

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY <b>REPORT</b> MEMBERS LAID	
DATE: 14 FEB 2023	DAY: WED
TABLED BY: Deputy leader majority Party Hon Owen Baya MP	
OF	
CLEAR THE-TABLE: Miriam Njoro	

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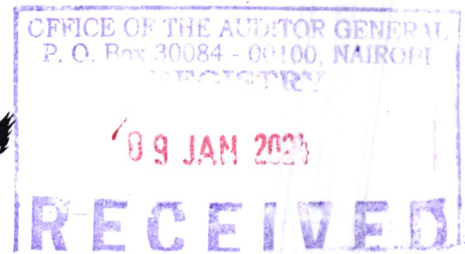
**THE AUDITOR-GENERAL**

**ON**

**STATE DEPARTMENT FOR ENVIRONMENT  
AND CLIMATE CHANGE**

**FOR THE YEAR ENDED  
30 JUNE, 2023**





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**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2023**

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**Prepared in accordance with the Cash Basis of Accounting Method under the International  
Public Sector Accounting Standards (IPSAS)**

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# STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

## *Annual Report and Financial Statements for the year ended 30th June 2023*

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# STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

## *Annual Report and Financial Statements for the year ended 30th June 2023*

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### 1. Acronyms and Glossary of Terms

AIE	Authority to Incur Expenditure
CFO	Chief Finance Officer
HAU	Head of Accounting Unit
IPSAS	International Public Sector Accounting Standards
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
PFM	Public Finance Management
Ksh.	Kenya Shillings
FY	Financial Year
UPOPS	Unintentionally Produced Organic Pollutant
SAICM	Strategic Approach to International Chemicals
ASGM	Artisanal Small Scale Gold Mining
NBSAPS	National Biodiversity Strategy & Action Plan
HFC	Hydro-Fluor Carbons
IGAD	Inter-Governmental Authority for Development

## **2. Key Entity Information and Management**

### **(a) Background information**

The State Department for Environment and Climate Change was created vide Executive Order No. 1 of 2023 on the organization of Government of Kenya. The State Department is under the Ministry of Environment, Climate Change and Forestry whose history can be traced back to the Ministry of Lands, Game, Fisheries and Natural Resources which was first established in 1963. The Ministry has evolved through the years with different names. In 2018, it was named the Ministry of Environment and Forestry which later changed to the now Ministry of Environment, Climate Change and Forestry with two State Departments namely; the State Department for Environment and Climate Change, and the State Department for Forestry. At the Cabinet Level, the entity is represented by the Cabinet Secretary for the Ministry of Environment, Climate Change and Forestry, who is responsible for the general policy and strategic direction of the Ministry.

The State Department for Environment and Climate Change was created to underline the government's commitment to protecting Kenya from the adverse effects of global warming. It is tasked to oversee the management and protection of the environment, the sustainable use of natural resources and the mitigation and adaptation to climate change.

### **Vision**

Clean, Safe, Healthy, Sustainably Managed Resilient Environment and Natural Resources.

### **Mission**

To conserve, protect, sustainably manage the environment and natural resources to support biodiversity and socio-economic transformation.

# STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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### **Mandate of the State Department**

The constitution of Kenya is very particular on environmental issues which are articulated in Article 42, 43, 69, 70. The constitution accords every person a right to clean and healthy environment which should be protected for the benefit of present and future generations.

The Executive Order No. 1 of 2023 on the organization of the national government mandated the State department to oversee the management and protection of the environment, the sustainable use of natural resources and the mitigation and adaptation to climate change. The core functions of the State Department include;

### **Core Functions**

- i. National Environment Policy and Management;
- ii. Climate Change/Action Policy;
- iii. Promotion of low carbon technologies to reduce emissions;
- iv. Restoration and Protection of Strategic Water Towers;
- v. Protection and Conservation of the Natural Environment;
- vi. Pollution Control;
- vii. Lake Victoria Environmental Management Programme;
- viii. Restoration of Lake Naivasha Basin;
- ix. Meteorological Services; and
- x. Conservation and Protection of Wetlands.

# STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

## *Annual Report and Financial Statements for the year ended 30th June 2023*

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### **Core values**

The State Department will be guided by the following core values;

- Professionalism** - The State Department shall uphold professionalism in carrying out its mandate in line with the Constitution
- Integrity** - The State Department shall ascribe to high standards of personal ethics and integrity in the conduct of its affairs
- Teamwork** - The State Department will relentlessly pursue timely attainment of targeted results at all levels through high level coordination, networking and collaboration with all staff
- Innovativeness** - The State Department is committed to innovativeness, creativeness, resourcefulness and focused planning and customer driven service delivery
- Inclusivity** - The State Department shall promote at all times equal access to opportunities and resources.
- Efficiency** - The State Department is committed to obtaining the best possible outcome in the least wasteful manner.
- Customer oriented Focus** - The State Department is committed to maintain a close relationship with its customers
- Improved livelihood** - The State Department is committed to improving the lives of people

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### *Annual Report and Financial Statements for the year ended 30th June 2023*

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#### **(b) Key Management**

The State Department's Day to day management is under the following key organs:

- **Semi-Autonomous Government Agencies under the oversight of the Ministry**

According to the Executive Order, the State Department provides policy guidance, capacity building, resource mobilization, coordination and oversight to the following SAGAs under the Ministry:

**National Environmental Management Authority (NEMA)** (Environmental Management Coordination Act, No.8 of 1999): The Authority is mandated to ensure sustainable management of the environment through exercising general supervision and coordination over matters relating to the environment.

**Kenya Water Towers Agency (KWTA)** (Executive Legal Notice No. 27 of 2012): The agency's mandate is to coordinate and oversee the protection, rehabilitation, conservation and sustainable management of all the critical water towers in Kenya.

**National Environment Trust Fund (NETFUND)** (Environmental Management Coordination Act, No.8 of 1999): The Fund's mandate is to facilitate research intended to further the requirements of environmental management, capacity building, environmental awards, environmental publications, scholarships and grants. To fulfil its mandate, NETFUND mobilizes avails and manages resources for environmental protection and conservation in the country.

**National Environmental Complaints Committee (NECC)** (Environmental Management Coordination Act, No.8 of 1999): The Complaints Committee is charged with the task of investigating complaints or allegations regarding the condition of the environment in Kenya and suspected cases of environmental degradation. NECC also undertakes public interest litigation on behalf of the citizens in environmental matters.

# STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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**National Environment Tribunal (NET):** (EMCA 1999 Section 125) The National Environment Tribunal is mandated to hear and determine disputes arising from licensing decisions of NEMA, disputes arising in respect to forest conservation, management, utilization or conservation. The Tribunal is also mandated to determine disputes arising out of award of compensation by either the County Wildlife Conservation and Compensation Committee or KWS under section 25(6) of the Wildlife Conservation and Management Act 2013.

- **Directorates of the State Department**

The State Department has also the following directorates, departments and units:

### **Waste Management and Pollution Control Directorate**

The Directorate is mandated to: Coordinate development and review of policy, legislation, standards and guidelines for addressing waste management, land, water and air pollution; Develop and promote programmes on waste management and cleaner production; Coordinate development and implementation of an incentives framework to enhance private sector investment in building and operating sustainable waste management infrastructure; Coordinate formalization of the waste picker sector and ensure safe working conditions through training; Oversee monitoring of waste management practices and infrastructure to establish gaps that require extra policy interventions; and Oversee compliance with national standards of effluent discharge for environmental safety.

### **Multilateral Environmental Agreements Directorate**

The Directorate is mandated to: Spearhead the development, implementation and review of policies, strategies and guidelines related to chemical and biological agreements; Coordinate domestication and implementation of biological and chemical Multilateral Environmental Agreements; Provide leadership in negotiation and engagement in International, regional and national environmental governance and related processes; Coordinate mainstreaming of international biological and chemical protocols and environmental agreements in the national environment agenda; Coordinate preparation of status reports on ratification of chemical and biological MEAs; Spearhead resource mobilization and capacity building for funding under the multi-lateral frameworks; Coordinate consultations and cooperation with County governments to support domestication of chemical and biological MEAs; Coordinate resource mobilization initiatives to support MEAs; and Coordinate monitoring of domestication and implementation of biological and chemical MEAs.

### **Programs, Projects and Strategic Initiatives Directorate**

The Directorate is mandated to: Coordinate the development and implementation of national, regional and intergovernmental environmental programs, projects and strategic initiatives;

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### *Annual Report and Financial Statements for the year ended 30th June 2023*

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Coordinate the restoration and protection of water towers of strategic importance to the country; Coordinate the conservation and protection of wetlands; Spearhead monitoring, evaluation and review of environmental programs, projects and strategic initiatives; Coordinate capacity building initiatives for the environment sector; Promote collaborations and partnerships with Development Partners and private sector players on environmental matters; Promote environmental education and awareness initiatives to inform public participation on matters environment; Promote intergovernmental consultation and cooperation between national and county governments on environment sector issues; and Coordinate development and implementation of Global Environment Facility National Programmes.

#### **Climate Change Adaptation, Negotiations and Resource Mobilization Directorate**

The Directorate is mandated to: Coordinate development and implementation of climate change Adaptation policy by both state and non-state actors; Coordinate Kenya's engagement in international climate change negotiations making direct and indirect decisions for Kenya; Spearhead optimization of the country's opportunities to mobilize climate finance; Coordinate establishment and management of a national registry for appropriate adaptation actions by public and private entities; Guide national and county governments on development of strategies and actions for building resilience to Climate Change; Coordinate technical assistance on adaptation based on needs identified by county governments; and Coordinate Climate Change related adaptation programmes and projects.

#### **Climate Change Mitigation and Knowledge Management Directorate**

The Directorate is mandated to: Coordinate development and implementation of climate change mitigation policies; Coordinate establishment and management of a national registry for appropriate mitigation actions by public and private entities; Identify low carbon strategies and coordinate related measurement, reporting and verification in collaboration with other agencies; Coordinate national knowledge and information system on Climate Change; Assessment and Reporting of the status of the country's adherence to the international obligations; Guide implementation of the gender and intergenerational climate change education, consultation and learning; Coordinate development and implementation of guidelines on carbon market mechanisms and policies; and Coordinate Climate Change mitigation programmes and projects.

#### **Directorate of Meteorological Services**

The Directorate is mandated to: Spearhead the development, implementation and review of Meteorological Services policies, regulations and guidelines; Coordinate the development and generation of weather and climate forecasts; Facilitate access to weather and climate information; Guide on the development of meteorological observational and communication network designs; Facilitate the development and maintenance of Standard Operating Procedures; Oversee the operations of the observatories, National Telecommunications Centre, Regional Telecommunications Hub and World Weather Watch; Coordinate public education and awareness campaigns on meteorological services and products; Spearhead the science of climate change that will guide the provision of advice on mitigation and adaptation strategies; and Oversee county meteorological services.

**Directorate of Meteorological Training and Research**

The Directorate is mandated to: Spearhead the development, implementation and review of meteorological training and research policies, regulations and guidelines; Coordinate the provision of effective educational programs in the Institute and promote the improvement of teaching and learning; Spearhead the development of training and research programs; Oversee capacity building and skill development in the field of Meteorology and related applied sciences; Facilitate advancement of the science of meteorology, weather and climate modelling and technology through research and development; Facilitate collaboration with training and research institutions and stakeholders; and Guide the preparation, assessment and evaluation of the Meteorological Training and Research curricula in accordance with the WMO's programmes on Education and Training and Government guidelines; and guide the development of project proposals for resource mobilization to support projects and programmes.

**Policy, Regulations and Research Directorate**

The Directorate is mandated to: Coordinate formulation and review of relevant policies and Acts that affect environment and natural resources to align them to the current and emerging environmental changes; Spearhead mainstreaming of environmental issues into sectorial policies; Coordinate development of a framework to monitor the implementation of environmental and natural resources policies; Coordinate collaborative research and surveys on environmental policy issues; Coordinate partnerships and collaboration to undertake policy reviews and development; Spearhead capacity building to stakeholders on environmental policy issues and; Coordinate resource mobilization initiatives for policy development and review.

**Administrative Support Services**

Administration and Support Services comprises of: General Administration Division; Records Management Unit; and Information Communication Technology Unit; Public Communications Unit, Legal Unit, Internal Audit Unit, Human Resource Management and Development Division; Finance Division; Accounts Division; Central Planning and Project Monitoring Department; and Supply Chain Management Division.

