



PAPERS LAID No	
Speaker N. A.	Clerk Assistants
D/Speaker	C. H. Editor
Clerk N. A.	Reporters
D/Clerk	Library
P. C. A.	Press

**KENYA NATIONAL ASSEMBLY**

**TENTH PARLIAMENT – (FOURTH SESSION - 2010)**

**DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES**

**REPORT ON THE SCRUTINY OF ANNUAL ESTIMATES FOR FINANCIAL YEAR 2010/2011 FOR**

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

Clerks Chambers,  
Kenya National Assembly,  
Nairobi

July, 2010

## 1.0 PREFACE

Mr. Speaker Sir,

1.1 On behalf of Members of the Departmental Committee on Lands and Natural Resources, I feel honoured to present to the House the Committee's Report on the Scrutiny of Annual Estimates for the Financial Year 2010/2011 for Votes – 20, 21, 36 and 55, pursuant to provision of Standing Order No. 152 (1) and (2).

## 1.2 MANDATE OF THE COMMITTEE

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

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

1.2.2 The Committee is mandated to consider:-

- Lands and settlement,
- forestry, water resource management and development,
- irrigation;
- environment,
- wildlife,
- Mining and natural resources.

Mr. Speaker Sir,

## 1.3 Oversight

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

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

## 1.4 Committee composition

SCRUTINY OF ANNUAL ESTIMATES FOR FINANCIAL YEAR 2010/2011 FOR VOTES - 20, 21, 36 AND 55

1.5.4.2 Minister, Assistant Minister and Permanent Secretary, Ministry of Water and Irrigation(MWI),

Accompanied by:-

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

1.5.4.3 Minister and Permanent Secretary, Ministry of Forestry and Wildlife,

Accompanied by

- Director, Kenya Forest Service;
- Director, Kenya Forestry Research institute;

1.5.4.4 Minister and Permanent Secretary, Ministry of Lands;

Accompanied by:-

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

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

1.6.1 Vision 2030;

1.6.2 Printed Estimates for the FY 2010/2011 for vote 20, 21, 36 and 55;

1.6.3 Budget Speech for 2010/011;

1.6.4 Budget Strategy Paper for 2010/010;

1.6.5 Public Accounts Committee report for the FY 2004/05, 2005/06 and 2007/08 on audit queries of the various votes – vote 20, 21, 36 and 55; and

## 1.7 CONCLUSION

Mr. Speaker Sir,

### 1.8.3 Ministry of Lands

- a) The Ministry should be allowed to retain part of revenue it collects annually to be able to implement projects/programmes left in this year financial estimates ;
- b) The Ministry should be empowered through adequate resources allocations to be able to undertake the process of land adjudication and registration in the country to enable people to assert their right over land.

### 1.8.4 Ministry of forestry and Wildlife

- a) The Government, through the Cabinet, should issue a lifting of the ban on logging in order to generate additional revenue for Kenya Forest Service. As at now a total of 39,000 Ha is ready for harvesting including over-mature plantations (27,300 Ha) and mature plantations (11,700 Ha) all valued at Kshs 39.9 Billion; If not harvested, this wood will rot and go to waste.
- b) The Ministry should maximize the opportunities presented by the global carbon credit under the Convention of Biodiversity and Climate change. The carbon credit should be able to give more funding that would assist us in adaptation and mitigating effects of climate change and be able to provide financial resources for forestry development of this country;

### 1.8.5 The absorption capacity

- a.) The absorption capacity of the above Ministries and government department has been affected by delays in exchequer and delay in donor releases. The Committee therefore recommends that the Ministry of Finance expedite exchequer releases to Ministries and department to enable completion of approved programmes.

And from the above,

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

1. Kshs. 3, 779, 939, 100 be allocated to the Ministry of Water and Irrigation – Vote 20 for Recurrent expenditure and Kshs. 20, 102, 793, 800 for Development expenditure, proposed in the Heads under Vote 20 that the Ministry be allowed to raise Appropriation In Aid amounting to Kshs. 1, 889, 459, 596 for Recurrent expenditure and Kshs. 12, 426, 873, 277 from Development partners, to finance its operations;
2. Kshs. 2, 259, 716, 000 be allocated to the Ministry of Environment and Mineral Resources – vote 21 for Recurrent and Kshs. 4, 199, 462, 810 for Development expenditure, proposed in the Heads under Vote 21 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 368, 232, 500 to finance its operations;

## SCRUTINY OF THE ANNUAL ESTIMATES FOR THE FY 2010/011

### 1. VOTE 20 – MINISTRY OF WATER AND IRRIGATION

#### 1.1. INTRODUCTION - Mandate and Appearance

- 1.1.1 The Ministry of Water and Irrigation has the mandate of ensuring that there is sustainable conservation, management and development of the available water and land resources and facilitates their planned exploitation. The provision of adequate and clean water both for domestic, for farming and for livestock has been a major goal that the government has been pursuing for years.
- 1.1.2 A review of the Vision 2030 and the Medium-Term Plan indicates that among the flagship projects in the sector were the expansion of the hectarage under irrigation.
- 1.1.3 The Ministry appeared before the Committee on Wednesday, June 30, 2010 at 11.00 – 3.30 p.m.;

#### 2.0 State Corporations and Departments

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

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

##### 2.2 Key state corporations are:-

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

##### 2.3 Papers Laid - Documents of reference

- The Minister statement;
- The budget Estimates (recurrent and Development)
- Disaggregated Budget;

#### 2.4 ISSUES, AND COMMITTEE COMMENTS AND OBSERVATIONS

- 2.4.1 The amount of Pending bills under the National Water Conservation and Pipeline Corporation of Kshs 549 million. The bills are questionable however there is need to subject them into forensic audit.
- 2.4.2 Sustenance of water infrastructure; though normally maintained through revenue collection and in some instances subsidized by the exchequer;

D20	Gross GoK Loans Grants	24,695	23,253 10,731 9,069 3,453	41,968	25,462 9,230 12,779 3,453	32,530 12,016 16,298 4,216
-----	---------------------------------	--------	------------------------------------	--------	------------------------------------	-------------------------------------

### 2.5.3 AREAS LEFT OUT OF THE BUDGET

	Planned Programmes	Amount Kshs.
1	Servicing Construction contracts for the ongoing 5 dams	2,360 million
2	Up-scaling irrigation development	410 million
3	Construction of 5 no. new dams	1500 million
4	Dam construction equipment	2000 million
5	Procurement of water bowsers and Tanks	490 million
	<b>Total</b>	<b>6,760 million</b>

### 2.5.4 ANALYSIS OF TRANSFERS TO STATE CORPORATIONS AND FUND ACCOUNTS

The following are the SAGAs that fall under the ministry of water and irrigation:

SAGA	Actual 2008/09	Forecast 2009/10	Estimates 2010/11
Water Services Regulatory Board	8.30	15	60,000,000
Water Services Trust Fund	86.98	184.82	767,816,000
Athi Water Services Board	106.53	129.3	4,685,000,000
Tana Water Services Board	29.45	70	1,013,211,000
Tanathi Water Services Board	0	187	1,650,000,000
Rift Valley Water Services Board	153.69	271	312,811,000
Lake Victoria North Water Services Board	31	30	3,243,065,975
Lake Victoria South Water Services Board	34	55	2,173,601,883
Northern Water Services Board	171.16	120	1,584,459,000
Coast Water Services Board	49.05	132.2	2,968,440,000
National Water Conservation and Pipeline Corporation	2,318.59	2,157.50	4,877,000,000
National Irrigation Board	718	1,797	2,525,743,500
Kenya Water Institute	177	167.12	126,400,000

### 2.5.5. Summary of Revenue and Expenditure for State Corporations under the Ministry of Water and Irrigation for 2010/11 financial year in Ksh.(Millions)

Revenue	Actual 2008/09	Forecast 2009/10	Estimates 2010/11
Internally Generated Income	2,029.80	4,220.08	3,399.97
Government Resources			
Grants-Recurrent	2,909.27	2,815.43	778
Grants-Development	940.5	2,445.50	8,312.14

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 251, 072, 373 be allocated to the Ministry for the expenditure proposed in the items under Head 567 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 200, 000 to finance its operations.

