



Poverty and Environment Initiative – Kenya

Poverty and Environment Issues: Governance Institutions, Institutional Frameworks and Opportunities for Communities.

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Poverty and Environment Initiative – Kenya

The Poverty and Environment Initiative (PEI) aims to support the integration of environment into development policy, planning and budgeting processes in Kenya. The PEI project responds to the identified need by Government on the importance of the environment in achieving its economic recovery and poverty reduction goals. The 9th National Development Plan (2002-2008) state *“the full integration of environmental concerns in development planning at all levels if decision making remains a challenge to the country”*. It acknowledges, *“in view of the high incidence of poverty in the country, the need to integrate environmental concerns in development activities should be given high priority”*.

The Ministry of Planning and National Development (MPND) leads the project in partnership with the Ministry of Environment and Natural Resources (MENR) and the National Environment Management Authority (NEMA). The project receives support from UNDP and UNEP, and financial support from the UK’s Department for International Development (DFID) and the Government of Luxembourg.

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ACRONYMS AND ABBREVIATIONS

ARV	<i>Anti-Retroviral (treatment for AIDS)</i>	LASDAP	<i>Local Authority Service Delivery Action Plan</i>
ASAL	<i>Arid and Semi-Arid Areas</i>	LATF	<i>Local Authority Transfer Fund</i>
CBO	<i>Community-Based Organizations</i>	MDG	<i>Millennium Development Goals</i>
CDF	<i>Community Development Fund</i>	MOH	<i>Ministry of Health</i>
CERMP	<i>Community environment and resource management plan</i>	MTEF	<i>Medium Term Expenditure Framework</i>
COMESA	<i>Common Market for Eastern and Southern Africa</i>	NEMA	<i>National Environment Management Agency</i>
COMPACT	<i>Community Management of Protected Areas Conservation</i>	NWFP	<i>Non-Forest Wood Products</i>
CORE	<i>Conservation of Resources through Enterprise</i>	NARC	<i>National Rainbow Coalition</i>
CSO	<i>Civil Society organization</i>	NET	<i>National Environment Tribunal</i>
DFID	<i>Department for International Development</i>	NGO	<i>Non-Governmental Organisation</i>
DFRD	<i>District Focus for Rural Development</i>	NMC	<i>National Poverty Eradication Plan</i>
DPC	<i>District Projects Committee</i>	NPEP	<i>National Poverty Eradication Plan</i>
EAC	<i>East African Community / Cooperation</i>	ODA	<i>Official Development Assistance</i>
EMCA	<i>Environment Management & Coordination Act</i>	PEI	<i>Poverty-Environment Initiative</i>
EPZ	<i>Export Processing Zone</i>	PPA	<i>Participatory Poverty Assessments</i>
ERS	<i>Economic Recovery Strategy</i>	PRA	<i>Participatory Rural Appraisals</i>
FAO	<i>Food and Agricultural Organisation of the UN</i>	PRSP	<i>Poverty Reduction Strategy Paper</i>
GDP	<i>Gross Domestic Product</i>	SAP	<i>Structural Adjustment Programme</i>
GNP	<i>Gross national Product</i>	TB	<i>Tuberculosis</i>
GoK	<i>Government of Kenya</i>	UN	<i>United Nations</i>
HIV/AIDS	<i>Human Immuno-Deficiency Virus / Acquired Immune Deficiency Syndrome</i>	UNCED	<i>United Nations Conference on Environment and Development</i>
ICT	<i>Information and Communications Technology</i>	UNDP	<i>United Nations Development Programme</i>
IP-ERS	<i>Economic Recovery Strategy Investment Programme</i>	USAID	<i>United States Agency for International Development</i>
IPRSP	<i>Interim Poverty Reduction Strategy</i>	WMS	<i>Welfare Monitoring Survey</i>
IUCN EARO	<i>The World Conservation Union, East Africa Regional Office</i>	WSSD	<i>World Summit for Sustainable Development</i>
KANU	<i>Kenya African National Union</i>	WWF EARPO	<i>World Wildlife Fund East African Regional Office</i>
KDHS	<i>Kenya Demographic Health Survey</i>		
KGT	<i>Kenya Gatsby Trust</i>		
KLGRP	<i>Kenya Local Government Reform Programme</i>		
LA	<i>Local Authority</i>		

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1.0 INTRODUCTION

1.1 BACKGROUND TO THE STUDY

The government of Kenya (GoK) recognises the importance of the environment in achieving economic recovery and poverty reduction goals highlighted in the Economic Recovery Strategy (ERS) for Wealth and Employment Creation (2003 – 2007). The ERS recognizes that “... *economic recovery needs to be sustainable if the objectives of poverty reduction and wealth creation are to be achieved*”. In the National Development Plan 2002 – 2008, the government further recognises that “... *the full integration of environmental concerns in development planning at all levels of decision making remains a challenge to the country*” and further stresses that “... *in view of the high incidence of poverty in the country, the need to integrate environmental concerns in development activities should be given high priority*”.

In response to this, the government of Kenya has developed a work programme, the Kenya Poverty Environment initiative (PEI). The Ministry of Planning and National Development led the programme development in partnership with the National Environment Management Authority (NEMA). The project is a part of the global UNDP-UNEP Poverty Environment Initiative and is supported by the UNDP, UNEP, and the Department for International Development (DFID).

The development of the Kenya PEI has highlighted a number of constraints in the realisation of the economic and social benefits of improved natural resource management. These include, inappropriate institutional structures and arrangements; lack of adequate all encompassing framework for integrating environment into policy and planning process; narrow sectoral focus of development planning and programmes, and weak frameworks of incentives for integration of poverty-environment relationships across sectoral planning; inadequate government resources for undertaking environmental interventions; inadequate capacities at the national and local level for sector-wide and cross-sectoral working; and the need for stronger partnerships with civil society and private sector.

1.2 SCOPE OF THE STUDY

To provide a foundation for the Kenya PEI’s further work, this study has an overall aim of identifying the key poverty and environment issues in Kenya for delivering sustainable economic growth and poverty reduction (see Annex I: TORs). Focus is on three key areas, i.e.

- (a) Critical poverty issues and environment opportunities for supporting the income of poor communities in Kenya,
- (b) Institutional framework at the National, District and Constituencies levels which govern the management of natural resources, and

- (c) Opportunities to strengthen the relationship between communities and governance institutions for better management of natural resources.

Section 2 of the study report gives an overview of poverty-environment issues in the Kenyan context, poverty-environment conceptual frameworks, global commitments, and critical poverty-environment issues. Section (3) covers existing institutional frameworks, opportunities to strengthen relationship between communities and the government, and elements for the way forward. Section (4) summaries overall conclusions and formulates a set of recommendations for action.

2.0 POVERTY AND ENVIRONMENT

Poverty is multidimensional and complex in nature and manifests itself in various forms making its definition difficult. Perceived differently by different people, some limit the term to mean a lack of material well-being and others arguing that lack of things like freedom, spiritual well-being, civil rights and nutrition must also contribute to the definition of poverty. Though often defined in absolute or relative terms for purposes of comparing groups, poor people do have their own definitions that arise from their own perceptions. Absolute Poverty is defined in terms of the requirements considered adequate to satisfy minimum basic needs, and the absolute poor have no means to meet these needs. Relative poverty however is used to refer to a poverty line, which is proportional to the mean or median income or expenditure, for instance the use of percentile cut-offs to define relative poverty line at, say, the bottom 20 percent of individuals in the distribution of income or expenditure [Mariara & Ndeng'e (2004)].

The world's poor depend critically on fertile soils, clean water and healthy ecosystems for their livelihoods and well-being. This reliance creates complex, dynamic interactions between environmental conditions, people's access to and control over environmental resources, and poverty. Understanding the nature of these relationships is a prerequisite for enduring success in the fight against poverty [Kimalu, et. al. (2001)].

2.1 DEFINITIONS USED IN POVERTY ANALYSIS IN KENYA

Definition of poverty in Kenya is largely informed with the qualitative approach based on various Welfare Monitoring Surveys (WMS) and Participatory Poverty Assessments (PPAs) undertaken since 1992 and 1994 respectively, where it was evident that communities define, view and experience poverty in different ways. The findings of PPAs in Africa were meant by the World Bank to show the complex relationship between poverty profiles, public policies, expenditures and institutions. WMS studies (1992, 1994, and 1997) were national surveys for measuring the living standards of the Kenyan people.

The WMS adopted the material well-being perception of poverty in which the poor are defined as those members of society who are unable to afford minimum basic human needs, comprised of food and non-food items. In the third PPA of 2001, people mainly defined poverty as the *'inability to meet their basic needs - associated with features such as lack of land, unemployment, inability to feed oneself and one's family, lack of proper housing, poor health and inability to educate children and pay medical bills'* [Mariara & Ndeng'e (2004)]. Other definitions have included *'... natural calamities, traditions and cultural beliefs that deny women access to productive assets'* [MPND, GoK (2003)]. Both definitions had several complications in determining the minimum requirements and the amounts of money necessary to meet the said requirements [Mariara & Ndeng'e (2004)]. The PRSP adopted the quantitative measures of poverty based on the 1997 welfare survey (WMS III) data. It similarly recognized that poverty is multi-dimensional and defines poverty to include *'... inadequacy of income and deprivation of basic needs and rights, and lack of access to productive assets as well as to social infrastructure and markets'*. The WMS III estimated the absolute poverty line at Kshs 1,239 per person per month and Kshs 2,648 respectively for rural and urban areas [HRW (2006); MPND, GoK (2004)]. The PRSP was based on these poverty lines (quantitative data), together with qualitative data from PPAs to generate information on the magnitude, extent, nature and characteristics of poverty.

2.2 POVERTY-ENVIRONMENT-ECONOMY LINKAGES IN KENYA

Current literature highlights the recognition the GoK has given to the fact that economic growth, poverty and environment, are inter-linked. Kenya has a total land area of 582,650 km², of which approximately 80% is arid or semi-arid (ASAL). Only 20% of the total land area is arable. Currently, the country's population is about 33 million people, 75-80% of who live in the rural areas in the high- and medium-potential agricultural areas of the central and western regions of the country [IDD (2002); MENR, GoK (2002)]. The arid lands, which cover 60% of the country, are home to 1 million semi-nomadic and nomadic people or about 5% of the country's population, nearly all of them poor [Kimalu, et. al. (2001)]. The population distribution varies from 230 persons per km² in high potential areas to 3 persons per km² in arid areas. Only about 20% of the land area consists of high to medium potential agricultural land, and this supports 80% of the population. In addition, Kenya is faced with a high dependency burden, with over 50% of the population below 15 years of age. The population in absolute poverty was estimated to be 44.7% in 1992, 52% in 1997, and 56% by 2002. Overall estimates indicate the poor cater for 49 % of the urban population and 53 % of the rural population [Mongabay (2006)]. Today, the major indicators of poverty can be recognized in a number of sectors including - low coverage in water supply services; a general decline in child nutrition and the provision of health services; increased pressure on environmental goods and services, especially the forest resources; and increased numbers of people receiving below minimum level of dietary energy consumption [MENR, GoK (2002)].

The Millennium Ecosystem Assessment¹ of 2001 developed a way of assessing human well-being and environment, with a focus on the state of ecosystem services (provisioning, regulating and enriching). A 2005 report on Kenya [UNEP/IISD, (2005)] lists (1) *maintenance of biodiversity*, (2) *food provision*; (3) *water supply, purification and regulation*, and (4) *energy resources*, as the four critical ecosystem services deteriorating in Kenya.

Maintenance of biodiversity: Fauna found in the savannah areas supports tourism that accounts for approximately 19 % of Kenya's GDP, and is the second foreign exchange earner. Kenya's forests support high biodiversity in addition to supplying important non-timber forest products (NTFP) including medicinal plants, tannins, essential oils and beeswax in addition to woodfuel. More than 2.9 million people live adjacent to forests, with 10% of those near Mt. Kenya. [Yet Kenyan forests are shrinking due to encroachment as a consequence of ongoing smallholder agriculture, clear-cutting and wood extraction, livestock rearing, NTFP collection and forest fires.](#) Currently, there are 50 endangered species, and 21 critically endangered species [UNEP/IISD, (2005)]. The economic repercussions are highlighted in the sub-sections on water and energy supply below.

Food provision: Kenya is a food deficit country. There was only a 0.1% growth in protein from fish and livestock in 1990/2000 period compared to a 3.5% growth for the 1980/1990 period. Total maize production was estimated at 2.25 MT² in 1999 compared with 2.44 MT in 1998 [MPND, GoK (2002)]. And in 2004, more than 60% of crops failed in five out of eight provinces, requiring 156,000 MT of food aid at an estimated cost of US\$76 million over six months. Factors contributing to this trend include the ecosystem related soil degradation, drought, pollution and invasive weeds, and the reliance on rainfed cultivation in the rural areas of the medium- to high-potential areas that support 80% of the population [Kimalu, et. al. (2001); MENR, GoK (2002) and UNEP/IISD (2005)].