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### *Annual Report and Financial Statements for the year ended 30th June 2023*

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#### (c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June, 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Cabinet Secretary	Hon. Soipan Tuya, CBS,EGH
2.	Principal Secretary/Accounting Officer	Eng. Festus Ng'eno
3.	Secretary Administration	John Elungata EBS
4.	Director Human Resource Management & Development	Rosemary Wamoto
5.	Director Planning	Mirasi Tom
6.	Senior Chief Finance Officer	Daniel Ochung
7.	Head of Accounting Unit	Peninah Njuguna
8.	Head of Supply Chain Management	Elizabeth K. Masaku
9.	Director, Kenya Meteorological Services	Dr. David Gikungu
10.	Director, Climate Change Department	Dr. Pacifica Ogola
11.	Director, MEAs	Linda Kosgei
12.	Director, DPPSI	Agnes Yobterik OGW
13.	Head of Legal Department	Annie Syombua
14.	Head of Internal Audit	Mercy N.Mwangi
15.	Head of I.C.T.	Eustus K. Mukiri
16.	Head of Public Communication	Temesi Mukani

**(d) Fiduciary Oversight Arrangements**

The key Fiduciary oversight arrangements in the State Department are as follows: -

➤ **Audit and Finance Committee**

**I. Audit Committee**

The mandate of the audit committee included:

- Assisting the accounting officer/chief executive officer in enhancing internal controls in order to improve efficiency, transparency and accountability;
- Reviewing audit issues raised by both internal and external auditors;
- Resolving unsettled and unimplemented Public Accounts and Public Investments Committees (PAC/PIC) recommendations; and
- Enhancing communication between Management, internal and external audit and fostering an effective internal audit function.

## **STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

### ***Annual Report and Financial Statements for the year ended 30th June 2023***

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#### **II. Finance Committee**

The Finance Committee in the State Department is referred to as the Budget Implementation Committee (BIC) and is established at the beginning of each financial year. BIC oversees preparation of the State Department's budget, reviews the utilization of cash limits and donor funds voted in the State Department including reallocation of expenditures from time to time. The committee also reviews and considers the cash flow plans and ensures sound financial reporting including advising the Accounting Officer on any challenges related to Budget Implementation.

##### **➤ Parliamentary Committee Activities**

The State Department appears before the Departmental Committee on Environment and Natural Resources to review the budget allocations and expenditures from time to time. The State Department appears before Public Accounts Committee (PAC) to respond to audit issues raised by the Auditor General in the various Audit Reports.

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

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**(e) State Department for Environment and Climate Change**

P.O. Box 30126-00100  
NHIF Building  
Ragati Road  
**NAIROBI, KENYA**

**Contacts**

Telephone: (254) 020 2730808/9  
E-mail: [ps@environment.go.ke](mailto:ps@environment.go.ke)  
Website: [www.environment.go.ke](http://www.environment.go.ke)

**(f) State Department Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
**NAIROBI, KENYA**

**(g) Independent Auditors**

Auditor General,  
Kenya National Audit Office  
Anniversary Towers, University Way  
P.O. Box 30084  
GOP 00100  
**NAIROBI, KENYA**

**(h) Principal Legal Adviser**

The Attorney General,  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
**NAIROBI, KENYA.**

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### *Annual Report and Financial Statements for the year ended 30th June 2023*

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#### **3. Statement of the Governance**

Executive Order No. 1 of the on Organization of the Government of the Republic of Kenya created two State Departments in the Ministry, namely the State Department for Environment and Climate Change, and the State Department for Forestry. The Environment, Meteorological Services and Climate Change functions formed the State Department for Environment and Climate Change.

The Institutions / SAGAs under the State Department for Environment and Climate Change include the National Environmental Management Authority, National Environment Trust Fund, National Environment Complaints Committee, National Environment Tribunal, National Climate Change Council and Kenya Water Towers Agency.

The Departments/Directorates/Units under the State Department include Waste Management and Pollution Control Directorate, Multilateral Environmental Agreements Directorate, Programs, Projects and Strategic Initiatives Directorate, Climate Change Adaptation, Negotiations and Resource Mobilization Directorate, Climate Change Mitigation and Knowledge Management Directorate, Directorate of Meteorological Services, Directorate of Meteorological Training and Research, Policy, Regulations and Research Directorate and Administrative Support Services.

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

Annual Report and Financial Statements for the year ended 30th June 2023

Risk management

Risk class/category	Risk and Description	Likelihood (L/H/M)	Impact (L/H/M)	Overall Risk level (L/H/M)	Mitigation Measure(s)	Risk Owner*
<b>Strategic</b>	Inadequate Stakeholder participation	Low	High	Medium	Communicate and encourage stakeholder participation	Government
	Litigation from citizenry on their violated rights	High	High	High	<ul style="list-style-type: none"> <li>• Ensure compliance with laws and regulations</li> <li>• Stakeholder consensus and Awareness creation</li> </ul>	Government
<b>Operational</b>	Loss of natural capital	High	High	High	<ul style="list-style-type: none"> <li>• Conservation and awareness creation</li> </ul>	
	Weak Legal and Regulatory Environment	Medium	High	High	<ul style="list-style-type: none"> <li>• Strengthen enforcement of laws and regulations.</li> </ul>	
<b>Financial</b>	Limited Resources	High	High	Medium	<ul style="list-style-type: none"> <li>• Develop and implement resource mobilization strategies</li> </ul>	
	Budgetary cuts.	Medium	Medium	Medium	<ul style="list-style-type: none"> <li>• Prioritization of programmes</li> </ul>	
<b>Information Management</b>	Limited IT Infrastructure	Medium	Medium	Medium	<ul style="list-style-type: none"> <li>• Increase investments in ICT.</li> </ul>	
	Weak Information Management	Low	Low	Medium	<ul style="list-style-type: none"> <li>• Build capacity for information</li> </ul>	

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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Risk class/category	Risk and Description	Likelihood (L/H/M)	Impact (L/H/M)	Overall Risk level (L/H/M)	Mitigation Measure(s)	Risk Owner*
					sharing and management.	
<b>Environmental</b>	Natural disasters	Medium	Medium	Medium	<ul style="list-style-type: none"> <li>• Early warning systems.</li> <li>• Sensitization and awareness creation on preparedness.</li> </ul>	
<b>Policy/ Structural Changes</b>	Weak capacity on enforcement of environmental laws	Medium	High	High	<ul style="list-style-type: none"> <li>• Building capacity and increase human resources.</li> <li>• Apply multi agency approach or whole government approach</li> </ul>	

#### 4. Statement by the Cabinet Secretary

The Environment sub sector contributes to national, regional and international development agenda. It is one of the key drivers of the Kenyan economy, source of revenue and employment, and improving livelihood. In the government development agenda, the Kenya Vision 2030 identifies Environment sub-sector as one of the key drivers of the social pillar that play a critical role in Environment conservation, through addressing environmental and climate challenges, ranging from reducing emissions and protecting ecosystems to educating the public and fostering international cooperation. In the Medium-Term Plan IV, Bottom-Up Economic Transformation Agenda (BETA) the sub sector focus on Environment and Climate Change with a commitment to reduce emissions by 32% by 2030 with key issues being climate change, impact mitigation, adaptation and resilience. On solid waste, the sub-sector commits to complement Extended Producer Responsibility (EPR) with a “bottom-up” community-based/owned value chain, organize waste collectors into cooperatives and provide “circular economy” waste separation sites/infrastructure. At the global scene, the sub-sector also contributes to attainment of SDG 13 on climate action, SDG 11 on sustainable cities and communities, SDG 6 on clean water and sanitation and SDG 12 on responsible consumption and production. The sub sector also conforms to Constitutional of Kenya by ensuring every person has a right to a clean and healthy environment which should be protected for the benefit of present and future generations.