#### 628: FINANCE AND PROCUREMENT SERVICES

The proposed net expenditure under this head is kshs 10, 550, 000. The Committee noted an increase in the allocation, from Kshs. 8, 060, 000 to Kshs. 10, 550, 000.

The Committee also proposes that a sum not exceeding kshs 10, 550, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 628.

#### 714: THE WATER SERVICES TRUST FUND

The proposed net expenditure under this head is kshs 20, 000, 000. The The Committee observed that the allocations has increased from Kshs 10,000,000 to kshs. 20, 000, 000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 20, 000, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 714.

#### 716: WATER SERVICES BOARDS

The proposed net expenditure under this head is kshs. 155, 000, 000. In addition, under this head , the ministry expects to raise Kshs. 1, 480, 062, 239 in Appropriation-in-aid.

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

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 155, 000, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 716 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 1, 480, 062, 239 to finance its operations.

#### 886: HEADQUARTERS PROFESSIONAL SERVICES

The proposed net expenditure under this head is Kshs. 557, 975, 229. The Committee observed that the allocations increased from Kshs. 541, 741, 817 to Kshs. 557, 975, 229.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 557, 975, 229 be allocated to the Ministry for the expenditure proposed in the items under Head 886.

#### 888: MECHANICAL AND ELECTRICAL DIVISION

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs. 57, 660, 844 be allocated to the Ministry for the expenditure proposed in the items under Head 889.

#### 890: WATER RESOURCES- SURFACE WATER

The proposed net expenditure under this head is kshs 141, 567, 429.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 141, 567, 429 be allocated to the Ministry for the expenditure proposed in the items under Head 890.

#### 892: COASTAL WATER SUPPLY

The proposed net expenditure under this head is kshs. 76, 136, 985. In addition, under this head, the ministry expects to raise Kshs. 1, 650, 000 in Appropriation-in-aid.

The Committee observed that there was a slight increase in the allocations from Kshs. 72, 747, 261 to Kshs. 76, 136, 985. However, the Committee observed that this head contradicts the allocations under head 524, 560, 716, 785, hence need to be rationalized, or why allocate coastal water supply funds yet they also allocated under the above heads.

The committee also recommends that the head be rationalized given that it also considered part of Heads 524, 560,716, 785.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs. 76, 136, 985 be allocated to the Ministry for the expenditure proposed in the items under Head 892 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 1, 650, 000 to finance its operations.

#### 893:WATER RESOURCES

The proposed net expenditure under this head is kshs 119, 466, 028.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 119, 466, 028 be allocated to the Ministry for the expenditure proposed in the items under Head 893.

#### 894: OTHER MUNICIPALITIES WATER SUPPLY

The proposed net expenditure under this head is kshs. 101, 893, 370. In addition, under this head, the ministry expects to raise Kshs. 2, 000, 000 in Appropriation-in-aid.

The Committee observed that the allocations decreased slightly from Kshs. 104, 533, 202 to Kshs. 101, 893, 370.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs. 101, 893, 370 be allocated to the Ministry for the expenditure proposed in the items under Head 282 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 2, 000, 000 to finance its operations.



items under Head 995 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs 324, 887, 357 to finance its operations.

#### 785 : NATIONAL WATER CONSERVATION AND PIPELINE CORPORATION

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

The Committee notes that the Appropriations-in-Aid for the institution is remaining constant as the previous years despite the fact that they charge levies and other fees on the use of their assets and through provision of water. The Committee also noted that most of the funds will be used to pay pending bills accrued for the few years.

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

#### 897 : WATER RIGHTS

The proposed net expenditure under this head is Kshs 4, 968, 800. In addition, under this head, the Ministry expects to raise Kshs. 5,000, 000 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 4, 968, 800 be allocated to the Ministry for the expenditure proposed in the items under Head 897 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 5,000, 000 to finance its operations.

#### 2.6.2 ANALYSIS OF THE DEVELOPMENT BUDGET (D20) - COMMITTEE OBSERVATIONS –DEVELOPMENT - Examination of Heads, by the Committee, under Vote D 20 was as follows:-

##### 282: MOUNT KENYA EAST PILOT PROJECT

The proposed net expenditure under this head is Kshs 254, 456, 194. In addition, under this head, the Ministry expects to raise Kshs. 39, 980, 000 in Appropriation-in-aid from development partners.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 254, 456, 194 be allocated to the Ministry for the expenditure proposed in the items under Head 282 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 39, 980, 000 from various development partners to finance its operations.

##### 567: HEADQUARTERS ADMINISTRATIVE AND TECHNICAL SERVICES

The proposed net expenditure under this head is kshs 4, 000, 000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 26, 400, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 899.

#### 991 : DEVELOPMENT PLANNING

The proposed net expenditure under this head is kshs 6, 000, 000.

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

#### 511: CENTRALIZED SERVICES

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

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

#### 524; CONSTRUCTION OF WATER SUPPLIES

The proposed net expenditure under this head is Kshs 1, 308, 734, 308.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 1, 308, 734, 308. Be allocated to the Ministry for the expenditure proposed on the items under Head 524.

#### 560 : CONSTRUCTION OF WATER SUPPLIES

The proposed net expenditure under this head is Kshs. 661, 625, 000. The Committee observed that the net allocations increased from Kshs 551, 125, 000 to Kshs 661, 625, 000

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 661, 625, 000 be allocated to the Ministry for the expenditure proposed on the items under Head 560.

#### 563: CONSTRUCTION OF SEWERAGES

The proposed net expenditure under this head is kshs 206, 000, 000, The amounts increased from Kshs 167,000,000 to Kshs. 206,000,000

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 206, 000, 000 be allocated to the Ministry for the expenditure proposed on the items under Head 563.

#### 889: WATER RESOURCE- POLLUTION CONTROL

The proposed net expenditure under this head is Kshs 0.

#### 995 : NATIONAL IRRIGATION BOARD

The proposed net expenditure under this head is kshs 1, 755, 743, 500. In addition, under this head , the ministry expects to raise Kshs. 770, 000, 000 in appropriation-in-aid from development partners.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 1, 755, 743, 500 be allocated to the Ministry for the expenditure proposed in the items under Head 995 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 770, 000, 000 from development partners to finance its operations.

#### 784: FLOOD CONTROL MANAGEMENT

The proposed net expenditure under this head is Kshs 162, 000, 000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 162, 000, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 784.

#### 785 : NATIONAL WATER CONSERVATION AND PIPELINE CORPORATION

The proposed net expenditure under this head is Kshs 995, 000, 000. The Committee noted that the allocations have decreased from Kshs 1,044,000,000 in financial year 2009/010 to Kshs 995, 000, 000 in financial year 2010/011.

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

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 995, 000, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 785.

#### 896 WATER CONSERVATION AND DAM CONSTRUCTION

The proposed net expenditure under this head is Kshs 3, 720, 000, 000. The allocations have increased substantially from Kshs 2, 828, 200, 000 in 2009/010 to Kshs 3, 720, 000, 000 in 2010/011.

The Committee observed that there 5 major/large dams that construction commenced in the last Financial Year – 2008/09 and they are – Maruba, Kiserian, Umaa, Baldesa and Chemsusu and that if allocated funds to complete their construction will go along way in solving the water shortages.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 3, 720, 000, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 896.

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

### 3.2 State Corporations and Departments

3.2.1 The Ministry has five departments and they are: -

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

3.2.2 Key state corporations are:-

- National Environment Management Authority (NEMA);

### 3.3 Papers Laid - Documents of reference

3.3.1 The presentation statement on the FY 2010/2011 Annual Estimates;

3.3.2 Disaggregated Budget for the Ministry; and

### 3.4.1 COMMITTEE OBSERVATIONS AND COMMENTS

3.4.2 There is need to rehabilitate the already existing quarries and the regulation of the quarrying industry

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

3.4.4 Introduction of a new head on climate change shows the prioritization of its impacts and therefore adaptation and mitigation;

3.4.5 lack of legal framework for Climate change in kenya;

3.4.6 restoration of the forest cover in the five water towers;

3.4.7 Disposal of waste and sewaregae treatment in informal settlement in urban areas;

3.4.8 the ministry to maximize on the opportunities as presented by the global carbon trades or carbon trading?