Water supply, purification and regulation: The internal capacity of Kenya's watersheds to capture, store and safely release water are deteriorating. Out of Kenya's 164 sub-basins with perennial river flows, 90 will face surface water deficit by 2010 and already 33 sub-basins without perennial river flow have noticeable water shortage. The closed canopy moist montane forests, about three quarters of the total native forest in Kenya, provide much of the nation's water, but are stressed. Approximately 10 million people depend entirely on the endangered Mau forest catchments for their source of water, and Nairobi city's water supply (Ndakaini and Sasumua dams) is linked to the degradation of forests in the Aberdares range [UNEP/IISD (2005) and KFWG/DRSRS (2004)]. Pollution from

¹ The Millennium Ecosystem Assessment was a four-year study requested by the United Nations Secretary General in 2001 to provide an overview of the state of the global ecosystems and the consequences of ecosystem changes on human well-being.

² MT = metric tonnes

urban and industrial waste (i.e. Lake Victoria), and pesticides and fertilizers (i.e. Lake Naivasha) is severely deteriorating water quality [UNDP, (2001)].

Energy resources: The total energy consumed in Kenya is 12,260,000 metric TOE³, with woodfuel accounting for 70%, followed by petroleum at 21%, and electricity the remaining 9%. Kenya has 3,414,000 ha of forest area from which woodfuel is potentially gathered, but woodfuel is becoming increasingly scarce as forest area declines. From 1990 to 2000, natural forest area decreased by 5%, followed by a further decrease to 3% of total land area in 2005 [FAO, (2005); Emerton, et. al. (1998); and World Bank (2006)]. Deforestation is primarily caused by woodfuel demand for tea processing, timber felling for domestic and export markets, agricultural production, urbanization, bushfires and demand for fuel in urban households.

These observed downward trends are in the context of an economy that only grew by an annual average rate of 1.5%, between 1997 and 2002, an annual rate below the population growth estimated at 2.5% per annum for the same period, leading to a decline in per capita incomes. The deterioration in the standard of living in Kenya is demonstrated well by the worsening in key social indicators over the last two decades. Illiteracy rates increased as enrolment rates in primary school declined while life expectancy and child mortality worsened (table 1) [KDHS (2003) and MPND, GoK (2003)]. This disappointing development has further been complicated by the upsurge of the HIV/AIDS pandemic.

Table 1: Key social indicators in Kenya

WB GenderStats - Kenya	1980	1990	1995	2003
1. Life expectancy at birth (years)	50.3	50.3	49.9	49.8
Male	54	55	47	45
Female	58	59	48	46
2. Total fertility rate (births per woman)	7.7	5.6	4.9	4.8
3. Net primary school enrolment rate				
Male	-	74	68	66
Female	-	74	69	66

Source: World Bank group. www.worldbank.org

The economy however registered a GDP growth of 2.8%, 4.3% and ⁴5.8% in 2003, 2004 and 2005 respectively, a probable indication that recent reforms that the Government has been undertaking are beginning to bear fruit. But the fact that over half the population live below the poverty line means that there is still a lot of room for improvement mostly in the design and implementation of development strategies.

³ TOE = tonnes of oil equivalent.

⁴ Economic Survey 2006. CBS, GoK. (May 2006)

2.3 CONCEPTUAL FRAMEWORKS IN UNDERSTANDING POVERTY AND ENVIRONMENT LINKAGES

Conceptually, the poverty-environment framework in Kenya can be said to be addressed through three perspectives. These are the (1) *Millennium Development Goals (MDGs)*, (2) the *World Bank's Environment Strategy (WBES)*, and (3) the *UNDP and UNEP Poverty Environment Initiative*.

2.3.1 Millennium Development Goals (MDGs) and global commitments

The United Nations General Assembly, in its resolution 55/199 of 20th December, 2000 called for a summit of world leaders, the World Summit for Sustainable Development (WSSD)⁵ to undertake a ten-year review of progress made on the implementation of Agenda 21, and to reinvigorate the global commitment to sustainable development. Kenya joined 189 other countries in adopting the UN Millennium Declaration, a common vision of development by 2015 through a number of achievable goals, dubbed the Millennium Development Goals (MDGs) to be reached by the year 2015. The MDGs are composed of 8 goals to be achieved through 18 targets, over 40 indicators and 10 recommendations. The goals include: -

- (a) Halving extreme poverty and hunger,
- (b) Achieving universal primary education,
- (c) Promoting gender equality,
- (d) Reducing under-five mortality by two-thirds,
- (e) Reducing maternal mortality by three quarters,
- (f) Reversing the spread of HIV/AIDS, malaria and TB,
- (g) Ensuring environmental sustainability, and
- (h) Developing a global partnership for development, with targets for aid, trade and debt relief.

Kenya initiated the implementation process for the MDGs in September 2002. Work on MDGs has concentrated on conducting an analysis of the country's requirements to meet the MDGs as an initial step to formulate a national framework through which the goals could be achieved [GoK, UNDP (2005)].

2.3.1.1 MDGs in the Kenyan Context

Since independence, the GoK has been pursuing human development objectives. From the Sessional Paper No. 10 of 1965 that focused on the elimination of poverty, disease and ignorance, to the various recent policy and strategy papers geared towards achieving

⁵ The World Summit for Sustainable Development (WSSD) conference was held in Johannesburg, South Africa between August 29 and September 4 2002.

broad-based sustainable improvement in the welfare of all Kenyans. The latter include the National Poverty Eradication Plan (NPEP) (2000), the Poverty Reduction Strategy Paper (PRSP) (2001) and lately the Economic Recovery Strategy (ERS), 2003-2007.

The ERS is founded on four pillars that can be matched to the MDGs. Drawing heavily on the 2001 PRSP document, the Government Action Plan, the NARC Manifesto and the Post-Election Action Plan (PEAP) but also reflecting its own priorities, this Strategy identifies key policy actions necessary to spur the recovery of the Kenyan economy. It is based on four pillars as well as five cross cutting themes reflecting the overall goals of the Kenyan society. The four ERS pillars are:-

- (a) Macro economic stability.
- (b) Strengthening of institutions of governance i.e. local government reform in particular LATF and CDF (section 2.4.8: Democratisation)
- (c) Rehabilitation and expansion of physical infrastructure.
- (d) Investment in the human capital of the poor.

The five cross-cutting themes are service providing sectors which by their nature cut across other sectors of the economy. They include:-

- (a) Financial sector,
- (b) Land administration,
- (c) **Environment and natural resources,**
- (d) Water and sanitation, and
- (e) Information and communication technology.

The key issue for the Kenyan MDGs has therefore not been just to assess what needs to be met within the current resource constraints, but rather what is required to scale-up investment up to 2015 in order to achieve the goals. The MDG process has also entailed rallying all national and international development actors and engaging the community behind the MDGs. *However, the successful implementation of these plans and strategies should be considered in light of limitations in capacity, financing and bad governance coupled with poor economic management. The latter led to the loss of business and investor confidence in the last two decades, and recent measures taken to rectify this have included the enactment of two major anti-corruption legislation: The Anti-Corruption and Economic Crimes Act, 2003 and the Public Officer Ethics Act, 2003 [GoK, UNDP (2005)].*

2.3.1.2 Linkages between Kenya's PRSP, ERS and MDG goals

The ⁶PRSP was launched by the GoK in 2001 as a short-term strategy for meeting the long term plans outlined in the NPEP of 1999. A product of broad-based and in-depth consultations undertaken in 70 districts of the country, the PRSP identified measures for improved economic performance and priority actions for reduction of poverty incidence. Agriculture and rural development were identified as the topmost national priority areas. Though the PRSP identified specific strategies and target outputs for action, by 2003, there was nothing much on the ground to show that the PRSP was being implemented. Launched by the GoK in 2003, the ERS outlines the development strategy and policies that the government plans to pursue during the period 2003 to 2007, and encompassing an Investment Programme (IP) which provides a framework for implementing the agenda for wealth and employment creation.

MDGs are not any different from what Kenya has been attempting to pursue since Independence, i.e. eradicating hunger, illiteracy, decentralization and disease through policy documents such as Sessional Paper No 1 of 1965, past Development Plans (i.e. 1980s DFRD), the PRSP and more recently the ERS. However, whereas a fair supportive environment has been provided for certain sectors i.e. universal primary education, child mortality, gender equality, a similar supportive environment is still lacking for eradication of extreme poverty and hunger, ensuring environmental sustainability, and developing a global partnership for development [Waiyaki (2005)].

The linkages between the MDGs, PRSP and poverty-environment issues for Kenya are summarized in the table 3.

Table 2: Linkages between Kenya's PRSP, ERS and MDG goals

MDGs	Examples of PRSP Components	ERS Component
1. Halving extreme poverty and hunger	<ul style="list-style-type: none"> ▪ Enhancing food security ▪ Improving crops development ▪ Improve market development ▪ Improve livestock & fisheries development ▪ Creation of employment opportunities 	<ul style="list-style-type: none"> ▪ Legal & institutional reforms in agriculture ▪ Empowering resource poor farmers ▪ Strengthened extension services ▪ Increasing smallholders access to credit ▪ Irrigation development
2. Achieving Universal primary education	<ul style="list-style-type: none"> ▪ Promoting early childhood education ▪ Enhancing access, retention, completion rates at the primary level ▪ Expanding provision of bursaries 	<ul style="list-style-type: none"> ▪ Achieving 100 % net primary school enrolment ▪ Increase secondary enrolment
3. Promoting gender equality	<ul style="list-style-type: none"> ▪ Enhancing educational opportunities for the poor and 	<ul style="list-style-type: none"> ▪ Achieving 100 % net primary school enrolment

⁶ Kenya's 2000 Interim Poverty Reduction Strategy Paper (I-PRSP) provided a sound basis for developing a fully participatory PRSP and for World Bank and IMF concessional assistance. The government produced a draft PRSP in November 2002, which however was not submitted formally to the Bank and the Fund on account of the December 2002 elections.

	<ul style="list-style-type: none"> ▪ underprivileged ▪ Provision of loans and scholarships to needy students ▪ Creating employment opportunities ▪ Gender mainstreaming 	<ul style="list-style-type: none"> ▪ Increase secondary enrolment
4. Reducing child mortality	<ul style="list-style-type: none"> ▪ Implementing activities within the essential package of health services, with emphasis on women & children under five. 	<ul style="list-style-type: none"> ▪ Ensuring provision of a basic health package to all Kenyans
5. Reducing maternal mortality by three-quarters	<ul style="list-style-type: none"> ▪ Implementing activities within the essential package of health services, with emphasis on women 	<ul style="list-style-type: none"> ▪ Ensuring provision of a basic health package to all Kenyans
6. Reversing the spread of HIV/AIDS, malaria & Other diseases	<ul style="list-style-type: none"> ▪ Combating the HIV/AIDS scourge ▪ Increase and awareness of transmission of HIV/AIDS ▪ As in 4 above 	<ul style="list-style-type: none"> ▪ Reduce the prevalence of HIV/AIDS
7. Ensuring environmental sustainability	<ul style="list-style-type: none"> ▪ Viable land policy ▪ Sustainable management and use of forest and forest resources 	<ul style="list-style-type: none"> ▪ Environment protection ▪ Land administration ▪ Water development and management ▪ Wildlife management
8. Developing a global partnership for development with targets for aid, trade and debt relief	<ul style="list-style-type: none"> ▪ Promote product & market development & competitiveness ▪ Promote internal & external trade ▪ Enhance domestic, regional and international tourism 	<ul style="list-style-type: none"> ▪ Export promotion ▪ Tourism promotion ▪ Macroeconomic stability ▪ Trade policies ▪ Improved governance

Source: Coherence between Kenya's PRSP, ERS and achievement of MDGs.

www.moreandbetter.org

2.3.1.3 Assessment of policy integration of poverty and environment

The record on the integration of poverty and environment in Kenya's public policy making is mixed. Currently, environment is considered as a "cross-cutting" policy matter, which is policy-speak for important enough to be included in the policy documents, but not high up in the priority listing. On the other hand, poverty reduction or rather wealth creation has become the high priority policy specific, with adequate resourcing and political support [Duraiappah (2001) and MPND, GoK (2005)].

Having said this, the current situation is a setback from what prevailed 5 years ago. A World Bank survey [Bojo, et. al. (2002)], rates Kenya's Interim PRSP (2001) relatively well in terms of mainstreaming environment into poverty reduction through its discussion and costing of inputs and outcomes of major environmental concerns and opportunities, poverty-environment link analysis, response to environmental challenges, and the participation and inclusion of environmental constituencies and voices. Out of a possible score of 3, Kenya scores 1.9, while the 40-country average is 0.9.

Kenya's IPRSP was rated well in terms of raising, describing, costing, and proposed monitoring of environmental issues related to energy, land and water use. It also made concrete proposals over property rights, particularly in terms of land law and water rights. It also presented a regulatory and legal framework for implementation environmental

audits and environmental impact assessments through such institutions as the National Environment Management Authority (NEMA), and the restructuring of forestry institutions and forest management.

While NEMA is able to carry out its functions, the Water Management Act and its institutions have been put in place, and the Forestry Bill has finally been passed, the PEI still faces a situation in which environment is treated rather differently than poverty reduction in terms of policy prioritization, budget allocation, political and civil society support, and actual implementation on the ground. While there is a conscious recognition that poverty reduction and the environment are inextricably linked, that consciousness is yet to develop into a coherent poverty-environment policy, budget, and implementation framework.

2.3.2 The World Bank's Environment Strategy

This framework sees the environment alleviating poverty in three ways, namely:

- (a) quality of life i.e., enhancing livelihoods, reducing vulnerability and improving health among poor people;
- (b) quality of growth i.e., improving the policy, institutional and regulatory frameworks while supporting environmentally and socially sound private sector led development; and
- (c) quality of regional and global commons by using local initiatives providing immediate benefits to the poor while contributing to positive outcomes on global matters such as climate change [Duraiappah (2001)].