To ensure continuous performance of the sub sector and delivery on the development agenda, the government established State Department for Environment and Climate Change in the Ministry of Environment, Climate Change and Forestry vide Executive Order No. 1 of 2023. The State Department Environment and Climate Change was mandated on National Environment Policy and Management; Climate Change/Action Policy; Promotion of low carbon technologies to reduce emissions; Restoration and Protection of Strategic Water Towers; Protection and Conservation of the Natural Environment; Pollution Control; Lake Victoria Environmental Management Programme; Restoration of Lake Naivasha Basin; Meteorological Services; Conservation and Protection of Wetlands and oversees the running of the institutions under its purview namely: National Environmental Management Authority (Environmental Management Co-ordination Act, No.8 of 1999); National Climate Change Council (Climate Change Act, No. 11 of 2016); Kenya Water Towers Agency (Kenya Water Towers Agency Board Order, 2012); National Environment Trust Fund (Environmental Management Co-ordination Act, No.8 of 1999); National Environmental Complaints Committee (NECC) (Environmental Management Co-ordination Act, No.8 of 1999); Kenya Meteorological Department; and Kenya Meteorological Training College.

To actualize its economic significance and role in national development, the State Department for Environment and Climate Change implemented Environment Management and Protection Programme with focus on two sub-programmes namely, Policy & Governance in Environment Management and, National Environment Management; Meteorological Services with focus on two sub-programmes namely, Modernization of meteorological Services and Adverent Weather Modification; Water Towers Conservation Programme with focus on Water Towers rehabilitation and conservation during the financial year (FY) 2022/23. The budget allocation for the financial year was **Kshs. 13,705,410,212.00** with an absorption rate of **90%**.

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### *Annual Report and Financial Statements for the year ended 30th June 2023*

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The key achievements were development of draft Kenya Chemical Policy. The sub sector also amended the Climate Change Act 2016, to provide for carbon markets legal Framework. The carbon markets amendment will provide for the development of projects that will create jobs, protect the environment as well as help Kenya meets its Nationally Determined Contributions. Furthermore, the sub sector reviewed the Environment Management and Coordination Act (EMCA) which will be key in improving the intergovernmental Framework of Environment coordination between the national and county governments as well as institutionalize the country moving towards a circular economy.

I wish to thank the Principal Secretary for the State Department for Environment and Climate Change, Eng. Festus Ng'eno, for his leadership, policy guidance and ensuring the funds were applied for the purposes they were budgeted for. I also thank all the staff for their commitment to duty and stakeholders who partnered with us in various aspects. This success is a testament to the dedication and expertise of our Ministry staff and their collaborative partnerships with counties, research institutions and international organizations.

Signed: \_\_\_\_\_



Date: \_\_\_\_\_

18/12/2023

**Hon. Soipan Tuya, CBS,EGH**

**Cabinet Secretary,**

**Ministry of Environment, Climate Change and Forestry.**

### 5. Statement by the Principal Secretary/Accounting Officer

During the financial year 2022/2023, the ministry approved budget for both Recurrent and development was Ksh. **13,705,410,212.00** Expenditure incurred was Ksh.**8,734,446,685.90** and Ksh.**3,212,207,447.40** for recurrent and development vote respectively resulting to an aggregate absorption of Ksh.**11,946,654,133.30** This translates to an absorption of 93% under Recurrent and 73% under Development vote resulting to an aggregate absorption rate of **87%**.

In the period under review, the State Department domesticated **four (4)** Multilateral Environmental Agreements (MEAs) namely: Minamata convention on Mercury; Kigali amendment to the Montreal protocol; Bamako Convention; and Nairobi Convention. The sub-sector also held **four (4)** trainings forums for refrigeration & Air conditioning (RAC) technicians and custom officers on HCFCs and ODS as part of Phasing out Ozone Depleting Substances. **85%** of National chemicals database was updated; the database is operational and is currently awaiting the data upload from various stakeholders. The sub-sector further trained **ten (10) Institutions** on responsible care program as part of Strengthening National Institutions to enhance MINAMATA and the SAICM. **Four (4)** MDAs were capacity built to engage local communities in monitoring pollution under the Capacity building for control of movement of hazardous waste & chemicals (ChemObs) project.

On Implementation of National Climate Change Action Plan, the State Department updated National Measurement, Reporting & Verification (MRV) registry. The State Department also embarked on the development of the National Climate Change Action Plan III (2023-2027) which is **50%** (per cent) complete.

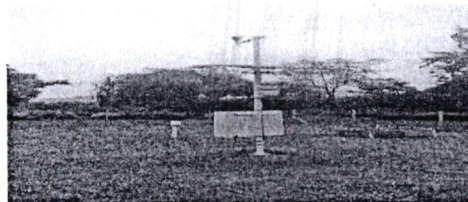
During the period under review, **28,779** stakeholders were sensitized on environmental management. Additionally, **two (2)** wetlands, **Lake Kisima** and **Gambela** wetlands were restored and **five (5)** urban areas ambient air quality monitoring was conducted.

On environmental enforcement services, **100%** of environmental crimes were investigated and prosecution files registered in various courts. The sub-sector also monitored pollution and effluent discharging facilities countrywide to ensure compliance to the water quality regulations that led to review of **2,031 environmental audit** reports and conducted a total of **790 inspections** on plastic ban.

On environmental justice awareness, **12,000** persons were sensitized while **89%** of environmental disputes received were resolved.

To recognize, promote, and support green innovative ideas that contribute to environmental sustainability and address pressing ecological challenges, the sub-sector recognized and awarded **50** best green innovation practices and incubated/up scaled **24** green innovations and further linked **23** innovations/best practices to markets and financing opportunities. All this were made possible due to strategic partnerships established.