### 3.5 ALLOCATION

#### 3.5.1. ACTUAL ALLOCATIONS

The Ministry's budget- Allocations for the year 2010/11(in Kshs millions)

Vote	Details	Printed 2009/10	Revised 2009/10	Requested Amount 2010/11	Ceilings 2010/11	Printed Estimates 2010/11
R21	Gross	2,065	2,061	4,282	2,378	2,397.4
	AIA	63	102		106	137.7
	Net	2,001	1,959		2,272	2,259.7
D21	Gross	2,268.60	2,101	6,125	2,371	4,430
	GoK		1,415		1,103	3,264
	Loans		379		553	754
	Grants		308		715	412

- balance of Kshs. 968.68million,with Development Cashbook and Board of Survey Report as at 30 June 2008 show a balance of Kshs.6.36million.

e.) **Statement of Assets and Liabilities for Deposits**

The Statement of Assets and Liabilities for Deposits as at 30 June 2008 reflects various debit and credit balance of Kshs.28.40million and Kshs.418.88million respectively. The Statement also reflects a Vote Adjustment Account – Ministry of Water credit balance of Kshs.224million relating to 2006 2007 and prior years, which differs with the June Ledger balance of Kshs.3million. In addition, the Statement reflects a Paymaster General Account debit balance of Kshs.390.50million, which differs with the Trial Balance figure of Kshs.355.77million and the Cashbook balance of Kshs.171.92million by Kshs.34.74million and Kshs.218.58million respectively. The differences between the three sets of records have not been reconciled or explained.

### 3.6 CONSIDERATION OF ESTIMATES

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

##### 670: HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is kshs 305, 201, 640. In addition, under this head, the Ministry expects to raise Kshs. 10, 000, 000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 305, 201, 640 be allocated to the Ministry for the expenditure proposed in the items under Head 670 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 10, 000, 000 to finance its operations.

##### 749: FINANCIAL MANAGEMENT AND PROCUREMENT SERVICES

The proposed net expenditure under this head is kshs 30, 699, 616.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 30, 699, 616. Be allocated to the Ministry for the expenditure proposed in the items under Head 749.

##### 885: DEVELOPMENT PLANNING DIVISION

The proposed net expenditure under this head is kshs 10, 713, 816.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 10, 713, 816 be allocated to the Ministry for the expenditure proposed in the items under Head 885.

##### 690 : MINES & GEOLOGY DEPARTMENT

The proposed net expenditure under this head is kshs 111, 986, 815. In addition, under this head, the ministry expects to raise Kshs. 5, 000, 000 in Appropriation-in-Aid.

The proposed net expenditure under this head is kshs 46, 122, 956.

The Committee is a reeable to the proposal by the Minister that a sum not exceedin kshs 46, 122, 956 be allocated to the Ministry for the expenditure proposed in the items under Head 702.

#### 736: NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY

The proposed net expenditure under this head is kshs 594, 577, 507. In addition, under this head , the ministry expects to raise Kshs. 100, 000, 000 in Appropriation-in-Aid.

The Committee is a reeable to the proposal by the Minister that a sum not exceedin kshs 594, 577, 507 be allocated to the Ministry for the expenditure proposed in the items under Head 736 and that the ministry be allowed to raise Appropriation-in-Aid amountin to Kshs. 100, 000, 000 to finance its operations.

#### 762: PUBLIC COMPLAINTS COMMITTEE

The proposed net expenditure under this head is kshs 20, 800, 000.

The Committee is a reeable to the proposal by the Minister that a sum not exceedin Kshs. 20, 800, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 762.

#### 766: NATIONAL ENVIRONMENT TRIBUNAL

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

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

#### 442: METEOROLOGICAL DEPARTMENT (HEADQUARTERS)

The proposed net expenditure under this head is kshs 854, 775, 570. In addition, under this head , the ministry expects to raise Kshs. 20, 200, 000 in Appropriation-in-Aid.

The Committee observed that the net allocation increased from Kshs 787.12 million in FY 2008 09 to Kshs 841.96 million in FY 2009 010 and that the A-I-A increasin sli htly from Kshs 15 million to Kshs 16 million.

The Committee is a reeable to the proposal by the Minister that a sum not exceedin kshs 854, 775, 570 be allocated to the Ministry for the expenditure proposed in the items under Head 691 and that the ministry be allowed to raise Appropriation-in-Aid amountin to Kshs. 20, 200, 000 to finance its operations.

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

#### 670: HEADQUARTERS, ADMINISTRATIVE SERVICES

• 612: INSTITUTIONAL STRENGTHENING OZONE DEPLETING SUBSTANCE MANAGEMENT.

• The proposed net expenditure under this head is kshs 9, 779, 125.

• The Committee is a reeable to the proposal by the Minister that a sum not exceedin Kshs. 9, 779, 125 be allocated to the Ministry for the expenditure proposed in the items under Head 612.

702: DIRECTORATE OF ENVIRONMENT

The proposed net expenditure under this head is kshs 710, 162, 193. In addition, under this head , the Ministry expects to raise Kshs. 35, 000, 000 in Appropriation-in-Aid

The Committee is a reeable to the proposal by the Minister that a sum not exceedin kshs 710, 162, 193 be allocated to the Ministry for the expenditure proposed in the items under Head 702 and that the Ministry be allowed to raise Appropriation-in-Aid amountin to Kshs. 35, 000, 000 to finance its operations.

736: NATIONAL ENVIRONMENTAL MANAGEMENT AUTHORITY

The proposed net expenditure under this head is kshs 79, 987, 500. In addition, under this head , the Ministry expects to raise Kshs. 69, 820, 000 in Appropriation-in-Aid.

The Committee is a reeable to the proposal by the Minister that a sum not exceedin kshs 79, 987, 500 be allocated to the Ministry for the expenditure proposed in the items under Head 736 and that the Ministry be allowed to raise Appropriation-in-Aid amountin to Kshs. 69, 820, 000 to finance its operations.

442: METEOROLOGICAL DEPARTMENT

The proposed net expenditure under this head is kshs 301, 610, 000.

The Committee is a reeable to the proposal by the Minister that a sum not exceedin kshs 301, 610, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 442.

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

	REQUEST	RECURRENT	DEVELOPMENT	LOCATIONS	ABSORPTION RATE -%
2007/08		1, 439, 937, 000	92,000, 000	3, 231, 937, 000	91
2008/09		1, 520, 909, 320	480, 775, 000	2, 001, 684, 000	88
2009/10	12,211,882, 300	1,436,963, 000	450, 400, 000	1, 887, 363, 000	

4.5.3. ACTUAL ALLOCATIONS – printed estimates

The Ministry's budget- Allocations for the year 2010/11(in Kshs millions).

Vote	Details	Printed 2009/10	Revised 2009/10	Requested Amount 2010/11	Ceilings 2010/11	Printed Estimates 2010/11
R36	Gross AIA Net	1,674.80 237.8 1,436.90	1,735 245 1,490	3,976	1,840 245 1,595	1,973 297.6 1,675.4
D36	Gross GoK Loans Grants	860.00	2,133 1,850 - 282	8,236	1,012 730 - 282	2,587 2,076 - 511

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

Issues from the Last published audited appropriations Accounts for 2007/08

a) Submission of financial statements for agricultural settlement fund trustees

The Ministry did not submit for audit financial statements for agricultural settlement fund trustees for thirteen financial years from 1995/96 to 2007/2008 and received grants amounting to Kshs. 2,382.58million.

b) Under-expenditure and under-collection of Appropriations – in – Aid

The appropriation Account for the year ended 30 June 2008 reflects gross under-expenditure of Kshs. 387million representing approximately 21% of the approved estimates of Kshs.1, 842.5million. The Appropriation Account also reflects under-collection of Appropriations-in - Aid amounting to Kshs.50. 5million or 100% of estimated receipts. This is attributed to non-receipt of expenditure returns from various development partners.

c) Unvouched Expenditure



- The proposed net expenditure under this head is kshs 490, 386, 190. In addition, under this head , the ministry expects to raise Kshs. 2, 053, 295 in Appropriation-in-Aid.
- The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 490, 386, 190 be allocated to the Ministry for the expenditure proposed in the items under Head 026 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 2, 053, 295 to finance its operations.