This approach adopted in the Poverty Reduction Strategy Papers and Facilities (policy paper and subsequent Bank credit) is growth based and focuses on overcoming market failures, getting prices right, and devising effective institutions as the means of allocating environmental resources (commodities and services) equitably to create income and employment opportunities among the poor.

2.3.3 UNDP and UNEP Poverty Environment Initiative (PEI)

This is largely a sustainable livelihoods approach that highlights five policy interventions necessary to provide the poor with the means to cope with and recover from stresses and shocks while maintaining or enhancing their capabilities and assets without undermining the resource base. The five policy interventions are:-

- (a) access to assets;
- (b) asset improvement;
- (c) infrastructure and technology development;

- (d) employment and compensation for the poor; and
- (e) market and planning reform [Duraiappah (2001)].

In essence, the PEI approach bears similarity to the WBES, except that in addition to assets and activities, it introduces the concept of capabilities by the poor. The means of creating incomes and employment under this approach goes beyond overcoming market failures, getting prices right and devising effective institutions for equitable access and allocation of environmental resources (commodities and services). It requires the development and deployment of capabilities by poor households and individuals to live through and bounce back or forward from severe stress situations within ecologically sound practices.

2.4 ASPECTS OF POVERTY IN THE KENYA CONTEXT

Unlike the latter two frameworks, the MDGs do a better job in acknowledging that environmental resources also provide life-supporting services to humanity, and addresses this in its framework. These three approaches however, face severe implementation constraints in the context of an inequitable political economy, severely depleted natural resource base, deepening poverty, civil insecurity, HIV/AIDS, food insecurity, globalization, and democratization.

2.4.1 *Inequitable Political Economy*

Recent efforts at poverty assessment and mapping in the country indicate that poverty is inequitably distributed nationally, regionally, and within districts [Bojo, et. al (2002); Mongabay (2006); MPND, GoK (2002) & (2003)]. 26.5 % and 62.3 % of the population is living on less than \$1 a day and less than \$2 a day respectively, and the number of income poor has increased from 3.7 million in 1972–1973 to 12.5 million in 1997, and is currently estimated at over 17 million [MENR, GoK (2002)]. Inequality in income distribution is high, with the bottom 20% of the population getting only 2.5% of the total income, while the highest 20% of the population gets 59% of the total income. Other signs of widening inequality include widening gender and regional disparities in terms of poverty levels and access to social services and economic opportunities. The poorest people and locations are characterized by five major commonalities:

- (a) *Tend to be in more arid, poorer soils, and water scarce than neighbouring better off localities.*

Three quarters of the poor live in rural areas with the majority located in the highly-populated region stretching south to south-east from Lake Victoria to the coast, straddling the rail and road corridors. Subsistence farming households are also most poor in arid and semi-arid areas of the country, where women spend a great portion of their time searching for water and woodfuel. The North Eastern and Coast provinces

have the poorest households while Nyanza historically has the highest incidence of poverty [UNEP/IISD, (2005)].

- (b) *Are populated by poorly educated communities, with low school enrolment, and very limited female participation.*

Existing literature indicates that North Eastern Province (data mainly urban) has the lowest primary and secondary school enrolment (9.8% and 4.8%, respectively), due mainly to poverty, remoteness, insecurity and transhumance. Coast also has low enrolments due mainly to relatively higher poverty. Adult literacy rate is lowest in Coast (62.8%) and North Eastern (64.2%). According to UNDP (2001) low literacy is due to children opting out for jobs in tourism at the coast, and remoteness, insecurity and poverty in North Eastern. In addition, while many schools in Kenya are Christian, Coast and North Eastern provinces are dominated by Islam and fewer schools. Low literacy in Eastern and Rift Valley is due to the spill-over effects of poverty [UNDP, (2001)].

Comment [BSID1]: CI: Alex has a problem with this. I wonder whether madrasa and mainstream curricula clash?

- (c) *Are poorly served by health, water and sanitation services, roads, electricity, and other physical and social infrastructure.*

Poor service provision is a feature of smaller towns as well as large cities in Kenya. It is estimated that between 18% and 40% of residents in secondary towns (urban settlements with between 20,000-100,000 inhabitants) live in unplanned, informal housing developments, which lack access to basic services [UNDP, (2001)]. Estimates put rural and urban access to improved water sources at 46% and 89% respectively. Access to improved sanitation stands at 43% and 56% for rural and urban areas respectively [UNEP/IISD, (2005)]. Only 4% of the population living in the rural areas have access to electricity. More than 47% of the urban dwellers live in informal settlements and in conditions of abject poverty characterized by, among others, unavailability of safe drinking water and sanitation facilities [MENR, GoK (2002)].

- (d) *Have poorly developed and largely ineffective public, community, and private institutions.*

Virtually every social and economic indicator shows the extreme inequalities that exist between rural and urban areas in Kenya. Although agriculture provides employment for an estimated 75% of Kenya's labour force and about 90% of rural incomes, it accounts for only 9% of the total private and public sector earnings in the country [UNDP, (2001)]. In the informal sector, lack of credit information from public registries and private bureaus continues to be a setback [IBRD/World Bank, (2006)].

- (e) *Have limited links to regional, national, and global markets and opportunities.*

While the poor generally cultivate more land and have more livestock than the non-poor, the non-poor earn more than 2.5 times more income through the sale of cash crops and 1.5 times more through livestock sales [UNDP, (2001)].

2.4.2 Rapidly Depleting Natural Resource Base

With medium- and high-potential land catering for 75-80% of the country's population found in the rural areas in a largely ASAL country, the poor live in localities and neighbourhoods that are facing severe environmental stress. They may live on fragile marginal areas where fertile top soil is easily washed away, or in drying up wetlands prone to seasonal flooding. The need for food-crop cultivation, fuel, building materials, and grazing, strains the vegetation around where they live, further degrading the capabilities of the natural resource base. A look at forests, a key natural resource, shows that 5% was lost between 1990 and 2005 [Mongabay (2006)]. A 2005 forest assessment in the country showed a gradual decline in forested areas from 3,708,000 to 3,582,000 and 3,414,000 Ha for the years 1999, 2000 and 2005 respectively [GoK, UNDP (2005)]. This gives a current forest cover of slightly over 6% of the total land area [FAO, (2005) and Mongabay (2006)].

Table 3: Forest resources, Kenya

Name of variable	Area ('000 Ha)		
	1999	2000	2005
Indigenous closed Canopy	1 240	1 190	1 165
Indigenous Mangroves	80	80	80
Open woodlands	2 150	2 100	2 075
Public Plantation Forests	170	134	119
Private Plantation forests	68	78	83
Bush-land	24 800	24 635	24 570
Grasslands	10 730	10 485	10 350
Farms with Trees	9 420	10 020	10 320
Inland water Bodies	1 123	1 123	1 123
⁷ Total Area for country	58 037	58 037	58 037

Source: Global forest resources Assessment 2005. Kenya Country Report. FAO

A 2000-2003 study of forest cover in Kenya's main upper catchment illustrates natural resource depletion well [KFWG/DRSRS (2004)]. Dubbed the five 'water towers' in reference to their water catchment function, the areas include the Mau complex, Mt. Kenya, Mt. Elgon, Cherangani Hills and the Aberdare range. Satellite mapping of the areas showed deforestation (i.e. 7 084 Ha or 1.8% for Mau complex) and forest destruction through illegal logging, charcoal production and cattle grazing in the Aberdares. A similar study carried out in 1999 for the Mt. Kenya region had established extensive illegal activities leading to serious destruction below the bamboo/bamboo-podocarpus belt [UNEP/KWS, (1999)]. It established that 14,662 indigenous trees were cut through illegal logging, including over 6,700 Camphor (*Ocotea usambarensis*) trees. Over 75 % of clear-felled plantations were not replanted with tree seedlings; despite the

⁷ Total area may differ with other statistics elsewhere given that UN agencies still honour internationally disputed areas like the NW part of Kenya.

encroachment from *Shamba* system cultivated areas (see section 2.6). Other negative impacts were due to Marijuana cultivation (200 Ha), livestock grazing, and fires.

There is resource depletion as a consequence of urbanisation too. The proportion of total urban population rose from 10% in 1969 to 27% in 1999 [UNEP/KWS, (1999)]. This growth has mainly been due to rural-urban migration, natural population growth, influx of refugees, boundary extensions for some municipalities and the creation of new urban centres. A large portion of new residents have ended up in the three primary centres of Nairobi, Mombasa and Kisumu. The urban poor live in settlements characterized by shortage of appropriate housing, inadequate water and sanitation services, deteriorating road and transport system as well as shortage of energy supplies. The impacts thus include wood fuel depletion, increased soil erosion and land degradation

2.4.3 HIV/AIDS

The poorest, lesser educated and most economically vulnerable members of the Kenyan society are also the most at risk in terms of contracting and spreading HIV/AIDS. They are also further disadvantaged in terms of having access to proper diagnostics, counselling, treatment, and nutritional support when infected. The poor are more likely to lose their jobs, assets, and other properties once one or both heads of household are affected with or die from AIDS.

In general, there has been a decline in AIDS prevalence in the country. The overall adult infection rate reduced from 10% in the late 1990s to 7% in 2003 (UNAIDS)⁸. Despite the reduction, which was mainly due to awareness-creation programmes, UNAIDS estimated that some 1.2 million Kenyans were living with the virus, of whom 100,000 were children. Some 650,000 children had been orphaned as a result of the disease. According to a 2003 ⁹KDHS study, women are more likely to be HIV positive than men [Shikwati (200?)]. From the study the national HIV prevalence was estimated at 6.7% with 8.7% and 4.5% prevalence for women and men respectively. HIV prevalence was almost twice as high in urban areas as in rural areas (10% and 6%, respectively). Provinces with prevalence levels above the national average included Nyanza (14%) and Nairobi (9 %). The lowest prevalence levels were found in the less populated Rift Valley, Western, and Eastern Provinces, with 5.2%, 5%, and 4.1% prevalence respectively. North Eastern Province had the lowest prevalence rate in the country at 0%.

⁸ KENYA: HIV/AIDS a major health issue in western region. IRIN/UN Office for Coordination of Humanitarian Affairs. 25 November 2005. www.irinnews.org

⁹ The 2003 Kenya Demographic and Health Survey (KDHS) was carried out by Central Bureau of Statistics (CBS) from mid-April to mid-September 2003 using a nationally representative sample of almost 9,000 households.

With the perceived gender-related prevalence trends, and given that more women are involved in natural resource activities at the grassroots, there could be implications for the sustainability of women-led grassroots' initiatives. Clearly, the cost in terms of human suffering, loss of labour and/or productive time, the cost to governments and society at large of medical care, including the social cost of bringing up AIDS infected orphaned children, is perhaps impossible to capture in quantitative terms.

2.4.4 Drought, Floods and Food Insecurity

The causes of poverty and food insecurity in Kenya include low agricultural productivity, inadequate access to productive assets (land and capital), inadequate infrastructure, limited well functioning markets, high population pressure on land, inadequate access to appropriate technologies by farmers, effects of global trade and slow reform process [IDD/DfID, (2002)]. Communities in arid and semi-arid lands of the country are particularly vulnerable because of the recurring natural disasters of drought, livestock diseases, animal and crop pests, and limited access to appropriate technologies. **Although Kenya generally has had an average of one drought per decade, four successive droughts occurred between 1991 and 2000, and there was also a drought period in both 2004-2005. While the 1999–2000 drought affected 4.2 million people and caused the death of nearly 100 people [Mongabay (2006)], the last drought resulted in food insecurity in 17 Districts with an estimated 2.5 million people dependent on food aid¹⁰.**

Without income, and facing declining crop and livestock yields, most poor households in the affected regions are on the borderline of starvation, not because the country itself faces a national food shortage, but because they simply cannot afford to buy the food that is available in the markets. Their lack of purchasing power shows that famines occur, largely because those who would starve cannot afford the food in the markets. Each subsequent drought or flood further deepens their vulnerability, creating the real concern that Kenya may soon have large sections of society becoming entirely dependent on relief food and other assistance.

Slow reform and poor planning results in available resources being directed to interventions that do not give sustainable impact. For example when North Eastern parts of the country experienced extended drought for four consecutive seasons, the Kenya government, UN Agencies and NGOs spent a total of 27.2 billion Kenya shillings (US \$340 million) on the provision of famine relief food to the affected 4.1 million people from March 2000 to September 2002. Approximately 20% of the amount was spent on food distribution and logistics. Properly planned, this amount of money would go a long way in establishing sustainable food security measures in the country [Delvetere, et. al. (2005)].

¹⁰ Sources: Kenya Meteorology Services (www.meteo.go.ke) and World Health Organisation (www.who.int)

2.4.5 Globalization

Globalization affects the poor in Kenya in many ways. From an environment point of view, climate change is affecting rainfall and weather patterns adversely reducing their well-being (i.e. the El Nino phenomenon). In terms of free trade, cheaper imported foods and consumer goods from the far East continue to replace local production, turning entire communities into consumption oriented rather than production oriented households. There is also an increasing demand on Kenya's natural resources for minerals, oil and other things, e.g. Tiomin mining at the Coast province whose effect on local livelihoods is yet to be seen. [And linkages to external world trends produces disaffection with local culture, attitudes, and opportunities – creating a disaffected and ultimately frustrated younger population aspiring for unattainable lifestyles and livelihoods.](#)

Comment [BSID2]: CI: Delete?