The State Department modernized Meteorological services up to **80%**. On weather forecasts, the sub-sector issued **432** weather forecasts. **20%** of capacity development for weather modification was achieved on Advertent Weather Modification capacity.



## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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To rehabilitate and conserve water towers; the State Department rehabilitated **32 Ha**, protected and secured **142,601 Ha** of water towers. In addition, the State Department valued two (2) water towers and monitored two (2) water towers ecosystems.

**The emerging issues** related to the State Department for Environment and Climate Change Include: Rising waters; big data; artificial intelligence; and carbon markets.

**Challenges:** The State Department faced several challenges while implementing its programmes in the financial year 2022/2023. Some of these challenges are:

**Inadequate Funds:** Inadequate funding for natural resources conservation and management as well as late release of funds and austerity measures affected programmes and projects implementation. To resolve the challenge, the State Department has a resource mobilization strategy as one of its key result areas in the strategic plan 2023-2027 developed to enable it to source for more funding.

**Operationalization of intergovernmental collaboration framework:** Inadequate collaboration between the State Department, its agencies and County governments hampered implementation of devolved environmental functions: To resolve this, the Department is reviewing the Environment Management and Coordination Act (EMCA). The reviewed EMCA will amongst others improve the Intergovernmental Framework of Environment Coordination between the National and County Governments as well as institutionalize the country moving towards a circular economy.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

18/12/2023

**Eng. Festus K. Ng'eno**  
**Principal Secretary,**  
**State Department for Environment and Climate Change**

## **6. Statement of Performance against Predetermined Objectives for FY 2022/23**

### **Introduction**

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each National Government entity in accordance with the standards and format prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key objectives as per the Strategic Plan for the period 2018 – 2022 plan were to:

- (i) Protect and manage the environment for sustainable development;
- (ii) Protect and restore forest ecosystem for the benefit of the present and future generation;
- (iii) Create enabling environment for good governance in environment and natural resources management;
- (iv) Enhance climate change resilience and low emission development pathway in all economic sectors for sustainable development and posterity; and
- (v) Enhance the generation and dissemination of weather and climate information for early warning, planning and decision support.

### **Progress on Attainment of Strategic Development Objectives**

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below is the progress on attaining the stated objectives:

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

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	<b>MDA Program</b>	<b>Strategic Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>	<b>Comments</b>
1.	General Administration, Planning and Support Services	To provide policy and legal framework for efficient and effective management of the environment	Environment policies developed	No. of environmental policies	In the financial year 2022/23 the State Department developed a draft Kenya Chemical Policy	
2.	Environment Management and Protection	To sustainably manage and conserve environment	Environment sustainably managed and conserved	<ul style="list-style-type: none"> <li>• No. of MEAs domesticated</li> <li>• No. of Refrigeration experts &amp; Custom officers trained on HCFCs and ODS</li> <li>• No. of counties with established CCCFs</li> <li>• Stakeholders sensitized on environment management</li> </ul>	<p>In the FY 2022/23 the State Department:</p> <ul style="list-style-type: none"> <li>• Domesticated 4 Multilateral Environmental Agreements (Minamata convention on Mercury; Kigali amendment to the Montreal protocol; Bamako Convention; and Nairobi Convention);</li> <li>• 4 Refrigeration experts &amp;</li> </ul>	

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			<ul style="list-style-type: none"> <li>• Compliance with environmental regulations and standards</li> <li>• No. of best practices recognized and awarded</li> <li>• No. of green innovations incubated and up-scaled/commercialized</li> <li>• No. of innovations and best practices linked to markets and financing opportunities</li> <li>• No. of trainings undertaken on plastic waste management</li> </ul>	<p>Custom officers trained on HCFCS and ODS</p> <ul style="list-style-type: none"> <li>• 47 counties with established CCCFs</li> <li>• 28,779 stakeholders were sensitized on environmental management;</li> <li>• 2,031 environmental audit reports reviewed;</li> <li>• 50 best green innovations awarded</li> <li>• 24 green innovations incubated/ up-scaled</li> <li>• 23 innovations/best practices</li> </ul>	
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					<p>were linked to markets and financing opportunities.</p> <ul style="list-style-type: none"> <li>• 4 counties were sensitized on plastic waste management.</li> </ul>	
3	Meteorological Services	To provide reliable weather and climate information for decision making	Reliable weather and climate information for decision making	<ul style="list-style-type: none"> <li>• % of meteorological services modernized</li> <li>• No of weather forecasts</li> </ul>	<p>In the financial year 2022/23 the State Department:</p> <ul style="list-style-type: none"> <li>• Modernized up to 80% of meteorological services;</li> <li>• 432 weather forecasts issued.</li> </ul>	
4	Water Towers Conservation	Increased tree cover for improved livelihoods	Well conserved and maintained water towers	<ul style="list-style-type: none"> <li>• Ha of degraded water towers rehabilitated</li> <li>• Ha of water towers protected</li> </ul>	<p>In the financial year 2022/2023:</p> <ul style="list-style-type: none"> <li>• 32Ha of degraded water towers were rehabilitated</li> <li>• 142,601Ha of</li> </ul>	

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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				water towers protected	
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7. Management Discussion and Analysis

Operational and Financial Performance of the organization for the last three to five year period. Analysis of Recurrent Expenditure (Kshs. Million) for FY 2020/21, 2021/22 & 2022/23

Vote and Vote Details	Economic Classification	Approved Budget			Actual Expenditure		
		2020/21	2021/22	2022/23	2020/21	2021/22	2022/23
1108: Ministry of Environment and Forestry	<b>Gross</b>	<b>10,221</b>	<b>10,525</b>	<b>8,061</b>	<b>9,912</b>	<b>9,758</b>	<b>7,990</b>
	AIA	1,229	1,269	1,569	1229	1269	1,569
	<b>Net</b>	<b>8,992</b>	<b>9,256</b>	<b>6,492</b>	<b>8,683</b>	<b>8,489</b>	<b>6,421</b>
	Compensation to Employees	1,101	1,166	1,127	1,085	1,139	1,090
	<b>Transfers</b>	<b>8,823</b>	<b>8,889</b>	<b>6,092</b>	<b>8,597</b>	<b>8,204</b>	<b>6,094</b>
	<b>Other Recurrent</b>	<b>297</b>	<b>470</b>	<b>842</b>	<b>230</b>	<b>415</b>	<b>806</b>

During the period under review; the Sub Sector was allocated recurrent budget of Kshs. 10.2 billion in FY 2020/21, Kshs. 10.5 billion in FY 2021/22 and Kshs. 8.1 billion in FY 2022/23. The actual expenditure was Kshs 9.9 billion in the FY 2020/21, Kshs. 9.7 billion in the FY 2021/22 and Kshs. 7.99 billion in the FY 2022/23. The absorption rate stood at 97% in FY 2020/21, 92.7% in FY 2021/22 and 99.1% in FY 2022/23.