#### 576: REVENUE SECRETARIAT

The proposed net expenditure under this head is kshs 6,227, 647.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 6, 227, 647 be allocated to the Ministry for the expenditure proposed in the items under Head 576.

#### 615 DEVELOPMENT PLANNING SERVICES

The proposed net expenditure under this head is kshs 5, 045, 000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 5, 045, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 615.

#### 030:HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is kshs 44, 233, 578. In addition, under this head , the ministry expects to raise Kshs. 51, 082 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 44, 233, 578 be allocated to the Ministry for the expenditure proposed in the items under Head 030 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 51, 082 to finance its operations.

#### 040: DISTRICT LAND ADJUDICATION & SETTLEMENT

The proposed net expenditure under this head is kshs 288, 332, 668. In addition, under this head , the Ministry expects to raise Kshs. 3, 000, 000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 288, 332, 668 be allocated to the Ministry for the expenditure proposed in the items under Head 040 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 3, 000, 000 to finance its operations.

#### 084; S.F.T. MANAGEMENT SETTLEMENT PROJECT

The proposed net expenditure under this head is kshs 4, 261, 511.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 4, 261, 511 be allocated to the Ministry for the expenditure proposed in the items under Head 084.

### 132: DISTRICT LAND OFFICES

The proposed net expenditure under this head is Kshs 120, 611, 017. In addition, under this head, the Ministry expects to raise Kshs.133, 016, 108 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 120, 611, 017 be allocated to the Ministry for the expenditure proposed in the items under Head 132 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 133, 016, 108 to finance its operations.

### 376: HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is kshs 75, 577, 221. In addition, under this head, the Ministry expects to raise Kshs.1, 000, 000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 75, 577, 221 be allocated to the Ministry for the expenditure proposed in the items under Head 376 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 1, 000, 000 to finance its operations.

### 453: DISTRICT PHYSICAL PLANNING OFFICES

The proposed net expenditure under this head is kshs 90, 811, 005. In addition, under this head, the ministry expects to raise Kshs. 16, 737, 675 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 90, 811,005 be allocated to the Ministry for the expenditure proposed in the items under Head 453 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 16, 737, 675 to finance its operations.

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

### 026 HEADQUARTERS ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is kshs 1, 768, 727, 087. In addition, under this head, the Ministry expects to raise Kshs. 301, 250, 000 in Appropriation-in-Aid.

The Committee observed that there is substantial increased allocations due to acquisition of land, domestic travel, printing, hospitality and other operating expenses.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 1, 768, 727, 087 be allocated to the Ministry for the expenditure proposed in the items under Head 026 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 301, 250, 000 to finance its operations.

### 084: S.F.T. MANAGEMENT SETTLEMENT PROJECT

The proposed net expenditure under this head is kshs 2, 664, 957.

- The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 21, 620, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 277 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 9, 600, 000 to finance its operations

#### 132: DISTRICTS LANDS OFFICES

The proposed net expenditure under this head is kshs 150, 000, 000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 150, 000, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 132.

#### 376: PHYSICAL PLANNING – HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is kshs 44, 000, 000. The Committee observed that the net allocation has remained constant at Kshs 44 million.

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

#### 453: DISTRICT PHYSICAL PLANNING OFFICES

The proposed net expenditure under this head is kshs 25, 700, 000. The Committee observed that the net allocation has remained constant at Kshs 25, 700, 000.

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

ii.) AREAS LEFT OUT OF THE BUDGET

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

5.6.2 ACTUAL ALLOCATIONS

Allocations for the year 2010/11(in Kshs millions)

Vote	Details	Printed 2009/10	Revised 2009/10	Requested Amount 2010/11	Ceilings 2010/11	Printed Estimates 2010/11
R55	Gross	3,769.60	3,575	8,962	3,498	4,794.9
	AIA	196.50	698		204	857.1
	Net	3,573	2,877		3,294	3,937.78
D55	Gross	2,003	1,893	4,329	1,263	2,874
	GoK		1,065		434	1,075
	Loans		513		513	899
	Grants		316		316	900

Source; Guidelines for preparation of the 2010/11-2012/13 (MTEF Budget ceilings)/ The Budget Policy Statement (BPS)/The MTEF Sector Reports for 2010 and the Printed Estimates 2010/11.

Analysis of Transfers to state corporations and Fund Accounts

Below are the SAGAs that fall under the Ministry of Forestry and Wildlife;

SAGA	Actual 2008/09	Forecast 2009/10	Estimates 2010/11
Kenya Wildlife Service	1,080.52	1,591.30	1,501.30
Kenya Forestry Research Institute	639.85	749.20	844
Kenya Forest Service Board	1,828.34	1,694.84	2,916.73

Source: 2010/11 *Review of Estimates of revenue and expenditure of state corporations.*

Summary of revenue and expenditure for State Corporations under the Ministry of Forestry and Wildlife for 2010/11 financial year in Ksh.(Millions)

Revenue	Actual 2008/09	Forecast 2009/10	Estimates 2010/11
Internally Generated Income	3,108.18	3,666.41	4,451.98
Government resources:			
Grants - Recurrent	3,208.19	3,280.56	4,284.2
Grants - Development	340.52	754.78	977.83

The proposed net expenditure under this head is kshs 30, 880, 680.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 30, 880, 680 be allocated to the Ministry for the expenditure proposed in the items under Head 717.

#### 531: KENYA WILDLIFE SERVICE

The proposed net expenditure under this head is kshs 937, 300, 000. The Committee observed that the net allocation has remained constant at kshs 937.3 million. And that the Committee was informed by the Minister that allocation for the KWS has been constant from last financial year into the medium term. This was because there has been no substantial increase of the Ministry's budgetary ceiling through the same period. However, KWS has been allowed to use funds collected as revenue.

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

#### 646: FORESTRY RESEARCH INSTITUTE, HEADQUARTERS

The proposed net expenditure under this head is kshs 800, 000, 000. In addition, under this head, the Ministry expects to raise Kshs. 4, 500, 000 in Appropriation-in-Aid

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 800, 000, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 646 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. Kshs. 4, 500, 000 to finance its operations.

#### 672: HEADQUARTERS, FORESTRY DEVELOPMENT

The proposed net expenditure under this head is kshs 1, 694, 900, 000. In addition, under this head, the ministry expects to raise Kshs. 852, 000, 000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 1, 694, 900, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 672 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 852, 000, 000 to finance its operations.

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

#### 170: HEADQUARTERS AND ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is kshs 216, 212, 854.

The Committee observed that there is an an increased because of new items - utilities and purchase of vehicles. Increases on Fuel and other operating expenses. Finance Management Services is a new sub-head.

The proposed net expenditure under this head is kshs 308, 870, 000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 308, 870, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 676.

#### 678: CATCHMENTS AND NATURAL FOREST CONSERVATION

The proposed net expenditure under this head is kshs 482, 589, 900. In addition, under this head, the ministry expects to raise Kshs. 152, 600, 000 in Appropriation-in-Aid.

The increases are to cater for Basic wages, training, other operating expenses, purchase of vehicles, construction works and purchase of seeds and live animals. The programme is funded by various donors, ADF and GoK.

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

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 482, 589, 900 be allocated to the Ministry for the expenditure proposed in the items under Head 678 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 152, 600, 000 to finance its operations.

#### 681: ROAD CONSTRUCTION UNIT

The proposed net expenditure under this head is kshs 128, 900, 000.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 128, 900, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 681.

#### 738: ARID AND SEMI – ARID LANDS FORESTRY

The proposed net expenditure under this head is kshs 99, 822, 400. In addition, under this head, the Ministry expects to raise Kshs. 715, 000, 000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 99, 822, 400 be allocated to the Ministry for the expenditure proposed in the items under Head 738 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 715, 000, 000 to finance its operations

#### 748: FORESTRY INSPECTION AND PATROL UNIT

The proposed net expenditure under this head is kshs 10, 000, 000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 10, 000, 000 be allocated to the Ministry for the expenditure proposed in the items under Head 748.

WEDNESDAY June 30, 2010

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

Meeting with the Minister for Water and Irrigation  
Examination of Estimates for Ministry of Water and Irrigation: R. 20 and D.20 (Recurrent  
and Development);

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

Meeting with the Minister for Water and Irrigation  
Continuation of Examination of Estimates for R.20 and D.21 (Recurrent and Development)

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

Thursday, July 1, 2010

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

Consideration of submissions, report adoption.