The reform period saw an increase in employment opportunities in the informal sector, an upward trend in employing highly skilled manpower especially in the manufacturing sector. And despite the export promotion incentives put in place in the 1990s reforms, the export performance has been poor [Manda (2002) and Sen (200?)]. The revival of the East African Community, and creation of regional cooperation mechanisms e.g. COMESA¹¹, have been instituted with the objective of creating a unified single economic space within which goods, services, capital and labour are able to move freely across national frontiers.

It is also recognised that the current form of globalisation, particularly in the context of economics and finance, draws its motive force from information and communication technologies (ICTs). Through the new enabling liberal environment and the agency of ICT, the so called financial globalisation poses a new threat to emerging economies, especially if they are somewhat lacking in know-how and necessary infrastructure. Today's globalization era is increasingly getting characterised by information and knowledge based economies. Kenyans recognize that there is need to shift from dependence on the agricultural (natural resource) base characterised by a weak industrial foundation to the development and exploitation of ICTs to aid other sector of the economy. This is evidenced by the publication of Kenya's National ICT Policy (2005) and ICT Strategy for Economic Growth (2006) [CBS, GoK (2006)]. If we lag behind technologically as far as ICT is concerned, there are possibilities of losing out on ICT related jobs i.e. the increasing outsourcing of contracts to developing countries from the West. For now thus, globalization in Kenya must be embraced in a strategic manner lest it leads to the worsening of the poverty situation.

2.4.6 Democratization

¹¹ The Common Market for Eastern and Southern Africa - promoting regional economic integration through trade and investment. COMESA. www.comesa.int

The 21st century has seen an acceleration of democratization in Kenya (deeply entrenched among the poorest households as well) not only in terms of elections, but also in terms of participation in decision-making, resource allocation, and accountability. The poorest Kenyans are increasingly aware of their political, civil, and economic rights; they increasingly demand to be included in decisions affecting them, and if excluded can violently protest against such exclusions; and are increasingly demanding accountability of their elected political leaders, their religious leaders, administrative organs, and NGOs [IBRD/World Bank, (2006)]. This was perhaps best manifested on the 27th December 2002, when Kenyan voters rejected KANU, and its legacy of corruption, and gave the National Rainbow Coalition (NARC) a plurality mandate in excess of 70%, ushering in a new “corruption free” government [TI Kenya, (2006)]. This means that any interventions for the poor must now first meet their approval, and must continually be ready to be accountable to them for results.

Decentralized resource allocation in Kenya started during the 1980s with the adoption of the District Focus for Rural Development (DFRD). A major shortcoming though was ignoring the contribution of the local residents and lack of accountability as far as projects on the ground were concerned, a mere dispersal of Central Government control outside the national capital without tangible transfers of powers to local decision making [FAO (1997)]. Centrally administered through the Office of the President, DFRD established a system of district development committees that linked the district level downwards to the divisional, locational and sub-locational levels. These committees’ paralleled and by-passed elected local area (LA) councils, with the latter only being partially represented on the DDCs – with little say in local development matters [Kinyua (2004)].

As a reaction to the failure of DFRD, there have been initiatives towards reforming LAs by the GoK. Two, of particular importance include, (1) the *Local Authority Transfer Fund (LATF)*, and (2) the *Constituency Development Fund (CDF)*. The architecture of devolved governance in Kenya has been further complicated by *ad hoc* arrangements for some of the key sectors such as District Roads Committees for infrastructure sector, , District Environment Committees for the environment, and localised committees for HIV/AIDS and water sectors. In addition, the IP- ERS foresees the creation of a further channel to transfer resources to the local level through the Social Action Fund (SAF).

(i.) *Local Authority Transfer Fund (LATF)*

Started in 1995, the Kenya Local Government Reform Programme (KLGRP) outputs have included the introduction of the Single Business Permit and the LATF Act of January 1998. This is a central government grant system for transferring 5% of the personal income tax from the exchequer to the LAs meant for the improvement of local service delivery; financial management and accountability; elimination of outstanding

debts; and participatory planning processes at the local level. The LATF is disbursed in three instalments within each financial year depending on individual LAs' compliance with key criteria relating to financial reporting, service delivery and participatory planning. A key conditionality is the submission of a Local Authority Service Delivery Action Plan (LASDAP) – a participatory planning process for identifying and prioritizing local development needs. In 2002, over 27,899 individuals participated in over 900 LASDAP meetings [Delvetere, et. al. (2005)]. Given that there are 174 LAs, an average of 1,600 individuals participated in the process in each of the LAs, a relatively significant level of citizen mobilization in the local level development process. From a MDG perspective, the government has now directed that 20% of LATF be spent on core poverty (MDG-related) programmes at the ward level [GoK, UNDP (2005)]. A snap monitoring of the projects at constituency level has shown that since the release of the first tranche in October 2004, there has been a marked improvement in the social sector infrastructure (i.e. education, health and water), and roads and electricity in some cases. Projects on the environment are few, for instance in 2002, CBOs in Mombasa held 9-ward level meetings involving around 400 people and prioritized projects which included only the environmental aspects garbage collection and drainage [Ongoya & Lumallas, (2005)].

Despite the success of the LATF reforms, LAs continue to be marginalised in the local development process as they account for only 5% of government revenue. Moreover, LAs lack technical capacity to assure service delivery and infrastructure development in key areas. In addition, financial management capacity and the vulnerability of fragile systems to fraud is a further concern in LAs. The parallel government systems of service delivery to LAs, with some interactions and overlaps might render coherent planning and service delivery impossible, reduce transparency and thereby increases the risk of allocative inefficiencies and the vulnerability to fraud.

(ii.) *Constituency Development Fund (CDF).*

The CDF was established by the Constituency Development Fund Act of 2003. 2.5% of all ordinary government revenue collected in every financial year is paid into the fund and disbursed under the direction of a National Management Committee (NMC). 75% of the total allocation is shared equitably amongst the 210 constituencies and 25% is allocated by dividing by the national poverty index, then multiplying by each constituency's poverty index. The CDF cycle begins with the election of an MP, who has to constitute a Constituency Development Committee (CDC) within 30 days of a new parliament. The CDC runs projects in the constituency, approves project proposals, and implements them. Section 21 (1), of the Act gives MPs discretion to appoint 5 people from the different groups at the grassroots, and to chair the committee. The CDC then does a needs assessment study, deliberates on projects from all locations and draws up a priority project list, both immediate and long-term. The proposals are then forwarded to the District Projects Committee (DPC), made up of all the MPs (elected and nominated) in the District, mayors, and chairmen of local authorities, the District Commissioner and

other civil servants. The DPC then recommends the proposals to the clerk of the National Assembly through the MP. The clerk of the National Assembly then forwards the list to the Constituencies Fund Committee (CFC), a select committee of Parliament charged with approving the proposals, overseeing implementation of CDF Act, and overseeing policy framework and legislative matters. Proposals are then sent to the NMC for approval; if approved the funds are disbursed in 2 equal tranches, although the Act requires that there be four tranches. Funds are then released to accounts submitted by the respective CDC, with an Authority to Incur Expenses (AIE) issued to the DDO of the respective district by the NMC.

From an overview of CDF funding in 9 rural and 2 urban sample districts¹² for the financial year 2004/05, it is clear that few of the CDF committees are placing the environment as a priority (Table 7). The extent of power devolution is perhaps marred by the involvement of parliament in the implementation of what is a government programme by parliament, and MP discretion in forming the CDF committees.

Table 4: CDF funding for environmental projects in 9 rural and 2 urban districts

CONSTITUENCIES	CDF ENVIRONMENTAL PROJECTS (2004/5)	KSH
BONDO DISTRICT		
BONDO	Kondido dam	400,000
RARIEDA	5 dams	3,000,000
NYANDO DISTRICT		
MUHORONI	School Tree Planting Project	54,275
NYANDO	Nil	-
NYAKACH	Nil	-
MAKUENI DISTRICT		
MBOONI	Nil	-
KILOME	Nil	-
KAITI	Earth dams	1,300,000
MAKUENI	Earth dams	1,300,000
KIBWEZI	Kalata kalimakoi gabion	200,000
VIHIGA DISTRICT		
EMUHAYA	Tea & tree nurseries (afforestation)	1,000,000
SABATIA	Nil	-
VIHIGA	General environmental projects	500,000
HAMISI	Nil	-
BOMET DISTRICT		
BOMET	Nil	-
CHEPALANGU	Environmental management	100,000
SOTIK	Environmental/soil conservation	1,170,000
MARAGUA DISTRICT		

¹² The 9 rural and 2 urban districts are referred to again in latter section to highlight poverty-environment issues in the study. The include Kwale and Kilifi (Coast), Bondo (Lake Basin), Makueni (ASAL), Vihiga, Bomet, Maragua and Kakamega (High potential), and Nairobi, Kibera, Pumwani, Embakasi and Dagoreti (Urban areas).

KIGUMO	Nil	
MARAGUA	Nil	
KANDARA	Nil	
KAKAMEGA DISTRICT		
CONSTITUENCIES	CDF ENVIRONMENTAL PROJECTS (2004/5)	KSH
MALAVA	Water & sanitation	1,496,464
LURAMBI	Supply and protection of water resources	2,732,606
SHINYALU	Nil	-
IKOLOMANI	Nil	-
KILIFI DISTRICT		
BAHARI	Nil	
KALOLENI	-	
GANZE	-	
NAIROBI DISTRICT		
CONSTITUENCIES	CDF ENVIRONMENTAL PROJECTS (2004/05)	KSH
DAGORETTI	Environmental	1,106,725
KASARANI	Environmental services	1,000,000
LANGATA	Nil	-
WESTLANDS	Nil	-
MAKADARA	Nil	-
KAMUKUNJI	Nil	-
MOMBASA DISTRICT		
CHANGAMWE	Community garbage collection	500,000
KISAUNI	Nil	-
LIKONI	Nil	-
MVITA	Mvita sanitation project	360,000
KWALE DISTRICT		
MSAMBWENI	Nil	
MATUGA	-	
KINANGO	-	

Source: Constituency Development Fund. www.cdf.go.ke

Through Constituency Development Fund, poverty and environment challenges may be addressed in what has the potential to become one of the most important development initiatives in Kenya. Some of the stronger criticisms of the CDF have included, its lack of 'specific agenda' hence looking like a political unit, and various democratic deficits, key among them the sitting MP influencing membership to CDF committees [Ongoya & Lumallas, (2005)].

2.5 ASPECTS OF POVERTY AT THE DISTRICT AND COMMUNITY LEVEL ANALYSIS

In this section we look at aspects of poverty at district and community levels by considering (1) economic activities, and (2) existing/ current development plans. For it is at the District / community level that, the life-supporting services of environmental resources are most crucial. The three frameworks (MDGs, WB and UNDP/UNEP PEI)

face severe implementation constraints in the context of high reliance on natural resources (environment) and related resource degradation, and decentralisation (democratisation) in particular the development plans and their implementation.

2.5.1 Natural resource-based economic activities

A synopsis of poverty-environment challenges in 9 rural and 2 urban districts with high poverty incidences shows that, economic activities in these areas are natural resource-based and have a direct bearing on the environment (Table 8). The complex inter-linkages are apparent where for instance, the environmental concerns (deforestation, encroachment, waste management, desertification, etc.) are as a result of human activities, with the mostly negative activities as a consequence of poverty and / or lack of service provision (need for food production, need for income, need for fuel wood, pollution, need for forest products, etc.). Improvement of livelihoods thus must first tackle the environment concerns at the local level as examples of success stories at the local level show (see section 2.6).