Analysis of Development Expenditure (Kshs. Millions) FY 2020/21, 2021/22 & 2022/23

Vote and Vote Details	Economic Classification	Approved Budget			Actual Expenditure		
		2020/21	2021/22	2022/23	2020/21	2021/22	2022/23
1108: Ministry of Environment and Forestry	<b>GROSS</b>	<b>3,753</b>	<b>4,081</b>	<b>4,367</b>	<b>2,829</b>	<b>3,254</b>	<b>3,347</b>
	GOK	1,879	2,246	1,722	1,395	2,159	1,184
	Loans	657	656	1,700	448	627	1,500
	Grants	1,217	1,179	945	986	468	663
	Local AIA	0	0	0	0	0	0

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### *Annual Report and Financial Statements for the year ended 30th June 2023*

During the period under review, the Sub Sector was allocated Development budget of Kshs. 3.75 billion, Kshs. 4.0 billion and Kshs. 4.4 billion in FY 2020/21, 2021/22, 2022/23 respectively. The actual expenditure was Kshs 2.8 billion, Kshs. 3.3 billion and Kshs. 3.3 billion in the FY 2020/21, 2021/22 and 2022/23. The absorption rate stood at 75%, 79% and 94.6% in the review period.

#### Key Projects or Investments Decisions Implemented

The following are projects and programs being implemented by the Ministry:

No	Project	Project cost Ksh. M	Source of funds Ksh. M		Expenditure Ksh. M	Status
			Gov	Donor		
1	Imarisha Lake Naivasha Catchment Management in Kenya	1000	400	600	460	46%
2	National Solid Waste Management	5,000	5,000	0	231	40%
3	National Action Plan for Artisanal Small-Scale Gold Mining	60	Nil	60	60	100%
4	Green Growth and Employment Programme	660	60	600	660	100%
5	Implementation of National Climate Change Action Plan	1,500	1,500	0	556	37%

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• 6	• Kenya Gold Mercury Free ASGM Project	• 500	• 80	• 420	• 278	• 56 %
• 7	• Acquisition of CAT 3 Airport weather observing systems (AWOS)-Phase III	• 1,421	• 1,421	• 0	• 953	• 67 %
• 8	• Green Innovation Awards	• 463	• 175	• 288	• 279	• 60 %
• 9	• Construction of Centers of Excellence and Innovation on Environment	• 423	• 423	• 0	• 100	• 24 %
• 10	• African Environmental Health and Pollution Management Project	• 807	• -	• 807	• 404	• 50 %
• 11	• Plastic Waste management and Pollution Control	• 1,410	• 1,410	• -	• 482	• 34 %
• 12	• Securing and Protection of Water towers	• 1,310	• 1,310	• -	• 10	• 5%

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### *Annual Report and Financial Statements for the year ended 30th June 2023*

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#### Future Development

##### Strategic Goals

The Ministry aspires to achieve the following Strategic Goals over the medium term (2023-2027).

- Enhance environmental and climate change governance.
- Sustainably managed and resilient environment ecosystems.
- Mitigate climate change impacts.
- Ensure adequate and sustainable resources.

##### Key Result Areas

To achieve the above strategic goals in the medium term (2023-2027), the State Department will implement the following four key result areas namely:

- Environment and climate change governance and coordination;
- Conservation, protection, restoration and management of environment ecosystems;
- Climate change adaptation and mitigation; and
- Resource mobilization and partnerships

##### Strategic objectives

The Strategic Objectives serve as a roadmap to achieve the Ministry's mission and vision for the medium term.

The Sub-Sector will therefore focus on the following strategic objectives for the period 2023-2027:

- To strengthen environment and climate change governance;
- To reduce environmental and land degradation;
- To improve waste management;
- To improve functioning of aquatic and terrestrial ecosystems;
- To strengthen research in environment and natural resources;
- To strengthen national climate change actions and responses;
- To enhance access to means of implementation for local climate action;
- To strengthen multilateral engagements and obligations on climate change;
- To strengthen early warning and early action through meteorological services;
- To strengthen commercial forestry development; and
- To increase sustainable resources for environment and climate change.

**Monitoring Framework**

The State Department will develop a robust framework for monitoring and reporting of the implementation process in the Medium term 2023-2027. The State Department will institutionalize annual performance/ status report as one of the key deliverables. The monitoring framework defines the frequency and responsibility of the actors in the exercise. Further, the framework provides the key monitoring reports that will be prepared including the users of the reports. This will involve developing standard formats for data collection and reporting to ensure uniformity. The framework also outlines periods to be covered, and details of information to be supplied. The users of the developed reports include both the internal and external stakeholders of the State Department.

The State Department will report the performance of projects and programs in the Monitoring and Evaluation tools that have been adopted by the Government which includes, The National Integrated Monitoring and Evaluation System (NIMES), the Government Project Reporting System (GPRS) and Electronic Project Monitoring Information System (E-PROMIS).

## **8. Environmental and Sustainability Reporting**

The Executive Order No. 1 of 2023 on the organization of the national government mandated the State Department to oversee the management and protection of the environment, the sustainable use of natural resources and the mitigation and adaptation to climate change. The core functions of the State Department include; National Environment Policy and Management; Climate Change/Action Policy; Promotion of low carbon technologies to reduce emissions; Restoration and Protection of Strategic Water Towers; Protection and Conservation of the Natural Environment; Pollution Control; Lake Victoria Environmental Management Programme; Restoration of Lake Naivasha Basin; Meteorological Services; and Conservation and Protection of Wetlands.

The State Department has put in place robust monitoring and evaluation frameworks to ensure sustainable reporting of performance. This will involve developing standard formats for data collection and reporting to ensure uniformity. The framework also outlines periods to be covered, and details of information to be supplied. The users of the developed reports include both the internal and external stakeholders of the sector.

The performance of projects and programmes will be reported using the Monitoring and Evaluation tools that have been adopted by the Government including the National Integrated Monitoring and Evaluation System (NIMES), the Government Project Reporting System (GPRS) and Electronic Project Monitoring Information System (E-PROMIS).

### **a). Sustainability strategy and profile**

A sustainability strategy is a set of actionable steps that the State Department takes to improve its impact on the community and the environment. The Ministry developed a Strategic Plan for the period 2023-2027 which guides its operation. The Strategic Plan has put in place sustainability measures to address some of the country's most pressing environmental challenges such as climate change, depletion of natural resources, waste management and pollution control.