(Venue – Committee Room 5, Fifth Floor Continental House )

Thursday, June 17, 2010

Morning Sitting (09.30a.m – 12.30p.m.)

Meeting with the Minister for Lands – casino land

(Venue – Committee Room 5, Fifth Floor Continental House )

Monday, June 21, 2010

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

Deliberations on the Committee programme and Meeting with the Office of Fiscal Analysis

(Venue – Committee Room 5, Fifth Floor Continental House )

Tuesday, June 22, 2010

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

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

(Venue – Committee Room 5, Fifth Floor Continental House )

Thursday, June 24, 2010

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

Meeting with the Minister for Environment and Mineral Resources  
Continuation of Examination of Estimates for R.21 and D.21 (Recurrent and Development)

\*Note: this meeting is subject to conclusion of agenda for June 22, 2010.

(Venue – Committee Room 5, Fifth Floor Continental House )

Friday, June 25, 2010

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

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

(Venue – Committee Room 5, Fifth Floor Continental House )



MINUTES OF THE TWENTY EIGHTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON THURSDAY, JUNE 17, 2010 IN COMMITTEE ROOM 5, FIFTH FLOOR, CONTINENTAL HOUSE, PARLIAMENT BUILDINGS AT 09.00 A.M.

PRESENT:

Hon. Mutava Musyimi, MP  
Hon. Mohammed Affey, MP  
Hon. Benedict Gunda, MP  
Hon. Kiema Kilonzo, MP  
Hon. Benjamin Washiali, MP  
Hon. Njuguna Gitau, MP  
Hon. Omar Zonga, MP  
Hon. Martin Ogindo, MP

ABSENT WITH APOLOGY

Hon. Silas Ruteere, MP  
Hon. Peris Simam, MP

IN ATTENDANCE - KENYA NATIONAL ASSEMBLY

Mr. Rana Tiampati - Clerk Assistant  
Mr. Oscar Namulanda - Clerk Assistant

MINISTRY OF LANDS

Hon. James Orenge, MP -Minister for Lands  
Ms. Dorothy Angote -Permanent Secretary  
Mr. Zablon Mabea -Commissioner of land  
Mr. N. Mbatia -Chief Land Registrar  
Mr. A. Itui -Chief Land Valuer

MIN.NO.133/2010 : INTRODUCTION

The Chairperson called the meeting to order at 09.35 a.m. after prayers were said and read out the agenda items thereafter were adopted by Members present.

- i.) Prayers;
- ii.) Confirmation of minutes;
- iii.) Matter arising;
- iv.) Meeting with the minister for lands – State of L.R. No. 209/7374;
- v.) Date of the next meeting
- vi.) Any other business

He further welcomed Members and other persons present in the meeting and introduced the Members present and subsequently requested the Minister to introduce the officers accompanying him.

The Chair further informed the Minister that the agenda for the meeting is as a result of a House resolution that the Committee investigates the state of L.R. 209/7374. In addition, the Minister should respond to the queries raised by the House with the Committee as his own statement to the House on the need for full disclosure of transaction surround the piece of land.

- (xi) Therefore, the transfer within 4 months to Azarel Investment Limited by Galaxy Limited prompted the Ministry of Lands to Interrogate the matter before all else. And resolved to place a caveat on the title;
- (xii) That the legal department of the Ministry need to be strengthened due to the enormous complain on land in the country;
- (xiii) Minister to table his memo dated June 16, 2009.

MIN.NO. 136/2010: HOUSE KEEPING MEETING

- (a) The programme for the scrutiny of Budget estimates was presented to the Committee: The Committee deliberated on it and approved it however directed the secretary to confirm the attendance of Ministers confirmed.
- (b) The meeting was informed that the following have confirmed:
  - (i) Ministry of Lands on Tuesday, June 22, 2010 at 11.00 a.m.;
  - (ii.) Ministry of Forestry and Wildlife on Friday, June 25, 2010 at 10.00 a.m.
  - (iii.) Ministry of Water and Irrigation on Wednesday, June 30, 2010 at 9.00 a.m.
- (c.) The Hon. Mohammed Affey, MP gave his apologies in advance for missing Committee meetings due to the engagements elsewhere; this is because he chairs the Committee on Equal Opportunity.
- (d.) The Committee was informed by the Chair that it has been directed by the Speaker that the petition by Hon. Khalwale be considered within 21 days from June 16, 2010.

MIN.NO.137/2010: ADJOURNMENT

There being no any other business, the Chair adjourned the sitting at 12.35 p.m. until Monday, June 21, 2010 in committee Room 5<sup>th</sup> Floor, Continental House at 2.30 p.m.

Signed...Hon. Mutava Musyimi,MP..... Date.....July 7, 2010...  
Chairman

MIN.NO.140/2010: BRIEF BY PARLIAMENTARY BUDGET OFFICE

(a) Papers Laid

The Parliamentary Budget Officer laid before the Committee a brief to the Land and Natural Resources Committee on the 2010/11 Budget and the Medium Term.

(b) The Parliamentary Budget Officer briefed the committee on the following:-

(i) That the Committee during scrutiny of estimates of the ministries under its mandate should have:-

- a.) a copy of issues raised by the Committee with the Ministries in the 2009/10 scrutiny;
- b.) a compliance report – showing the performance of various ministries;

(ii) The areas that need special scrutiny is on the achievement in the last Financial Year, Foreign travel, Forest Conservation, absorption capacity and under –expenditure and under – collection of A-I-A; pending Bills, Auditing of Accounts of state corporations;

(iii) Ministry of Water and Irrigation

a. issues

• Grants to Water Service Board

The Appropriation Account reflects Grant Payments totaling Kshs.78.25million to Tana Water Services Board and Northern Water Services Board during the year. The Boards however did not prepare and submit accounts for audit in the year 2007/08.

• Pending Bills

The ministry has bills totaling Kshs.96.40million relating to the year 2007/2008 which were carried forward to the financial year 2008/2009 with Kshs.55.8million chargeable to the Recurrent Vote and the balance of Kshs.40.60million to the Development Vote.

• Unaccounted for Receipt Books

It was noted that six (6) water receipt books issued between October 2007 and February 2008 to Tambach, Kapkoi and Chepkosio Water Supply Stations for use in revenue collection had not been accounted for as at 30 June 2008. As a result it has not been possible to ascertain the amount of revenue received on account of the six receipt books. It has also not been possible to establish how such revenue was accounted for.

• Statement of Assets and Liabilities for VoteD.20

The Statement of Assets and Liabilities for Vote D.20 as at 30 June 2008 reflects various debit and credit balances totaling Kshs.3, 727.80million and Kshs.12, 392.40million respectively, under various Accounts which have not been supported with analyses. The Statement also reflects various excess vote balances totaling Kshs.278.62million, relating to the period between 1979/80 and 1990/91 for which the balances have not been regularized to date.

b. Key Policy issues

The following are the priorities that should have informed the financial year 2010/11 budget;

- ✓ The rapid increase in demand for water without commensurate increment in water services and facilities provision in rural areas and informal urban settlements.

- **Statement of Assets and Liabilities for Deposits**

The Statement of Assets and Liabilities for Deposits as at 30 June 2008 reflects various debit and credit balance of Kshs.28.40million and Kshs.418.88million respectively. The Statement also reflects a Vote Adjustment Account – Ministry of Water credit balance of Kshs.224million relating to 2006/2007 and prior years, which differs with the June Ledger balance of Kshs.3million. In addition, the Statement reflects a Paymaster General Account debit balance of Kshs.390.50million, which differs with the Trial Balance figure of Kshs.355.77million and the Cashbook balance of Kshs.171.92million by Kshs.34.74million and Kshs.218.58million respectively. The differences between the three sets of records have not been reconciled or explained.

- (b) **Key Policy Issues**

The following are the priorities that should have informed the financial year 2010/11 budget;

- ✓ There is need to rehabilitate the already existing quarries and the regulation of the quarrying industry.
- ✓ It is imperative to prioritize issues of climate change to curb its effects.
- ✓ Restoration of forest cover in the five water towers and other forest areas with a view to meet the recommended forest cover of 10%.
- ✓ The disposal of wastes and sewage treatment in informal settlements in urban areas.