Table 5: Poverty-environment challenges in 9 rural and 2 urban districts

COASTAL REGION				
District	Poverty incidence	Natural resources	Economic activities	Environmental concerns
Kwale	63 %	Wildlife, Forestry, Land, and water masses (e.g. Indian ocean)	Agriculture, Fishing, and Small scale businesses	Poor farming practices (deforestation, felling of trees, charcoal burning) Mining and quarrying.
Kilifi	72 %	Marine fisheries, Coral reefs, associated biodiversity and beaches, Mangrove forests and swamps, Dead coral rock, Indigenous Forests, Wildlife, limestone, gemstones and lead.	Agriculture, Fishing, Forestry, Quarrying, Tourism and Sand harvesting.	Deforestation, Charcoal burning, overstocking, unsuitable farming practices, poor solid waste management and waste collection, poor liquid waste management, industrial pollution, marine water pollution, coral reef destruction.
LAKE BASIN REGION				
District	Poverty incidence	Natural resources	Economic activities	Environmental concerns
Bondo	71%	Lake Victoria and its fishery resources, Rivers (Yala, others), Quarry and gold in limited quantities, Pockets of indigenous forests and Swamps.	Fisheries, Agriculture, Sand harvesting,	Pollution of rivers and Lake Victoria (surface run-off from agrochemicals and sand harvesting), Deforestation, unsustainable sand harvesting, poor garbage disposal, overstocking of livestock, wetland encroachment, pollution from Bondo fish meal industries,
ARID AND SEMI-ARID REGION				
District	Poverty incidence	Natural resources	Economic activities	Environmental concerns
Makueni	62%	Indigenous floral species, 15000 hectares of gazetted forests and 724 km ² of National Park, several perennial rivers, springs and	Small scale agro-pastoral farming, Ranching,	Un-sustainable sand exploitation, Poor waste management in the urban centres, Poor quality of the Athi river water due to upstream pollution.

		high potential of ground water, Minerals (sand, quartz, ceramic soils, pottery soils, and limestone).		Human encroachment of water sources and water catchment areas, Desertification.
HIGH POTENTIAL REGION				
District	Poverty incidence	Natural resources	Economic activities	Environmental concerns
Vihiga	58%	Good soils for agriculture, Ground water potential, Rivers, 2 gazetted forests covering 4,160.6 Ha, Preserved cultural forests.	Agriculture	Encroachment of forest reserves and swamps, High population, and High poverty incidence.
Bomet	53%	Gazetted forest (Chepalungu Forest), Three permanent rivers and Wildlife.	Agriculture	Pollution of Rivers and streams; Massive deforestation resulting to increased soil erosion; Encroachment of Chepalungu natural forest; Cultivation on fragile ecosystems (riverbanks, hilltops); Non-existent effluent and solid waste management system; Residual farm chemicals accompanied by their poor handling, storage, and disposal.
Maragua	37%	Arable land suitable for agriculture, several rivers and streams and vast amounts of ground water, Wildlife, Construction stone, gravel, murrum and clay.	95 percent of total land area used for agriculture, 5 percent under urban development.	Reduced land productivity; Rapid population growth; Poverty; Stone quarrying and sand harvesting; Soil erosion; Reduced tree cover on farmlands; Riverine cultivation and wetland encroachment; Poor waste management in urban centres.
Kakamega	63%	Perennial rivers and springs, 322 Km ² of gazetted forests, Mineral potential (gold, sand, clay, pyrites, graphite, molybdenites, quartz), Ballast and stone, wetlands.	Agriculture and livestock farming, Gold prospecting.	Poor waste management Forest destruction.
URBAN AREAS				
District / Division	Poverty incidence	Natural resources	Economic activities	Environmental concerns
Nairobi	60%	Rivers, forests, wildlife	The poor residents live in congested informal settlements that occupy only 5% of residential land area where they carry out <i>jua kali</i> / basic comic activities.	These informal settlements are located in marshy areas, next to railway lines and near dumping sites. The high population of poor residents has led to further degradation of the environment.
Kibera	41%	Rivers, forests, wildlife within the national park	Agriculture, salary employment, urban self employed	Unplanned settlements, Over-exploitation of ground water, Overcrowding, River water pollution, Sewerage farming.
Pumwani	46%	Nairobi River which is heavily polluted and supports very little if any flora and fauna.	Residential and commercial housing, Trading in the formal and informal markets, Small scale industries, <i>Jua kali</i> traders, Shopping complexes and other commercial undertakings.	Indiscriminate disposal of solid waste in water-bodies (e.g. Nairobi River) and open land spaces; Blocked and burst sewerage systems; Emptying of raw human waste from pit latrines into Nairobi river; Wastewater from homes drained in the open; Medical waste poorly disposed in the informal settlements; Air pollution from motor vehicle exhaust systems and burning of hazardous waste in the open; Oil spillage from garages and other sources, Noise pollution.
Dagoretti	46%	Forests, Rivers, and	Agriculture, <i>Jua kali</i> trading	Informal settlements; Uncollected garbage/poor wastes disposal; Water

		Wildlife		pollution; Exhaust fumes from vehicles; Informal settlements; Forest destruction; and breakdown in sewage treatment system.
Embakasi	42%	Rivers - Athi river and Ngong river (polluted), Quarries	Small scale enterprises (kiosks and <i>juu kali</i>); Industrial activities especially along Mombasa Road; Farming activities along Athi river; Sewage farming around Kayole, Njiru and Dandora; Business activities (petrol stations, shopping centres); Jomo Kenyatta International Airport.	Poor solid waste management, Unplanned settlements, River pollution, Burst sewages, Sewage farming, Unrehabilitated quarries, and Noise pollution.

Sources: District Development Plans 2002-08, Ministry of Planning and National Development; Geographic dimensions of well-being in Kenya: where are the poor (2003). Vol. 1, CBS

2.5.2 District planning and development processes

At the District level, the Environmental Management and Coordination Act (EMCA) of 1999 has established District Environment Committees (DEC) of the National Environment Management Authority (NEMA). The DEC is an addition to the District Development Offices and District Development Plans (DDP), and together they form an elaborate constitution of committees meant to enhance the roles of individuals and community-based groups, and to facilitate public participation in the decision-making process. The DEC is chaired by the District Development Officer who is also involved in the DDP and reporting processes. A review of district development plans and strategies designed to address environmental-related matters, in the same districts, shows that most of the efforts are about increased awareness, rather than income or employment generating environmental programs and projects that would alleviate poverty. The environmental efforts of these plans thus would have little impact in reducing poverty or even stemming or turning the tide against environment degradation. The list below is taken from proposed environmental issues and strategies in the District Development Plans (2002-2008), National Development Plan 2002-2008 [MPND, GoK (2002)].

Table 6: District Development Strategies in 9 rural and 2 urban districts

DISTRICT	DISTRICT DEVELOPMENT PLAN STRATEGIES
Bomet	<ul style="list-style-type: none"> ▪ Forest Office and County council to organize campaigns on afforestation; ▪ District Office on Agriculture to promote agro forestry in normal extension services; ▪ Enhance awareness on the environment; ▪ District Environmental Committee will reinforce the Environmental Management and Coordination Act.
Bondo	<ul style="list-style-type: none"> ▪ Establish and protect fish breeding grounds; ▪ Ensuring that fishermen use appropriate fishing gear; ▪ Observe breeding periods.

Kwale	<ul style="list-style-type: none"> ▪ Creating awareness on the Environmental Management and Coordination Act and enforcing it; ▪ Control the exploitation of traditional and mangrove forests; ▪ Put in place solid waste disposal and recycling facilities; ▪ Involve the local communities and departments in environmental monitoring and conservation.
Maragua	<ul style="list-style-type: none"> ▪ Improvement of Environmental Management and Coordination; ▪ Sensitization of the poor communities on the value of environmental conservation; ▪ Implement soil conservation measures; ▪ Establishment of tree nurseries for agro forestry; ▪ Water harvesting.
Mombasa	<ul style="list-style-type: none"> ▪ Introduction of Bacterial lagoon treatment plants; ▪ Relocation of Kibarani dump site; ▪ Introduction of integrated solid waste management systems (waste reduction and recycling); ▪ Implement and enforce the Environmental Management and Coordination Act; ▪ District Environmental committee to prepare the District Environmental Action Plan; ▪ Publicising of the Environmental Management and Coordination Act; ▪ Procurement of equipment for the District Environmental office.

Sources: District Development Plans 2002-2008, National Development Plan 2002-2008, CBS.

2.6 LESSONS LEARNED FROM COMMUNITY LEVEL INITIATIVES

In general, community level initiatives have not been widely disseminated and replicated among the urban and rural poor communities. The examples below highlight activities of several community based natural resource management projects. Most have positive lessons though one shows that is also possible to get it wrong at the local level. It is important to note that these projects have had limited coverage and impact, and the vast majority of Kenya's rural and urban poor communities are not beneficiaries of any sustainable environment development efforts. [A key observation from the success stories is that, local communities are able to make economic gain \(earnings, dividends\) from natural resources or non-degrading alternatives to products in fragile or protected areas, and are even able to improve their livelihoods. This would indicate that, the positive lessons can be replicated / incorporated in planning for other local level interventions, or even perhaps lessons learn can be used in the design of a business environment framework for environmental economic services complete with the necessary incentives for community level businesses.](#)

Comment [BSID3]: CI: I reorganised these lines to form the link with section 4.4

2.6.1 Local Ownership – Positive Lessons

2.6.1.1 Rangeland Conservation

The Il Ngwesi Lodge, a community wildlife conservation project, is an example of a successful CBO enterprise that has inspired a number of similar ventures throughout

Kenya. Ngwesi is a 12-bed luxury lodge surrounded by an 8,700 hectare conservation area. The conservation area, called Il Ngwesi Group Ranch, was previously overgrazed and badly degraded.¹³ Today, cattle are prohibited except during severe drought. From the lodge, visitors can spot elephant, buffalo, bushbuck, kudu and the occasional big cat. In exchange for maintaining the conservation area, the 448 registered households in the CBO receive multiple financial and social benefits. Earnings from the lodge are dispersed as wages to employees and as dividends to members. About 50 community members work at the lodge. For these workers and their families, wages are secure and consistent. This project was launched with the assistance of USAID's Conservation of Biodiverse Resource Areas Project (COBRA) in 1996.

2.6.1.2 Integrated Market Development Initiative for Mango

The ¹⁴ Kenya Gatsby Trust (KGT) is collaborating with the Malindi District Agriculture Office, Kenya Agricultural Research Institute (Mtwapa), ICIPE, Bayer Crop Science & Organic Solutions among other partners for mango production in the Kenyan Coast. Rural poor communities have for many years harvested the fruit without much attention to good crop husbandry. Due to the aging trees and effects of pests and diseases, the quality and quantity of mango production has been on the decline in the recent years impacting negatively on the livelihoods of these rural poor communities. This initiative is designed to facilitate improvement in the production and marketing of quality mangoes through stimulation of demand and supply of essential quality assurance services including private extension services, farm input supplies, setting up collection centres and new market linkages. The pilot is concentrated in Malindi and Magarini Divisions of Malindi District involving 13 farmer groups with membership of 253 and 26 private extension service providers. Thirteen demonstration sites have been set up, a system of farm input supplies put in place with a credit component, private extension manual developed among other capacity building elements. New market linkages have also been achieved resulting to price increase from between Kshs. 2 - 3 to between Kshs. 6 - 10 per mango.

Comment [BSID4]: CI replaced a KGT conservation with an agricultural one for balance as per AF comments

2.6.1.3 Ecotourism

One of the more successful marine community based projects is the Wasini Island Women's Group Coral Garden Boardwalk. This project has drastically improved the livelihood of the women in Wasini Island. It is the women in the group who manage the boardwalk and take responsibility for repairs. The proceeds from the project are shared among them and some of it is used for education. Conservation of the mangrove forest has served to minimize cutting of mangroves for fuel. The boardwalk, which was completed in 2001, was funded through the KWS wetlands program and IUCN EARO.¹⁵

¹³ Il Ngwesi lodge. Linking business and nature, Laikipia, Kenya. www.usaid.gov

¹⁴ Kenya Gatsby Trust (2005) www.kenyagatsby.org

¹⁵ The success story of Wasini women's group coral garden boardwalk www.pactworld.org

The group has received training in governance and leadership as well as basic financial management through CORE. The day to day mentoring is provided by KWS. Tourists who visit Wasini are charged a small fee of Kshs. 100 (\$1.25) to walk on the boardwalk.

2.6.1.4 Wetlands Conservation

Wetlands are also important areas for community based initiatives, an example being the Kenya Community Based Wetlands Conservation Project that covers two wetlands, Saiwa Swamp National Park (SNP) and Lake Bogoria National Reserve (LBNR). It uses community participation approach to address several problems identified through field based research. These problems include lack of conservation awareness among the resident communities, soil erosion, water abstraction from the wetlands and general poverty.¹⁶ The project provides alternative sources of the resources enclosed in the protected areas e.g. farm woodlots and water wells. It also encourages economic and social development projects for the communities neighbouring the two wetlands through initiating and supporting income generating activities e.g. fisheries, traditional artefacts, beekeeping and poultry production. It also sensitizes communities through environmental education and creation of public awareness through environmental extension, environmental shows and wetland rallies.

2.6.1.5 Integrated Urban Environmental Management

Among programmes targeting the urban poor is the Malindi Green Town Movement¹⁷ which was formed to introduce sustainable integrated environmental management in urban development to achieve a healthy and clean environment in Malindi. This project targets the urban poor residents of Malindi Town and District at large. Community ownership of the programme is a key component of the project. The project has greatly improved the community's livelihood and built good governance capacity in the Malindi Town Council. The project's environmental conservation activities complement the local council's own efforts ".

The achievements of this project include the fact that women's' groups now collect plastic bags and crotchet them into useful items like hats and bags; the project provided clean drinking water in order to reduce the prevalence of water borne diseases and negotiated with the council for lower water rates; and technical assistance to the council to develop environmental by-laws.

Significantly, a Memorandum of Understanding was signed between Malindi Green Town and the Malindi Town Council that spelt out the rights, responsibilities and obligations of each party in solid waste management following which village committees were then created to organize youths to collect solid waste at a fee and deposit at 19 waste chambers constructed at central points for collection of solid waste. The Council then collects the waste and transfers it to the main Malindi dumpsite. The youth now

¹⁶ Community based wetlands conservation (WWF) www.panda.org

¹⁷ Malindi Green Town Movement www.innovations.harvard.edu

make compost manure from biodegradable material and have started a horticultural garden that grows food and plant seedlings. The excess compost manure is sold to local farmers. Lastly, the Watamu Dump site, which was in the middle of a residential estate, was rehabilitated and turned into a Green Town Park - the dumpsite was relocated elsewhere.