**b). Environmental performance/climate change/mitigation of natural disasters**

The State Department is reviewing the Environment Management and Coordination Act (EMCA). The reviewed EMCA will amongst others improve the Intergovernmental Framework of Environment Coordination between the National and County Governments as well as institutionalize the country moving towards a circular economy.

**c). Employee welfare**

Employee welfare is an important aspect of any organization's human resources management. Ensuring that policies guiding the hiring process are fair, non-discriminatory, and considerate of gender diversity is essential for promoting a healthy and inclusive work environment. The State Department has put in place robust training strategies to enhance competence development of the staff. At the beginning of every Financial Year, the State Department develops training projections for the staff. However, this has faced challenges of inadequate funds owing to budget cuts.

The State Department has also mainstreamed several cross-cutting social issues affecting the staff in implementation of the core mandate. These issues include: Disability Mainstreaming; Gender Mainstreaming; Prevention of Alcohol and Drug Abuse; and Prevention of HIV Infections and Non-Communicable Diseases amongst members of staff and their families.

The State Department authorized establishment is 977 against an in-post of 730. The shortfall of staff for the Ministry is 247. The proposed optimal staffing level to facilitate effective and efficient service delivery in the Ministry is 1195 staff for State Department for Environment and Climate Change. The State Department will put in place strategies to achieve the optimal staffing levels for enhanced productivity.

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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### *Staff Establishment- State Department for Environment and Climate Change*

S/No	Designation /Department/directorate/ Davison	A/E	In- post	Variance	Proposed Establishment
1.	Office of the Cabinet Secretary	7	6	-1	9
2.	Chief Administrative Secretary Office	1	1	0	6
3.	Office of the Principal Secretary	7	5	-2	7
4.	Office of the Secretary Environment	4	0	-4	4
5.	Programs, Projects and Strategic Initiatives Directorate	7	3	-4	9
6.	Waste Management and Pollution Control Directorate	9	2	-7	11
7.	Multilateral Environmental Agreements Directorate	7	3	-4	9
8.	Policy, Regulation and Research Directorate	0	0	0	9
9.	Office of the Secretary Climate Change Directorate	3	0	-3	4
10	Climate Change Adaptation, Negotiations and Resource Mobilization Directorate	9	3	-6	17
11	Climate Change Mitigation and Knowledge Management Directorate	10	5	-5	17
12	Secretary Meteorological Services & Meteorological Services Directorate	635	405	-230	638
13	Meteorological Training and Research Directorate	18	18	0	30
14	KMD support Services Staff	128	125	-3	199
15	Office of the Secretary Administration	1	4	3	4
16	Administration Division	5	5	0	7
17	Drivers	21	29	8	35
18	Public Communications Unit	8	2	-6	9
19	Records Management Unit	3	6	3	6
20	Human Resource Management and Development Division	8	10	2	20

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21	Office Administrative Officers	23	4	-19	25
22	Clerical Officers	15	29	14	32
23	Support Staff	16	21	5	31
24	Finance Division	5	6	1	10
25	Accounts Division	8	10	2	12
26	Central Planning & Performance Monitoring Division	5	4	-1	8
27	Supply Chain Management Division	8	14	6	16
28	ICT Division	4	4	0	5
29	Legal Services Unit	2	2	0	2
30	Internal Audit Unit	0	4	4	4
	<b>Grand Total Support</b>	<b>297</b>	<b>305</b>	<b>8</b>	<b>481</b>
	<b>Grand Total Technical</b>	<b>680</b>	<b>425</b>	<b>-255</b>	<b>714</b>
	<b>Grand Total</b>	<b>977</b>	<b>730</b>	<b>-247</b>	<b>1195</b>

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

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### **d) Operational practices/Market place practices**

Maintaining good business practices is crucial for the State Department for Environment and Climate Change to ensure its long-term success and reputation. The State Department adheres to ethical guidelines, industry standards, and legal requirements.

## **9. Statement of Management Responsibilities**

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government Ministry shall prepare financial statements in respect of that State department. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the State Department for Environment and Climate Change is responsible for the preparation and presentation of the Department's financial statements, which give a true and fair view of the state of affairs of the State department for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the State department, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the State department; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the State Department for Environment and Climate Change accepts responsibility for the State department financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the State department financial statements give a true and fair view of the state of State department transactions during the financial year ended June 30, 2023, and of the State department financial position as at that date. The Accounting Officer in charge of the State Department for Environment and Climate Change further confirms the completeness of the accounting records maintained for the State department, which have been relied upon in the preparation of the State department financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the State Department for Environment and Climate Change confirms that the State department has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the State department funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the The

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

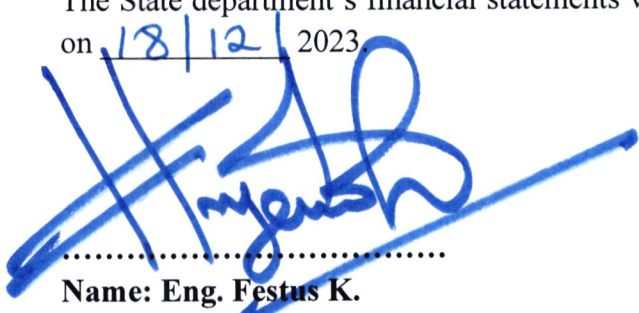
***Annual Report and Financial Statements for the year ended 30th June 2023***

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State department's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The State department's financial statements were approved and signed by the Accounting Officer on 18/12/2023.



.....  
**Name: Eng. Festus K.  
Ng'eno  
Accounting Officer**



.....  
**Name: Peninah Njugunah**

**Head of Accounting Unit  
ICPAK M/No:10661**

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE FOR THE YEAR ENDED 30 JUNE, 2023**

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### PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### **Qualified Opinion**

I have audited the accompanying financial statements of State Department for Environment and Climate Change set out on pages 1 to 54, which comprise of the statement of the financial assets and financial liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and statement of

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*Report of the Auditor-General on State Department for Environment and Climate Change for the year ended 30 June, 2023*

comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of State Department for Environment and Climate Change as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

## **Basis for Qualified Opinion**

### **1. Irregular Payment of Allowances**

The statement of receipts and payments reflects compensation of employees amount of Kshs.1,084,881,759 which, as disclosed in Note 7 to the financial statements includes personal allowances amounting to Kshs.491,992,146 which further includes allowances totalling to Kshs.216,229,746 as detailed below:

<b>Allowance Name</b>	<b>Amount (Kshs)</b>
Safety Allowance	81,232,974
Shift Allowance	41,664,122
Adversity Allowance	51,587,754
Aviation Support Allowance	13,166,391
Aviation Allowance	28,578,505
<b>Total</b>	<b>216,229,746</b>

However, no evidence was provided to confirm that the allowances were approved by the Salaries and Remuneration Commission (SRC) as required.