- (iv) **Ministry of Lands**

- a. **Issues**

- **Submission of financial statements for agricultural settlement fund trustees**

The Ministry did not submit for audit financial statements for agricultural settlement fund trustees for thirteen financial years from 1995/96 to 2007/2008 and received grants amounting to Kshs. 2,382.58million.

- **Under-expenditure and under-collection of Appropriations – in – Aid**

The appropriation Account for the year ended 30 June 2008 reflects gross under-expenditure of Kshs. 387million representing approximately 21% of the approved estimates of Kshs.1, 842.5million. The Appropriation Account also reflects under-collection of Appropriations-in - Aid amounting to Kshs.50. 5million or 100% of estimated receipts. This is attributed to non-receipt of expenditure returns from various development partners.

- **Unvouched Expenditure**

Expenditure amounting to Kshs.140. 95million charged to the Appropriation Account for Vote 36 for the year ending 30 June 2008 was not supported with the relevant documentary evidence including payment voucher.

- **Statement of revenue for head 150-360-Lands revenue**

The lands revenue for the year ended 30 June 2008 totals to Kshs. 90.5million as having been paid to the Exchequer during the year. Records at Treasury indicate however revenue amounting to Kshs. 1,375.40million as having been received during the year.

- **Arrears of Revenue**

The Statement of Revenue for the year ended 30 June 2008 does not show a summary of payments made to the Exchequer during the year, and in the previous years' report, the Arrears of Revenue stood at Kshs.200.77million as at 30 June 2007.

- **Statement of Assets and Liabilities for Vote R.55**

The Statement of Assets and Liabilities for Vote R.55 as at 30 June 2008 reflects a Paymaster General Account balance of Kshs.55million, while both the Cashbook and the Board of Survey Report show an amount of Kshs.4.98million as at the same date.

- **Statement of Assets and Liabilities for Vote D.55**

The Statement of Assets and Liabilities for Vote D.55 as at 30 June 2008 reflects a Paymaster General Account balance of Kshs.86.66million, while the Cashbook as at the same date shows nil balance. The June Ledger on the other hand reflects a balance of Kshs.833.98million against the Account.

(b) **Key Policy Issues**

- ✓ Need to increase the forest cover in five water towers and other forest areas in a bid to reach the recommended 10% forest cover.
- ✓ To reduce resource degradation and minimize over – exploitation and excision of forests.
- ✓ Addressing the human encroachment on wildlife corridors.
- ✓ To reduce cases of human wildlife conflict.
- ✓ Need to upgrade the premium parks to increase number of tourists.

(vi) The Committee consider the estimates of each ministry, head by head;

MIN. NO. 141/2010: STATE OF L.R. 209/7374

The Committee directed the Secretariat to write to the Minister of Lands to avail to the Committee, the in house transactions – those who signed and responsible.

MIN.NO.142/2010: ADJOURNMENT

There being no other business, the Chair adjourned the sitting at thirty six minutes past four O'clock until Tuesday, June 22, 2010 at 11.00 a.m. in Committee Room, 5<sup>th</sup> Floor, Continental House.

Signed...Hon. Mutava Musyimi,MP..... Date.....July 7, 2010...  
Chairman

b.) The Minister for Lands briefed the Committee on the following:

(i) The financial year 2010/11 estimates was based on the Vision 2030 and its MTP 2008-2012 which identified Land reforms, in the Natural Land Policy as the main blue print by the Ministry;

(ii) The projects in the MTP 2008-2012 of V 2030, that will be implemented include:

(a) Construction and rehabilitation of Land registering to ensure accessibility and improve governance. And in FY 2010/11, through Ardhi Houses in Isiolo and Trans Nzoia districts will be completed and the Ministry headquarters, Kiambu, Kajiado district will be rehabilitated.

(b) Land Information Management System – development of GIS based National LIMS.

(c) Natural Spatial Plan

(d) Land cover and Land use mapping by updating maps of Land use pattern in Kenya.

(iii) Budget allocation

- The Ministry budgeting provision has been inadequate and exhibiting declining trend. However, it has continued to give significant annual contribution in revenue and AIA by collected Kshs.6 million for the last three years.

- Ministry requested kshs.12, 211,882,673 but was allocated Kshs.3, 951,700 was in the 2010/11 printed estimates.

- 42% 91,675,420,300) is in recurrent vote while 58% (Kshs.2, 276,037,400) in development vote.

- Allocation to the Ministry has shown an upward trend from 2008/9 to 2010/11 FYs.

- The increase in allocation is 2009/10 and 2010/11 Financial Years caused by a finding of Kshs.1.4 billion and Kshs.1.5. billion respectively for the purchase of farms to settle IDPs and further in 2010/11 Financial Year, Kshs.221 million was allocated for computerization of Land records.

- In Financial Year 2007/08 from 2006/07 due to a funding for the purchase of a farm at a cost of Kshs.1.35 billion i.e. Solia Rauch.

- The implementation of Natural Land Policy is one of the programmes that would require Kshs.9.6 billion to implement and the Ministry has requested Kshs.3 billion in 2010/11 Financial Year. That following new projects/programmes will be implemented in 2010/11 financial year

i. Construction of access road and car park for the survey field headquarter at Kshs.29million.

ii. Construction of Kenya national Spatial data infrastructure centre;

iii. Refurbishment of ministry headquarters;

iv. Surveying of international and National boundaries as inspecting and maintaining boundaries pillars.

(iv) Partially funded programmes

(i) Computerization programme – Kshs.1.3 billion required but received Kshs.230,387,673;

(ii) Implementation of NLP – Kshs.1, 56 billion in first year and only Kshs.520, 750,061 was received. However, Kshs.301, 250,000 will be from donors, kshs.200, 000,000 in revenue. Government of Kenya is only giving Kshs.19,500,061;

- Initiated preparation of Regional Physical Development Plan for Northern Kenya (North Eastern Province and northern parts of Rift-Valley and Eastern Provinces)
  - Initiated preparation of Local Physical Development Plans for two resort cities (Diani/Ukunda and Kilifi).
  - Prepared 20 Local Physical Development plans for various urban and local centres in the country.
  - Prepared Local Physical Development Plan for Kisumu.
  - Undertook three capacity building workshops for local authorities for the greater Murang'a Busia and Garissa Districts.
  - Purchase, planned and surveyed a total of 8 land parcels for settlement of the internally Displaced Persons.
  - Initiated the survey of four blocks forest reserve namely, Maasai Mau, Olposimoru, South-West Mau and Transmara.
  - Processed 71,448 plots to prepare/update Registry Index Maps (R.I.M) to support land registration.
  - Prepared and processed 12,483 deed plans.
  - Prepared and revised 10 national topographical and thematic maps to support planning and decision making.
  - Inspected and maintained 227 National and International boundary pillars.
  - Produced 110 graduates with diplomas in Surveying and Mapping and trained 115 students in various short term courses at Kenya Institute of Surveying and Mapping (KISM).
  - Trained at least 361 officers in the headquarters and field stations on various need-based courses.
  - Prepared a draft Cabinet memo for conversion of KISM into a SAGA
- (viii) That Kshs.432, 672,378 was allocated to district on the basis of criteria such as workload, revenue collection, operational stations and ongoing projects.

(x)Committee Observations

- (a) The Kenya Institute of Survey and Mapping is in the process of being converted into a Semi Autonomous Government Agency so that it operates efficiently and mostly funded by Government of Kenya and JICA. Further it would attract more funding.
- (b) There are issues raised by the latest report of the Controller and Audit General in the Ministry following under-expenditure and under-collection. The issues have arisen may be as a result of donor funds reflected in the estimates however they may not have been forthcoming.
- (c) The programme of computerization when fully completed require about Kshs.12billion.
- (d) The Ministry requested Kshs.12billion however was allocated Kshs.3billion only. The disparity has arisen from the discretion that treasury has over allocations. The only option left for the Ministry of lands is re-allocation and reprioritize.

MIN.NO.146/2010: ADJOURNMENT

There being no other business, the Chair adjourned the meeting at fifty minutes past one O'clock until Friday, June 25, 2010 in Committee Room, on the 5<sup>th</sup> Floor, Continental House at 09.00 a.m.