2.6.1.6 Community Management and Conservation of Protected Areas

A more locality specific programme is the UNDP Community Management of Protected Areas Conservation (COMPACT)¹⁸ project whose main purpose is to work with NGOs and communities living around Mt Kenya in contributing to the conservation and preservation of the Mt Kenya World Heritage Site, its biological diversity and cultural significance for future generations. By 2004, 14 projects were already under way [GIN, Harvard University, (2006)], seeking to address some of the threats and challenges that plague the mountain. These include - Mt. Kenya Eco-Resource Centre, Bee-keeping and Forest Conservation, Community Participation in the Mt. Kenya Management Plan, Solar Fence for Mt. Kenya East, Combining Energy Efficient Stoves and Woodlots in Schools, Conservation and Management of Traditional Sacred Groves and Sites, Reduction of garbage dumping in the forest, Documentation and Monitoring of COMPACT projects, Women groups to raise indigenous tree seedlings, Working with the Municipality to stop solid waste dumping in the forest, Community to rehabilitate a crater lake and develop an ecotourism venture around it, Involving Wildlife clubs in schools for planting indigenous trees in the Mt Kenya forests, Raising Awareness on the Mountain Bongo It's Repatriation and Introduction to Mt. Kenya, Community Tissue Culture banana nurseries for Mt. Kenya region, Baraani Micro Hydro Power Project, Community training for forest fire fighting in Mt. Kenya area, Sericulture & indigenous tree planting around Mt. Kenya World Heritage Site, Expansion of Community Trout farming in Magacha area of Mount Kenya, and Sagana Fish farming project.

2.6.2. Local Ownership – Negative Lessons

2.6.2.1 Non-Resident Cultivation (Shamba) System

One of the most controversial NRM initiatives, the *Shamba* system was an important arrangement which was meant to enhance and sustain the food security of landless peasants. The system was discontinued in 1986 chiefly due to an expanded human population whose demand for forest land allocation exceeded the initial Forest Department objective of plantation establishment. Illegal activities such as forest clearing, tree poaching and illegal hunting from the resident cultivators and their families jeopardised forest protection and management. After the *Shamba* system was stopped, communities living around the forest moved in and settled in areas that were cleared. Forest degradation has escalated as they do not use indigenous forest management knowledge [Obare & Wangwe (1998)]. In spite of the well intended efforts, forest

¹⁸ Community approach to the rehabilitation of Mt. Kenya world heritage site www.ke.undp.org

degradation and depletion has continued. It is now to be reintroduced following the passage of the new Forests Act.

However, not all community based forestry efforts are controversial. Conceding that the command and control approach to forest management has failed, the Forest Department and the Kenya Wildlife Service have designed various measures in form of incentives to enhance community participation in the Kakamega Forest resource management. The major aims of involving the community in forest conservation are to regulate the forest use and to develop alternatives to forest utilization. The Forest Department has been involved in issuing free seedlings, promotion of zero grazing and other activities to divert pressure on the forest [Mogaka, et. al. (2001)].

2.6.3 Government Interventions – Mixed Lessons?

Comment [BSID5]: CI: Does this look like a good title for the section?

2.6.3.1 GoK ASAL Initiatives and Agriculture and rural development (ARD) Activities

With approximately 80% of Kenya's total land classified as arid or semi-arid (ASAL), it is also imperative that government efforts, initiatives and programs under the sector are considered. Whereas detailed information from communities is not available, a brief chronology of overall government policy on ASALs and past initiatives is given below. Most of the projects and programs have been implemented in collaboration with development partners i.e. IFAD, World Bank, IDA, NGOs, research institutions, etc.

- The Government attempted to introduce integrated Rural Development Programmes in the country under the Special Rural Development Programmes (SRDPs) of 1968 – 1972. Although the focus was not on ASAL areas, some ASAL districts were covered.
- The Kenya Livestock Development Programme of 1969 – 1979 developed several grazing blocks in northern Kenya and group ranches in southern rangelands with the aim of transforming pastoralists into commercial ranchers.
- In 1977, an ASAL Development Branch was established in the Ministry of Agriculture for coordination of program and project implementation.
- During the 1980s, second generation Integrated ASAL Development Programmes coordinated by the Ministry of Planning and National Development were introduced to address development needs in ASAL areas.
- In 1986, the Government produced a Sessional Paper No. 1 on Economic Management for Renewed Growth, which acknowledged that ASALs have fragile environments and hence they need to manage ASAL development carefully in order to improve income generation, employment creation, and food self-sufficiency goals.
- In 1989, the Government created a Ministry of Reclamation and Development of Arid and Semi Arid areas and Wastelands to give greater attention to the development of dry lands and provide coordination for implementation of ASAL programmes.

- Since 1998, the Government has retained the Department of Land Reclamation and ASAL development but some of its functions have been scattered across various ministries.
- In 1992, draft ASAL Development Policy was developed to address intergraded ASAL development issues holistically.
- From 1996 to date the **Arid Lands Resource Management Project* has been in operation. Its aim is to strengthen drought and natural resource management and development in 22 ASAL districts.
- Other policy initiatives and strategic plans for ASAL development have been highlighted in various National Development plans, strategic plans, and policies such as:- the 1989-93 National Development Plan; the 1983 District focus for Rural Development; National Poverty Eradication Plan (NPEP), 1999 – 2015; Poverty Reduction Strategy Paper (PRSP), 2002; Kenya Rural Development Strategy Paper (KRDSP), 2003; ASAL Development Master Plan, 2002; Economic Recovery Strategy for Wealth and Employment Creation (ERS), 2003-2007; among others.

Sample GoK project: The **Arid Lands Resource Management Project*

The project runs a community early warning system alongside community-driven development activities centred on livestock and non-livestock income-generating activities in 11 arid districts (phase I) and 11 semi-arid districts (phase II) of Kenya. With the development objective of reducing chronic poverty and enhancing food security in the arid lands, the project was also meant to enable participating line government ministries to adapt their service delivery systems to the arid land populations. With an overall 3-pronged approach, project activities have targeted drought management, livestock marketing, and community development.

Under drought management activities have included the operation of an early warning system, preparation of drought strategic and contingency planning, and response; the development of water sources; small-scale agricultural schemes; emergency livestock vaccinations; and purchase and construction of emergency animal and human health infrastructures. Additionally, GoK and donor agencies spent 28 billion Kenyan shillings on food and non-food items to combat drought emergency during the 2000-2001 period.

Also undertaken so far under livestock marketing is the development of strategic livestock handling facilities; training of livestock marketing groups; animal health activities; apiculture; and emergency livestock off-take. At the height of the 2000-2001 drought, livestock worth 10 million Kenyan shillings were saved or salvaged.

Community development activities have included capacity building for community groups; implementation of diversified livelihood micro-projects; policy advocacy; and lobbying to enable the environment for pastoral policy development.

¹⁹Recent (ongoing) projects include the Kenya Agriculture Productivity project (KAPP), the ASAL based Livestock Rural Support project, and the Natural Agriculture and Livestock Extension Programme (NALEP).

While no detailed information at community level was available, in general documentation on the implementation of policies, strategic plans, programs, and projects indicates that these activities have provided useful lessons for development of ASALs.

Some of the key lessons learnt have included:

- Top-down development approach and lack of community ownership of projects,
- Inadequate technological base for ASAL development,
- Development efforts were hindered by dispersed, migratory populations which have high illiteracy levels,
- Poor coordination among development partners and the implementing agencies,
- Involvement of beneficiary communities was necessary for project success and that integrated approach was the most suitable for ASAL district based programs.
- In addition, it was apparent that ASAL programs were being implemented on sectoral basis without effective coordination.

Comment [BSID6]: CI: reaction to AF comment "need examples from the agriculture and rural development sector. currently too much emphasis on conservation orientated initiatives"

2.7 THE TRIAD OF POVERTY, ENVIRONMENT AND CHILD HEALTH

Whereas during the first three decades after independence (1960-1992) there was substantial progress in health services delivery in the country, the situation has changed in recent years following budgetary constraints partly due to reduced donor support, and to poor governance. The government then focused on free health care, especially for infants, children and mothers [MPND, GoK (2003)]. Both government and donors supported immunisation, hospital supplies and equipment projects. The situation has changed in recent years, as childhood mortality rates, good basic indicators of a country's socio-economic level and quality of life, show. Between 1992 and 1998, infant mortality increased from 51 to 71 (74 rural, 55 urban), and under-five mortality also increased from 74 to 105 (109 rural, 88 urban) deaths per 1000 [UNDP, (2001)].

The magnitude of the challenges related to sustainable livelihoods can be summarized from the results of a socio-demographic survey using in-depth interviews and focus group discussion conducted in four informal settlements in Nairobi in 2002 to explore the community members' expression and understanding of the linkages between poverty, poor environments, and childhood illness [Amuyunzu-Nyamongo, et. al. (2004)]. The community members identified respiratory tract infections, diarrhoea, malaria, skin problems and malnutrition as five leading illness among children aged under-5 years.

¹⁹ From Ministry of Livestock and Fisheries Development. www.livestock.go.ke

These were linked to lack of adequate and clean water, unsafe waste disposal systems, lack of adequate and nutritious food, and air pollution.

These urban dwellers lived in unhygienic environments characterized by poor drainage systems, virtually no sanitation, piles of uncollected rubbish, crowded and dirty housing, and acute poverty and insecurity. This is because the settlements surveyed were illegal, and thus do not receive public services such as water, drains, sewerage and rubbish collection, and policing. Despite the fact that 40% of world deaths can be attributed to various environmental factors, and the urban poor contribute disproportionately to this figure, in Kenya as in many developing countries, new migrants from rural areas gravitate towards these informal settlements. In Kenya and Africa, the rapid urbanization of these societies indicates that we will continue to see more of such misery and death from poverty and poor environmental conditions in the coming years.

3.0 ENVIRONMENTAL GOVERNANCE: INSTITUTIONAL FRAMEWORK

“Environmental issues are best handled with participation of all concerned citizens, at the relevant level. At the national level, each individual shall have appropriate access to information concerning the environment that is held by public authorities, including information on hazardous materials and activities in their communities, and the opportunity to participate in decision-making processes. States shall facilitate and encourage public awareness and participation by making information widely available. Effective access to judicial and administrative proceedings including redress and remedy shall be provided” – Principle 10 of the Rio Declaration.

3.1 INSTITUTIONAL FRAMEWORK AT THE NATIONAL LEVEL

The Environmental Management and Co-ordination Act (EMCA) No. 8 of 1999 is the Act of Parliament that provides for the establishment of an appropriate legal and institutional framework for the management of the environment. Prior to its enactment in 1999, there was no framework environmental legislation. It is the Act that provides for the establishment of the current legal and institutional framework for the management of the environment in Kenya. At the national level, environmental governance institutional framework is summed up in the three bodies, the National Environment Management Authority (NEMA), the Public Complaints Committee, and the National Environmental Tribunal.

3.1.1 National Environment Management Authority

The Environmental Management and Coordination Act, which is the umbrella legislation for environmental management has established the National Environment Management Authority (NEMA) as the implementing agency. The main function for NEMA is to coordinate and supervise the various environmental management activities being undertaken by sectoral agencies and to be responsible for the implementation of all policies relating to environment. NEMA also provides the secretariat for the National Environment Council (NEC), the main entity responsible for the setting of environmental policy. The NEC is chaired by the Minister, Ministry of Environment and Natural Resources (MENR) and is the main entity responsible for the setting up of environmental policy, including the domestication of international environmental law. To monitor environmental performance, NEMA is obligated to prepare and submit a State of Environment (SoE) report to Parliament every year. Since NEMA’s inception in 2002, no SoE has been made available to members of the public. At the grassroots level, NEMA acts through decentralized entities especially the Provincial and District Environment Committees (PEC and DEC).

3.1.2 Public Complaints Committee

The Public Complaints Committee (PCC) although a committee of the Authority, is a quasi-judicial tribunal with powers to investigate any allegations or complaints against any person or against the Authority in relation to the condition of the environment in Kenya. Also, PCC has powers on its own motion to investigate any case of environmental degradation. The effect of this is that PCC is a collegiate specialized environmental ombudsman. PCC is a public watchdog. In this regard, therefore, the PCC is empowered to make recommendations for certain corrective measures to be taken and seeks solutions to problems via investigation and conciliation, which shall form part of the annual State of Environment (SoE). Generally, ombudsman offices deal with all manner of public grievances directed at all public institutions. The composition of PCC is broad and well balanced in terms of varied interests, technical and legal expertise. Unfortunately, the PCC has not lived to its tasks and it has proven ineffective in reaching the public as well as making implementable corrective actions and solutions to environmental problems.

3.1.3 National Environment Tribunal

The National Environment Tribunal (NET) is a quasi-judicial tribunal with jurisdiction to hear appeals from parties aggrieved by decisions of the Director General, the Authority or its Committees. In addition, NET may be requested by the authority to provide direction on a matter that involve a point of law or is of unusual importance or complexity. This is a complementary function that puts expertise within NET at the disposal of the Authority. Unlike PCC, the enabling legislation empowers the Minister to set up such other tribunals in any part of Kenya. This is intended to decentralize the services provided by NET. Unfortunately, neither NET is functioning effectively nor has such other tribunals been established at the grassroots level. In order to make the NET and other tribunal more effective, it is that (i.) NETs jurisdiction be expanded to allow it to hear any environmental disputes in addition to appeals; and (ii) other tribunals should be established to address environmental – related disputes in different parts of Kenya.

