instance, the linking of GoK's (Ministry of Planning/UNDP) four-year Poverty and Environmental Programme to ERSWEC, and giving NEMA the necessary support and backing so that it can fulfil its coordinating role effectively.
- **Equip NEMA with the necessary resources and equipment that will enable the development of tools and standards for effective management and monitoring of compliance.** It is only when these tools and standards are in place that EMCA can be effectively implemented.
- **Reviewing and harmonizing existing policies and laws pertaining to environment and ensuring that they have adequate legal backing.**

- **Promoting collaboration between ministries and semi-autonomous government agencies on environmental issues**, as for instance through the National Environment Council, an institution stipulated under the EMCA.
- **Finalising pending Bills and Policies** including forest, energy, land and land tenure, arid and semi-arid lands, as well as streamlining and removing contradictions various directives relating to environmental resources, such as charcoal, among others.
- **Development of a national policy and framework for participatory management of natural resources.** This might include support for partnerships that involve communities and/or private sector operators in sustainable natural resources management.
- **Regular monitoring of environmental trends**, and improvement of public access to information systems holding such data.
- **Integrating environment issues into civic and formal education programmes.**
- **Improve working environment within key environment institutions, and incentives for good performance.**

Donor Coordination

Donors working in the environment sector meet quarterly to exchange information on respective strategic areas of support to the Government. The donors also identify areas of collaboration and joint programming to avoid duplication and to maximize impact. Currently a matrix indicating each donor's programmes, levels of funding and geographical location of the programmes is under development. The donors group also holds joint periodic "GOK-Donor Coordination on Environment and Natural Resources" meetings. All government ministries and specialized agencies with mandates related to environment and natural resources participate. The AG's office is also represented. The meeting is co-chaired by the current chair of the Environment Donors Group and the Permanent Secretary Ministry of Environment, Natural Resources and Wildlife.