Signed...Hon. Mutava Musyimi,MP..... Date.....July 7, 2010...

Chairman

He further welcomed Members and other persons present in the meeting and introduced the Members present and subsequently requested the Minister to introduce the officers accompanying him.

He reminded the Minister of the importance of the scrutiny of the budget by the Committee in regard to the Standing Orders and welcomed all those who accompanied the Minister.

#### MIN.NO.148/2010 : CONFIRMATION OF MINUTES

Confirmations of Minutes of the Twenty First, Twenty Second, Twenty Third, Twenty Fourth, Twenty Fifth, Twenty Sixth, Twenty Seventh, Twenty Eighth, Twenty Ninth and Thirtieth Sittings were postponed to a later date.

#### MIN.NO.149/2010: SCRUTINY OF BUDGET ESTIMATE FOR VOTE 55

The Minister for Forestry and Wildlife informed the Committee that:

- The ministry requested from the Exchequer for Kshs. 14.3 Billion for the 2010/2011 Financial Year of which Kshs. 9.7 billion was for recurrent and Kshs. 4.6 billion for development. However, was allocated a total of Kshs. 5 billion which, is below the requested amount by Kshs. 9.3 billion. The amount given for recurrent expenditure by the Exchequer for the financial year 2010/2011 is Kshs. 3.9 billion. The underfunding for recurrent expenditure stands at Kshs. 5.8 billion.
- The Exchequer support for development expenditure for 2010/2011 FY is Kshs. 1.1 billion against a request of Kshs. 4.6 billion. The Ministry has also received Kshs. 1.8 billion from development partners (World Bank, JICA, Finland, USAID and African Development Bank) in support of the development programmes.
- Last years' allocation the Ministry was Kshs. 5.2 billion of which 98% was absorbed. The last quarter exchequer is yet to be received from treasury for both recurrent and development expenditures.
- The Ministry was able to make the following achievements: -
  - i.) 24,000 hectares of illegally acquired land in the Mau Complex have been reclaimed and rehabilitated
  - ii.) Forest boundary realignment, marking and preparation of title deeds for the various forests has been done
  - iii.) Draft Forest policy is in place as discussed by the Parliamentary Committee on Lands and Natural Resources in Naivasha
  - iv.) Translocation of 345 wildlife was carried out across the country
  - v.) The Amboseli Ecosystem management plan has been completed
  - vi.) Branding of Kisumu Impala, hells Gate and Ndere island were done
  - vii.) 10km fence constructed at Lake Nakuru National park
  - viii.) Development of forest products from Aloe, proposes, payos and baobab has been completed
  - ix.) Development of social forest policy in arid and semi arid lands
  - x.) 200,000 tree seedlings planted by wildlife Clubs of Kenya
  - xi.) Completion of the Aberdare fence and management plan jointly undertaken with Rhino Ark



MEETING OF THE THIRTY SECOND SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON TUESDAY, JUNE 29<sup>TH</sup> 2010 IN COMMITTEE ROOM 5, 5<sup>TH</sup> FLOOR CONTINENTAL HOUSE AT 9.00AM

PRESENT

Hon. Mutava Musyimi, MP - Chairperson  
Hon. Peris Simam, MP - Vice Chairperson  
Hon. Silas Ruteere, MP  
Hon. Benjamin Washiali, MP  
Hon. Martin Ogindo, MP  
Hon. Mohammed Affey, MP

ABSENT WITH APOLOGY

Hon. Benedict Gunda, MP  
Hon. Njuguna Gitau, MP  
Hon. Omar Zonga, MP  
Hon. Kiema Kilonzo, MP

IN ATTENDANCE - NATIONAL ASSEMBLY

Rana Tiampati- Clerk Assistant

MINISTRY OF ENVIROMENT AND MINERAL RESOURCES

Hon. Jackson Kiptanui, MP - Assistant Minister  
Mr. Paul Olando, EBS - Ag. Permanent Secretary  
Mr. P. I. Kinya - Ag. Chief Finance Officer  
Mr. Jasphat Agatsiva - Director, DRSRS  
Dr. Joseph Mukabana - Director, KMDI  
Mr. C. O. Oyaro - Principal Accoiunts Controller  
Mr. Benard Okari - Ag. Deputy Chief Fnanace officer  
Mrs. Carole W. Mugwe - Ag. DDHRM  
Dr. Benard Rop - Commissioner of Mines and Geology  
Mr. M. Mutua - Finance Officer  
Mr. E. K. Kirui - Finance officer  
Mr, James Kongoti - Deputy Director – Met services, KMD  
Mr. Chito Njeria - Head of Finance, KMD

MIN.NO.151/2010: INTRODUCTION

The Chairperson called the meeting to order at 9.30 a.m. after prayers were said thereafter read out the agenda items thereafter were adopted by Members present.

- i. Prayers;
- ii. Confirmation of minutes;
- iii. Matter arising;
- iv. Briefing by the Scrutiny of the budget Estimates for Vote 21;
- v. Date of the next meeting
- vi. Any other business

He further welcomed Members and other persons present in the meeting and introduced the Members present and subsequently requested the Minister to introduce the officers accompanying him.

- (x) Department of Resource Surveys and Remote Sensing continue to survey and provide information on crop forecasting and wildlife/livestock census.
- (d) Budgetary allocation for the Financial Year 2010/11
  - (i) The Ministry net request is Kshs.5,522,551,643 out of which Kshs.2,259,716,110 is recurrent and Kshs.3,262,835,533 is development.
  - (ii) In the Financial Year 2009/10, the Ministry received Kshs.3,694,678,322 in which Kshs.2,114,378,320 funded recurrent and Kshs.1,580,300,002 supported development respectively in Financial Year 2010/11.
  - (iii) On going projects/programmes (in the last Financial Year 2009/10) that needed emphasis this year are:
    - a. Restoration and Rehabilitation of Nairobi River;
    - b. Water Catchment Initiative;
    - c. Improvement of meteorological services and weather modification for rainfall enhancement over water sparse areas.
  - (iv) Key areas/projects that were left out of estimates in the Financial Year 2010/11
    - e. Integrated meteorological information system (IMIS) at a cost of Kshs.170million.
    - f. Weather modification programme which involves rainfall enhancement, hailstorm supervision at a cost of Kshs.470million.
    - g. Acquisition of drilling rig estimated at a cost of Kshs.150million.
    - h. Staffing and operation of NEMA estimated at a cost of Kshs.722million
  - (v) Programmes and Activities which are funded in the Financial Year 2010/11 .
    - a.) **Environment Policy development and Regulation.** The programme was allocated Kshs.3, 624,705,299; there was an increase from the last financial year of Kshs.1, 980,526,562 which is earmarked for water Catchment Management Initiative and Implementation of the National Climate Change Response Strategy launched in April 2010. Projects under the programme include:
      - Nairobi River Restoration and Rehabilitation.
      - Natural Environment Management
      - Environmental Education and Awareness
      - Water catchment protection and conservation LVEMP II
      - Resource surveys and remote sensing.
    - b.) **Mineral Resources Management** - This programme was allocated Kshs.275, 085,246 in the Financial Year 2010/11. Achievements under the programme in 2009/10 Financial Year:
      - i. Generation revenue and A-I-A amounting to Kshs.36million
      - ii. Completion of construction of mines and geology department office block in Garissa and Wundanyi at a cost of Kshs.8million.
      - iii. Ministry responded to Geohazards occurrences and mapped 5 Geohazards prone zones.
      - iv. Undertook Mineral assessment of 4 mineral occurrences in Mbooni East, Machakos, Kibwezi, Kajiado, Meru and Garissa Districts.
      - v. Carried out regional geological mapping and mineral exploitation and covered 850 km<sup>2</sup> in kimangau area in Mwingi District and Kimilili are in Bungoma District.
      - vi. Provided support to private sector in mineral resource development by providing drilling and professional services.
      - vii. Procured four field vehicles for mines and Geology department.
      - viii. Indicated 25 new geotechnical officers in the field of geological mapping and mineral exploitation techniques.
      - ix. Promoted investment opportunities in mining industry

MEETING OF THE THIRTY THIRD SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON WEDNESDAY, JUNE 30, 2010 IN COMMITTEE ROOM 5, 5<sup>TH</sup> FLOOR CONTINENTAL HOUSE AT 10.30A.M.