3.2 INSTITUTIONAL FRAMEWORK AT THE DECENTRALIZED LEVELS

At the decentralised levels, environmental governance institutional framework is summed up in the three bodies, the Provincial Environment Committee (PEC), the District Environment Committee (DEC), and community governance structures.

3.2.1 Provincial Environment Committee

The Provincial Environment Committee (PEC) is a committee of the Authority responsible for the proper management of the environment within the province. Thus, PEC has the responsibility of ensuring that environment and natural resources traversing/shared between districts are properly managed. The composition of the committee is designed to ensure that various stakeholder interests are represented. For example, the non public officers on the committee include representatives of farmers (2); business community (2); and NGOs (2). The challenge is that there are no mechanisms and facilities for enabling the public and communities to participating in selection of the non-public officer's representatives to sit on PEC as well as the overall PECs decision making processes.

3.2.2 *District Environment Committee*

The District Environment Committee (DEC) is a committee of the Authority responsible for the proper management of the environment within the specified district. The composition of the committee is designed to ensure that various stakeholder interests are represented. For example, the non public officers on the committee include representatives of farmers, women, youth and pastoralists (4); business community (2); NGOs (2) and CBOs (2). The challenge is that there are no mechanisms and facilities for enabling the public and communities to participating in selection of the non-public officer's representatives to sit on DEC as well as the overall DEC's decision making processes.

3.2.3 *Grassroots (community) governance structures*

Under the Constitution and the Trust Land Act, the County Councils are supposed to hold land in trust for the people ordinarily resident in the area. The local residents in turn own the land in accordance with the applicable customary law [Min. Lands, GoK (2005)]. Community natural resource management instruments revolve around land ownership / tenure. Institutional arrangements include instruments for defining and enforcing property rights including social customs, beliefs or attitudes. These determine legitimacy and recognition of user, transfer, exclusion and enforcement rights [FAO (1997)]. Under communal tenure, exclusive rights are assigned to a group for communal use and policing based on some tradition as in the 'Kayas' in the coastal region. Sustainable use of natural resources (water, forests, pasture) would then work as the community would practice good use based on a common belief. On average, most institutional arrangements need reinforcement on the gender aspect, and with formal education increasingly reaching more communities, customary law is slowly losing popularity with the younger generation.

The trust land system has been widely abused by the County Councils and the Central Government. Instead of acting as the custodians of the land, the councils have facilitated

the alienation of such land in favour of individuals and institutions in total disregard of the rights of the local residents. On a general scale there has been a systematic breakdown in land administration and delivery procedures through-out the country over time. The over centralization of land administration and lack of participation by communities in the governance and management of land and other natural resources has resulted in confusion, conflict and environmental degradation, especially in communal/trust land areas.

In recognition of these, initiatives like Participatory Rural Appraisals (PRA), can reinforce existing community governance, by helping in mobilizing their human and natural resources to define problems, consider previous successes, evaluate local institutional capacities, prioritize opportunities and prepare a systematic and site specific plan of action - a community environment and resource management plan (CERMP), implemented and monitored at community level. PRA is an excellent tool to bring together development needs defined by community groups on one hand and on the other hand resources and technical skills of government, donor agencies and non-governmental organizations. Communities are increasingly getting organized into semi-formal CBOs. These CBOs form linkages between government institutions and civil society via representation in DEC for instance.

3.3 BETTER INFORMED AND EFFECTIVE COMMUNITY PARTICIPATION

3.3.1 Access to Information

Because of the urgency and scope of poverty and environment-related issues, there is a broad consensus supporting better information. It is generally agreed that such information is necessary to support decisions on how to address these challenges. Unfortunately, the current Constitution of the Republic of Kenya does not guarantee the right of the public to information. The Environmental Management and Coordination Act, 1999 has special provisions for public access to environmental information. This is however, at the discretion of the Authority and upon payment of prescribed fees, most of which is beyond the means of the majority of the rural poor to afford. In this regard, therefore, the decentralized entities such as the DEC lacks appropriate mechanisms to facilitate communities to access environmental information necessary for informed decision-making processes at the grassroots level.

(i) The State of the environment report: The information provided by NEMA about environmental performance is weak. This state of affair is a result, in large part, of the lacklustre reporting systems currently in place. For example, the state of the environment reports take disaggregated facts about the environment and integrates them into a coherent whole. They summarize environmental trends over a given geographic region over a set period of time. One of the main benefits of the state of environment report is the provision of comprehensive information about the environment, which is typically

Comment [AF7]: Is this correct to make reference to under community participation? I don't see communities getting access to the State of the Environment report. More appropriate is for District planning processes to make available information and to engage with communities in assessment and planning as part of the District Environment Action Plan and the District Development Plan process.

collected by many different institutions within and outside government. Access to such sweeping overviews can inform citizens of wide-ranging environmental problems currently facing the country, from which using scenario development different policy options could be recommended. Thus, the state of environment report can be crucial sources of information for citizens, yet although state of environment reports have been compiled and published for the past two, they have not been made available to the public. State of the environment reports represent one information type that is explicitly mentioned under the active information provision guidelines of the Aarhus Convention.

Comment [MSOffice8]: [SAM DO YOU HAVE ANYTHING TO ADD ON DISTRICT PLANNING OFFICE / THE DISTRICT PLANNING PROCESSES, & REVISIONS OF WHAT AF IS CALLING 'THE GREEN BOOK'?](#)

(ii) *Environmental impact/audit reports*: Though NEMA receives the environmental impact assessment reports, these reports are rarely available to the public. Furthermore, NEMA requires all industrial undertakings to report through an annual audit report on their compliance with environmental requirements. Such reports are required to provide important information about whether facilities are obeying the environmental requirements as set out by the EMCA. This information ought to be made available in simple, non-technical prose so that anyone can obtain and use this information for different purposes. In addition, people can write to specific government agencies to request for information not disseminated to the public. These requests ought to be answered promptly and consistently. Collectively, legal requirements for public access to environmental impact/audit reports on environmental compliance are weak. In this regard, therefore, it can be said that the legal framework does not make the actors accountable to the public for the environmental effects associated with their operations.

3.3.2 *Effective community participation*

Assessing public participation at decentralized level, one cannot fail to see that there are no explicit guarantees of participation in decision-making. The legal framework provide limited support for participation, either because they limit the decisions to which public participation provisions apply or guarantee participation only late in decision-making cycles. Given the weakness of legal provisions for participation, practice can also be expected to be weak or at best, intermediate. Furthermore, there are no common standards for participation in sectoral policy-making and planning processes.

Thus, the quality of participation as measured by decentralized entities to involve the public in decision-making – is inconsistent. Consultation is often limited, and participation tends to occur late in decision making stages, when parameters have already been defined. Decentralized entities hardly promote participation in setting the parameters of a public debate or in ensuring continued participation after development has been approved or a policy implementation. For example implementation of EIA public participation requirements is generally weak with regard to accessibility in communicating to affected communities. EIAs are approved by a committee on the basis of completed EIA reports in which case, there is generally little participation at the scoping stage, the monitoring stage and the renewal stage. Consequently, opportunities

for the public to the scope or parameters are generally absent. Furthermore, EIA reports are hardly produced in local dialects or in formats accessible to populations with low levels of literacy or limited education. In such cases, consultation requires an investment in explaining the EIA process and its purpose to ensure meaningful participation. Something that is never done.

Another consistent pattern observed involving EIAs is weak performance in monitoring the implementation of EIA licence conditions and environmental audits. Few have decommissioning and remediation plans. Furthermore, public participation in review of environmental audits is absent. A possible reason for this gap is that implementing and monitoring mitigation measures contained in the EIA are perceived by the regulatory agency and project proponent to be their responsibility.

3.3.3 Improved accountability and dispute resolution

Giving the public the opportunity to use judicial, administrative or other mechanisms of dispute resolution ensures that the responsible agencies are kept accountable. The public can pursue access to justice only if it is clear who is responsible, what information should be disclosed and how, and for what decisions public notice and comment are mandatory. The more inclusive and clear the interpretation of such concepts as “the public,” “the public interest,” and “environmental information,” the clearer the responsibilities of government agencies. There are number of factors that determine whether people can access the mechanisms for redress. These include:

- (i) *Legal guarantees and provisions for access to information and participation:* On the whole, legislation governing access to environmental information is strong, whereas legislation governing public participation in decision-making is less developed. Given this state of affairs, it is likely that citizens seeking judicial redress in connection with access to information legislation would fair better than those seeking redress in connection with access to participation legislation.
- (ii) *Enabling conditions for access to justice:* the enabling conditions for access to justice can be broken down into three broad categories – the legal and regulatory framework, the institutional infrastructure and the affordability of justice.
 - (a) *Legal and regulatory framework supporting enforcement:* the effectiveness of laws guaranteeing access often hinge on those specific provisions or interpretations that support their implementation and enforcement. The EMCA has provisions relating to access to environmental information but leaves the decision to grant such information to the discretion of the Authority. Given that there is lack of clarity and guidance on the question of access to environmental information, makes the law ineffectual and also limits the public’s ability to seek justice for a government’s refusal to disclose information. The EMCA is very clear on the question of standing. The liberalization of standing has opened opportunities for environmental or community groups to initiate lawsuits or contest environmental decisions in public interest.

- (b) *Institutional infrastructure*: No administrative review processes exist or are accessible at the district level. Such quasi-judicial committee, Public Complaints Committee (PCC), only operates at the national level. Furthermore, the public are increasingly not using PCC because they consider it ineffective. The situation is even worse with respect to the National Environment Tribunal, which has restrictive mandate and whose jurisdiction forbids parties who are not party to the decision from challenging it.
- (c) *The affordability of justice*: Administrative and court fees and litigation costs can be a barrier to access to justice by the general public. The costs of legal representation are prohibitively high for the general public. As a result, many citizens rely on pro bono representation. Because most pro bono lawyers are concentrated in urban centres especially Nairobi and Mombasa, such legal representation is either not available or not easily accessible to many citizens.

3.4 OPPORTUNITIES TO STRENGTHEN THE RELATIONSHIP BETWEEN COMMUNITIES AND GOVERNANCE INSTITUTIONS

3.4.1 *Establishment of electronic reporting mechanisms*

A promising opportunity in seeking to guarantee access to environmental impact/audit reports and related information is the establishment of electronic reporting mechanisms. Such mechanisms will assist in channelling this category of environmental information to the public. Furthermore, when environmental-related information is scattered in different forms, and lacking in consistency, the need for standardized electronic reporting and databases becomes clear.

3.4.2 *Capacity for Public Participation*

Investment in Capacity Building

Capacity development is an investment for the future. But, as a cynic once said, the future is not what it used to be. Thus, capacity development programmes need to be guided by informed scenarios of what society will require in skills and technologies not only for turning ideas on their heads, but also leaping the generation gap or more hence, rather than responding to the needs experienced in the past decades. In this regard, investment is needed to build the capacity of both the bureaucrats and the public so that the public participation system can work for better environmental outcomes.

- (i) *Building the capacity of the Government Institutions*: the capacity building of bureaucrats include such factors as knowledgeable public officials and robust infrastructure. Such infrastructure includes hardware (such as computer technology) as well as software (processes to generate, manage and provide information and to engage the public in decisions). Establishing a clear set of government procedures

and practices is also essential to guide public officials on how to respond to requests or engage the public in decision-making.

As discussed elsewhere, provisions relating to access to environmental information and commitments to public participation are relatively new components of Kenya's legal system. One of the first steps in building government capacity and infrastructure, therefore, is to make sure that civil servants know that these provisions exist, why they are important, and how to implement them.

(ii) *Supportive environment for public participation*: meaningful public participation is not solely an outcome of government investment. A variety of social actors can influence the way national public participation systems work. Two of these actors – NGOs and the media – play critical roles through supporting, informing or generating demand by the public and stimulating the provision of information and participation by the government.

(a) *Supportive environment for NGOs*: an environment favourable to the activities of NGOs and independent experts willing and able to promote public participation and offer assistance to individuals and groups is indispensable for an effective public participation system. NGOs can build the capacity of the public by raising awareness and providing environmental education. They can generate information or integrate previously fragmented information and make it easier to use. As a link between community and government, they can organize (or inform) the public for meaningful participation, represent the public interest in court and perform a variety of other roles and services that build capacity and generate both demand and supply. To perform such tasks, NGOs need favourable conditions for operation.

(b) *The Media*: the media are a powerful factor in generating both supply and demand for information, participation and justice. Media scrutiny can push the government to disclose information, consult the public on some decisions, identify public preferences for certain options and hold both public and private actors accountable for their environmental performance. By attracting attention, the media spur better performance by the government. Various forms of media can reach incredibly large swaths of the population – rich and poor, people living in urban centres and rural communities – and instantly mobilize public opinion. Reports and articles in the media can educate, alert or mislead.

3.4.3 Strengthening cross-sectoral linkages

As seen from the review of development plan strategies designed to address environmental-related matters in the sample districts, income or employment generating environmental programs and projects that would alleviate poverty are essential but not sufficiently catered for. There are several opportunities that exist to improve on the institutional framework on environmental conservation if there was better coordination

and information exchange between NEMA, CDF Committees, environmental NGOs, Universities and Government agencies such as Kenya Wildlife Services, Kenya Forestry Research Institute, and other line ministries i.e. the key Ministry of Planning and National Development (MPND), Ministry of Water, and keys sectoral agencies like the Agriculture and Rural Development. Indeed, one pre-NEMC Act (1999) survey listed institutional, legislative and policy failures as cause of environmental-economic issues across sectors touching on the environment in Kenya (table 7) [Emerton, et. al. (1998)]. In all cases, the commonality is lack of consideration of environmental issues / standards in the sector-based policy formulation.

Table 7: Root causes of environmental economic issues and policy responses in Kenya

Root causes:	Wildlife	Forests	Land, Water and Agriculture	Energy, Industry and Infrastructure	Addressed within policy reforms?
Institutional Failures	Low revenues from wildlife, state monopoly on wildlife ownership, difficulties in policing	Low budget allocations, inefficient forest management, difficulty in policing and protection, lack of financial sustainability in forestry operations, overregulation of plantations sector, state monopoly on large forest management	Over-regulation of input and output marketing, inadequate extension of sustainable land management practices	Low expenditure on maintenance and basic services, lack of financial sustainability	YES Gradual devolution of state's role, increasing role of private and non-governmental sector in environmental management
Legislative Failures	Lack of private rights to use and manage wildlife, poor regulatory framework for wildlife-damaging activities	Lack of private rights to use and manage forests and trees, lack of enforceable controls on unsustainable forest use, lack of forestry standards, poor revenue systems	Lack of land management standards, lack of air, land and water quality standards	Lack of pollution and environmental quality standards, lack of EIA requirements, poor planning requirements	YES Imposition of standards, controls and regulations, provision for their enforcement, penalties for their transgression
Policy Failures	Implicit taxes on wildlife and subsidies to competing agricultural land uses, policy of wildlife protection, lack of sustainable wildlife use guidelines	Subsidies to competing agricultural land uses, policy of forest protection, lack of sustainable forest use guidelines, exclusion of private forestry	Lack of consideration of environmental issues, promotion of arable agriculture, lack of land use policy	Lack of consideration of environmental issues, promotion of industrial and infrastructural development at cost of environment	YES Policy reforms in environment, wildlife, forestry, agriculture, transport, water, land use all aim to take account of environmental issues
Market Failures	Lack of markets for wildlife products, low fees and charge levels, distorted agricultural prices, poor distribution of wildlife revenues	Subsidized timber prices, unrealistic forest product charges, lack of markets for forest products, lack of charges for forest services, exclusion of environmental values in pricing structures	Distorted input and output prices, lack of polluter pays principle, lack of markets in environmental goods and services	Distorted energy prices, price discrimination against clean technologies, lack of polluter pays principle, lack of markets in environmental goods and services	YES Changes in taxation and subsidy structures, imposition of environmental valuation and accounting systems, price adjustments and introduction of charges

Source: Emerton et. al. (1998). *The costs of environmental degradation to the Kenyan economy: a review of the literature*

4.0 RECOMMENDATIONS AND WAY FORWARD

4.1 EMPOWER ENVIRONMENTAL INSTITUTIONS

The first recommendation is to empower environmental institutions to manage and enforce their policy and statutory roles efficiently and effectively. The current status of these organizations is one of limited abilities to manage and accomplish their mandates, and low or ineffective enforcement of regulatory roles. As a result they are both inefficient and ineffective, and unable to oversee the sustainable management of Kenya's natural and environmental resources which its soils, water catchments, water supplies, wildlife habitats, forests and woodlands, fisheries, marine ecosystems, urban and rural settlements, and industrial and agricultural livelihoods.

The institutions referred to here are those established under the following mechanisms;

- Machinery of Government, namely, the central and district offices of ministries such as environment and natural resources, tourism and wildlife, agriculture, water and irrigation, livestock and fisheries, lands, housing, local government, planning and national development, finance, and office of the president;
- Acts of Parliament such as NEMA, KWS, Forestry Services, the Marine and Fisheries Departments, Water Services institutions, and so on;
- Local Authorities such as cities, towns, and county councils;
- Parliamentary Oversight Committees such as the Departmental Committee on Environment, Agriculture, Lands, and Natural Resources;
- Local and international environmental NGOs; and
- Community Based Organizations

The practical approaches to empowering these institutions to implement their roles well and in complementary manner would include the following:

- Reviewing and revamping the National Environmental Council, and enable it to play its critical role of policy making;
- Re-engage the Parliament Committee and Local Authorities to enable them to play the full roles of policy oversight including receiving and debating on the State of Environment Reports;
- Coordinate environmental and economic policy making at the Central Government through Ministries of Planning and Environment, including the possibility of forming a dynamic cabinet subcommittee on development and environment;
- Harmonize and coordinate the various environmental and natural resources laws to create common policy, technical, and regulatory platforms for NEMA, KWS, Forestry Service, Marine and Fisheries Department, DRSRS, the Water Services institutions, and so on by updating and tabling in Parliament a

revised version of the Environment and Development Sessional Paper of 1999;

- Provide the institutional and budget framework that allows the district environment committees and environment committees in local authorities and constituencies to be fully integrated into decision making for projects and development activities; and
- Bring to full strength and capacity the National Environmental Management Authority (NEMA) and all the other regulatory arms and bodies enacted by the Environmental Management and Coordination Act of 1999.

4.2 INTEGRATE ENVIRONMENT INTO MAINSTREAMING DEVELOPMENT BUDGETING

The second recommendation and way forward is to fully integrate environmental services into mainstream capital budgeting, and taxation proposals. Some practical measures for doing this include:

- Formal budgeting of environmental services and consequent implementation by ministries other than environment and natural resources, in the key budget priority areas of agriculture, water, health, infrastructure, lands, and trade and industry;
- A request to Parliament to earmark a certain percentage, for example 5 to 10 percent of the Local Authority Transfer Fund and Constituency Development Funds to supporting sustainable environmental services; and
- A request to the Ministries of Planning and National Development and Finance, to consider designating environmental economic services as distinct development pillar in the next planning blueprint and as sector working group covering what is now under the rubric of agriculture and rural development.

4.3 INTEGRATE ENVIRONMENT INTO WEALTH AND EMPLOYMENT CREATION

As this paper shows, environmental services have typically been given a secondary place in development practice because they are not seen as direct contributors to wealth and employment creation or poverty reduction. It is clear that those living in the most degraded and fragile environments are Kenya's urban and rural poor. They are also likely to be least educated, the least served by economic and social infrastructure, the lowest coverage by public and private institutions, and the most limited linkages and opportunities to both local and global markets. Their environmental endowments and limitations impoverish them, and their very poverty further degrades and endangers the initial meagre endowments they began with (see table 5).

The policies and actions outlined in the Economic Recovery Strategy for Wealth and Employment Creation, the past national development plans and policies, and even the MDGs while recognizing the inter-linkages described above, do not propose any sustained efforts to change the situation. This is probably as result of experience that shows most of the environmental projects implemented are unable to sustain sufficient economic and social benefits to the local communities.

Unlike agriculture or livestock keeping which have direct economic and social benefits, too many conservation and environmental projects seem to be of little economic or social benefit to the local communities, hence their reluctance to adopt them. Those projects that do bring the sustained benefits associated with agriculture and livestock keeping, namely, household income and employment, have tended to do much better. Examples include the Il Ngwesi Lodge, Wasini Inland Boardwalk, and Malindi Green Town Movement initiatives.

Lessons that can be learned from these projects are as follows:

- The projects must be of a contractual nature, in which the community contracts with an operator (Il Ngwesi) or local authority (Malindi) to provide certain services and receive clearly defined benefits;
- Provide direct wage employment and other income benefits to individuals within the community; and
- Initiatives are inspired by local commercially viable activities and opportunities.

4.4 DEVELOP AND SUSTAIN AN ENABLING ENVIRONMENTAL BUSINESS CLIMATE

The final recommendation is for the government, in particular, the ministries of finance, trade and industry, tourism and wildlife, planning & national development, and environment and natural resources to come up with business environment framework for environmental economic services and provide the necessary incentives for businesses and communities to invest in these.

This is because it is clear that poverty environment initiatives most likely to succeed and be sustained are those that will provide sustainable livelihoods in the communities, giving local individuals and households long term employment and income generating opportunities. These activities only arise when three things converge, a business concern sees a commercial opportunity, a local authority or community also sees the opportunity, and the two parties contract to create a mutually beneficial commercial venture.

Unfortunately, these are not found off-the-shelf, and cannot be described for entire locations or regions, hence their paucity in national planning and budgeting. The

development response is less one of planning for such things, than providing the enabling environment that will enable such commercially viable environmental services projects to proliferate and create the jobs and incomes required by the communities and households.

The proposed policy actions in line with type of thinking are:

- Develop and enact environmental business guidelines that provide the regulations, draft contract agreements, and terms by which business concerns and communities engage in mutually beneficial commercial ventures that are environmentally sustainable;
- Provide tax incentives and other fiscal measures for environmentally friendly businesses established in joint partnerships that provide significant employment and income opportunities to the partners;
- Devise a new form of corporate entity that is considered a corporate body that communities can incorporate into, in order to enjoy an arms length ownership (shareholding) but legally binding business relationship with other limited companies and partnerships, so that profits and benefits are shared equitably and do not go disproportionately to the business concerns.

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APPENDIX I: TERMS OF REFERENCE

TERMS OF REFERENCE

Kenya Poverty Environment Initiative

Activity 1.1: Review existing poverty and environment programmes and projects and develop Framework of important poverty environment issues for Kenya at community and district level.

1. Background

The Government of Kenya recognizes the -importance of the environment in achieving its economic recovery and poverty reduction goals. The Economic Recovery Strategy for Wealth and Employment Creation (2003 - 2007) states that *'economic recovery needs to be sustainable if the objectives of poverty reduction and wealth creation are to be achieved.* However as the 9th National Development Plan 2002-2008 states, *'the full integration of environmental concerns in development planning at all levels of decision making remains a challenge to the country.* It further acknowledges that *'in view of the high incidence of poverty in the country, the need to integrate environmental concerns in development activities should be given high priority'.*

The Government of Kenya has developed a programme of work, the Kenya Poverty Environment Initiative (PEI), to address these issues. The Ministry of Planning and National Development led programme development in partnership with the Ministry of Environment and Natural Resources and the National Environmental Management Authority. The United Nations Development Programme, the United Nations Environment Programme and the UK Department for International Development support this project. The project is part of the global UNDP-UNEP Poverty Environment Initiative.

Development of the Kenya PEI has highlighted the following constraints to realising the economic and social benefits of improved natural resource management:

- inappropriate institutional structures and arrangements
- lack of an adequate overarching framework for integrating environment into policy and planning processes;
- ineffective overarching environmental policy making framework;
- the narrow sectoral focus of development planning and programmes, and the weak framework of incentives encouraging the integration of poverty environment relationships across sectoral planning;
- inadequate Government resources for undertaking environmental interventions;
- inadequate capabilities at the national and local level for sector-wide and cross sectoral working; and,
- the need for stronger partnerships with civil society and the private sector.

To provide a foundation for the Kenya Poverty and Environment Initiative's further work, a consultant is now being recruited to identify the key poverty and environment issues in Kenya for delivering sustainable economic growth and poverty reduction.

2. Purpose

To develop framework of important poverty and environment issues at micro (community) and meso (district) scales and the supporting governance framework required, for maximizing incomes in improving human well-being through better ecosystem management.

3. Tasks

A) Produce a report which identifies:

- critical poverty and environmental opportunities for supporting the incomes, vulnerability and health of a critical mass of poor communities In Kenya;
- institutional framework at the district level which governs management of these resources; and
- opportunities to strengthen the relationship between communities and governance institution for better management of important natural resources.

In undertaking this piece of work, the consultant will be expected to (inter alia):

- review analysis by key environment donors
- review analysis by key environment NGOs
- consult key stakeholders in NEMA and MPND and relevant GoK parastatals
- consult with District Environment Officers
- review Kenya Household Budget Survey and/or World Bank Poverty Assessment
- review Poverty. Environment Mapping work of ILRI and WRI
- assess importance of natural resources in the SME and informal income sector
- analyse the Kenya Economic survey 2005
- identify key successes and failures in community-based natural resource management initiatives
- summarise lessons learned from existing/past poverty and environment programmes and projects in Kenya
- review the results of existing recent PRAs

NB. This activity is not expected to make detailed analysis of the environmental governance framework and its support for delivering poverty and environment opportunities. However, this activity will lead into a more detailed piece of work on this (See ToRs for Activity 1.2) and therefore the consultant is expected to reflect upon:

- the extent to which the existing poverty and environment governance framework accommodates community poverty and environment issues;
- the role of the Constituency Development Fund (CDF) and the Local Authority Transfer Funds (LATF) in addressing poverty and environment issues;
- the links between the environmental and developmental governance frameworks.

B) Support communities in the districts of Bondo, Murang'a and Meru South identify solutions to environmental management challenges they face.

- The consultant will be expected to work with the National Environmental Management Authority and District Environmental Officers to outline a methodology for this task that shall be agreed with representatives of the PEI Technical Committee.
- The methodology should:
 - Facilitate communities to identify of poverty and environment challenges, causes and potential solutions;
 - Support communities to draft project proposals addressing the issues identified; and
 - Ensure that this activity is aligned with District Environmental Action Plan process.
- A full time line for this activity to be agreed after draft methodology received.