PRESENT

Hon. Mutava Musyimi, MP - Chairperson  
Hon. Peris Simam, MP - Vice Chairperson  
Hon. Silas Ruteere, MP  
Hon. Benjamin Washiali, MP  
Hon. Martin Ogindo, MP  
Hon. Mohammed Affey, MP

ABSENT WITH APOLOGY

Hon. Benedict Gunda, MP  
Hon. Njuguna Gitau, MP  
Hon. Omar Zonga, MP  
Hon. Kiema Kilonzo, MP

IN ATTENDANCE - NATIONAL ASSEMBLY

Rana Tiampati- Clerk Assistant

MINISTRY OF WATER AND IRRIGATION

Hon. Charity K. Ngilu, EGH, MP - Minister  
Hon. Mwangi Kiunjuri, MP - Assistant Minister  
Eng. David Stower, CBS - Permanent Secretary  
Mrs. Melisa Musoma - Chief Finance Officer  
Eng. Lawrence Simitu - Director, Water Services  
Eng. John Nyaoro - Director Water resources  
Mr. Peter Musuva - Economist, MWI  
Mr. Onderi Ontweka - Deputy Director, MOF  
Eng. Daniel Barasa - General Manager, NIB  
Mr. Njoroge F. K - Deputy General Manger, NIB  
Mr. Samuel Gitau - Ag, Finance Mnager, NIB  
Mr. Joseph Mumo - Finance offcier  
Eng. Petronilla Ogut - Ag. Managing director, NWPCPC  
Mrs. Rose nyaga - Ag. CEO, ATHI WSB  
Eng.M. K. Musau - Director, KEWI

MIN.NO.155/2010: INTRODUCTION

The Chairperson called the meeting to order at 10.30 a.m. after prayers were said thereafter read out the agenda items thereafter were adopted by Members present.

- i. Prayers;
- ii. Confirmation of minutes;
- iii. Matter arising;
- iv. Briefing by the Scrutiny of the budget Estimates for Vote 20;
- v. Date of the next meeting
- vi. Any other business

- Construction of 5 No. new dams – which required kshs.13.500million and allocated Kshs.200million in Financial years 2010/11
- Irrigation development – required kshs.720million but allocated Kshs.310million
- Dam construction equipment which required Kshs.2billion
- Procurement of water houses and tanks which required Kshs.490million

(ix) The proposed allocations under each programme in the Ministry were as follows:

PROGRAMME	REQUESTED 2010/11 – MILLION	ALLOCATIONS MILLION
Water Policy and Management	Kshs.569	Kshs.569
Water Supply/Sewerage and Sanitation	Kshs.31,445	Kshs.23,192
Water Resource Management and Storage	Kshs.11,356	Kshs.5,590
Provision of Irrigation and Drainage Infrastructure	Kshs.8,079	Kshs.3,178
Total	Kshs.51,499	Kshs.32,529

(x) The 13 state corporations/SAGA under the Ministry receive a total of Kshs.25,927,607,000.

The Committee made the following comments/observations:-

- The projects though under various water services board should reflect a fair distribution in the country and especially water supply and sewerage/sanitation should target the small towns.
- The preparation of the Ministry budget should involve all stakeholders way before the Budget speech is read in Parliament.
- The Ministry has no pending bills in the last financial year except when there was drought mitigation and they are being addressed before the closure of the year on June 30, 2010. However, the NWPC has a pending bill of Kshs.549million arising out of the Fire incident that gutted all records in September 2009. This led to many suppliers making fraudulent claims and therefore being subjected into foresaid audit to ascertain their authenticity.
- The Nile Basin initiative talks and discussion should be well monitored and funded to take into account any issues that may affect Kenyan interest following the negotiations by countries in the Nile Basin on the CFA – cooperative framework agreement.
- The Ministry has addressed all outstanding audit queries arising from the latest report of Controller and Auditor General. The issues were on installation of lifts at the Ministry Headquarters and the state of Assets and liabilities.
- There is need for the Ministry to allocate some funds to the sustenance or maintenance of high costing projects to ensure they do not collapse and incur more cost later.
- Delay in provision of funds to ongoing projects/programmes causes loss to government and leads to such projects taking longer time.
- There appears a double allocation under head 893 on membership fees and International Organization Subscriptions.

MEETING OF THE THIRTY FOURTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON WEDNESDAY, JULY 7, 2010 IN COMMITTEE ROOM 5, 5<sup>TH</sup> FLOOR CONTINENTAL HOUSE AT 09.30A.M.

PRESENT

Hon. Mutava Musyimi, MP - Chairperson  
Hon. Silas Ruteere, MP  
Hon. Benedict Gunda, MP  
Hon. Benjamin Washiali, MP  
Hon. Martin Ogindo, MP  
Hon. Mohammed Affey, MP  
Hon. Kiema Kilonzo, MP

ABSENT WITH APOLOGY

Hon. Peris Simam, MP - Vice Chairperson  
Hon. Njuguna Gitau, MP  
Hon. Omar Zonga, MP

IN ATTENDANCE - NATIONAL ASSEMBLY

Rana Tiampati- Clerk Assistant

MIN.NO.159/2010: INTRODUCTION

The Chairperson called the meeting to order at 10.30 a.m. after prayers were said thereafter read out the agenda items thereafter were adopted by Members present.

- i. Prayers;
- ii. Confirmation of minutes;
- iii. Matter arising;
- iv. Consideration of submissions, adoption of the report;
- v. Date of the next meeting
- vi. Any other business

MIN.NO.160/2010 : CONFIRMATION OF MINUTES

Minutes of the Twenty First, Twenty Second, Twenty Third, Twenty Fourth, Twenty Fifth, Twenty Sixth, Twenty Seventh, Twenty Eighth, Twenty Ninth, Thirtieth, Thirty first Thirty Second, Thirty third and Thirty Fourth Sittings were confirmed as true records of the Committee deliberations.

MIN.NO.161/2010: CONSIDERATION OF SUBMISSIONS, ADOPTION OF THE REPORT;

The Committee considered and deliberated on the draft report and made comments and recommendations as follows, that based on the submission, presentations and evidence adduced, the Committee makes the following recommendations, that: -

Ministry of Water and Irrigation - vote 20

- a) The Ministry should expedite the investigation into the huge amount of pending bills at the National Water Conservation and Pipeline Corporation totaling Kshs. 549 million and subject them into forensic audit;

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

1. Kshs. 3, 779, 939, 100 be allocated to the Ministry of Water and Irrigation – Vote 20 for Recurrent expenditure and Kshs. 20, 102, 793, 800 for Development expenditure, proposed in the Heads under Vote 20 that the Ministry be allowed to raise Appropriation In Aid amounting to Kshs. 1, 889, 459, 596 for Recurrent expenditure and Kshs. 12, 426, 873, 277 from Development partners, to finance its operations;
2. Kshs. 2, 259, 716, 000 be allocated to the Ministry of Environment and Mineral Resources – vote 21 for Recurrent and Kshs. 4, 199, 462, 810 for Development expenditure, proposed in the Heads under Vote 21 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 368, 232, 500 to finance its operations;
3. Kshs. 1, 675, 420, 300 be allocated to the Ministry of Land – Vote 36 - for Recurrent and Kshs. 2, 276, 037, 400 for Development expenditure proposed in the Heads under Vote 36; and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 608, 508, 160 to finance its operations;
4. Kshs. 3, 937, 788, 000 be allocated to the Ministry of Forestry and Wildlife – Vote 55 - for Recurrent and Kshs. 1, 983, 955, 000 for Development expenditure, proposed in the Heads under Vote 55, and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 1, 747, 220, 000 to finance its operations;

The Committee adopted the report unanimously,

MIN.NO.162/2010: ADJOURNMENT

There being no other business, the chair adjourned the meeting at forty minutes past twenty O'clock until Thursday, July 08, 2010 in Committee Room, 5<sup>th</sup> Floor, Continental House at 09.30 a.m.

Signed...Hon. Mutava Musyimi,MP..... Date.....July 7, 2010...  
Chairman