In the circumstances, the propriety of compensation of employees' expenditure amounting to Kshs.216,229,746 could not be confirmed.

### **2. Unsupported National Tree Planting Campaign Expenditure**

The statement of receipts and payments reflects transfers to other Government entities amount of Kshs.9,944,908,503 which, as disclosed in Note 9 to the financial statements includes other capital transfers grants and subsidies amount of Kshs.2,544,298,482. However, according to the Ministry's approved 2022/2023 financial year annual work plan, Kshs.150,000,000 was to implement National tree planting campaign in forty seven (47) counties, launch tree planting campaigns during the long and short rains, undertake monitoring and evaluation of tree planting campaigns in all 47 counties and organize international celebrations. However, the directorate spent Kshs.140,683,587, but no monitoring and evaluation reports on the campaign were provided for review.

In the circumstances, the propriety and occurrence of the expenditure of Kshs.140,683,587 on National Tree Planting campaigns could not be confirmed.

### **3. Lack of Ownership Documents**

Annex 4 to the financial statements reflects a summary of fixed assets register with a historical cost of Kshs.554,666,775 which includes land with a Nil value. However, the audit revealed that the State Department owns land on which weather stations are built but they did not have the title deeds and the buildings were not secured with perimeter fence thus exposing the land to encroachment and grabbing.

In the circumstances, the ownership and completeness of the fixed assets balance of Kshs.554,666,775 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the State Department for Environment and Climate Change Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Emphasis of Matter**

#### **1. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.13,639,410,212 and Kshs.11,974,475,645 respectively resulting to an under-funding of Kshs.1,664,934,567 or 12% of the budget. Similarly, the state department spent Kshs.11,946,654,133 against an approved budget of Kshs.13,705,410,212 resulting to an under-expenditure of Kshs.1,758,756,079 or 13% of the budget.

The underfunding and under expenditure affected the planned activities and may have impacted negatively on delivery of goods and services to the public.

#### **2. Long Outstanding Pending Accounts Payables**

Note 20.1 to the financial statements reflects pending accounts payables of Kshs.522,030,199 which includes Kshs.18,599,484 owed to security and cleaning service providers for services rendered carried forward from 2021/2022 financial year that were not settled during the year under review. The delays in settling the amounts led to withdrawal of security services at the Kenya Metrological Department, which created a security threat to the strategic facility.

No plausible explanation was provided for non-payment of the pending bills before the end of the financial year. This is contrary to Section 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which states that debt service payments shall be a first charge in the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

Failure to settle bills during the year in which they relate to adversely affects the budgetary provisions for the subsequent year to which they have to be charged.

My opinion is however, not modified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

### **Other Matter**

### **Unresolved Prior Year Issues**

In the audit report of the previous year, several paragraphs were raised. However, Management has not resolved and disclosed the status of all the prior year matters as prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. Management has not provided satisfactory explanation for the delay in resolving the issues.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **Employees Serving Above Mandatory Retirement Age**

Review of the staff payroll for the financial year 2022/2023 revealed that four (4) employees who had attained the mandatory retirement age of 60 years were still on payroll. The employees were serving under local agreement terms contract for periods ranging from one to three years. This is contrary to Circular Ref. No. MPSG&AA.1/5/1/1 dated 16 February, 2023 by the Cabinet Secretary, Ministry of Public Service, Gender and Affirmative Action which suspended and revoked all existing extension services and requests.

In the circumstances, Management was in breach of the guidelines.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAI) 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply, in all material respects, with the authorities that govern them. I believe that the

audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

#### 1. Internal Audit Function

The State Department's 2022/2023 annual internal audit work plan was not approved due to inability of the audit committee to meet. This is contrary to Regulation 179(1) of the Public Finance Management (National Government) Regulations, 2015 which requires the committee to meet at least once in every three months. This affected implementation of the planned activities including provision of assurance to the management on effectiveness of internal controls and management of key risks.

In the circumstances, effectiveness of internal controls and managements of risks in the State department could not be confirmed.

#### 2. Lack of Equipment at Kenya Metrological Weather Stations

Physical inspection undertaken at various Kenya Metrological Department's weather stations across the Country revealed inability to report on the sunshine condition due to lack of sunshine-card recorders which are not locally available. In addition, it was observed that the Seismic projects in Kakamega and Nakuru weather stations meant to monitor and record seismic activities were abandoned several years ago due to lack of funds to procure and install the relevant equipment.

Further, the automatic weather station installed at Nakuru Weather station has not been functional for more than a year and weather stations had no power backups despite being operational on a 24 hours basis.

In the circumstances, the effectiveness of the Kenya Metrological Department to deliver on its mandate could not be confirmed.

#### 3. Failure to Maintain Asset Register

In the year under review, the State Department did not maintain an asset register. This is contrary to Regulation 170(1) of the Public Procurement and Asset Disposal Regulations, 2020 which requires the Accounting Officer to maintain an asset register of assets under his or her control or possession as prescribed by the relevant laws. Management has not explained how it tracks and monitors the usage of its assets in the absence of a register.

In the circumstances, the existence of effective internal controls on management of fixed assets could not be confirmed

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of the Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, the Management is responsible for assessing the State Department's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the State Department or cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, the Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities, which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the State Department's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but

is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the State Department's ability to continue to sustain its services. If I conclude that a material

uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the State Department to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the State Department to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

19 January, 2024

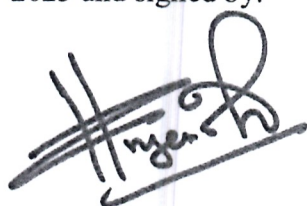
STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

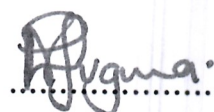
1. Statement of Receipts and Payments for the Year Ended 30<sup>th</sup> June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
<b>Receipts</b>			
Exchequer Releases	1	9,638,082,129	11,708,000,067
Transfers From Other Government Entities		-	-
Proceeds From Domestic and Foreign Grants	2	3,753,064	225,648,621
Proceeds From Foreign Borrowings	4	1,498,145,680	233,339,237
Proceeds From Sale of Assets	5	522,873,981	721,636,303
Miscellaneous Receipts	6	311,620,791	203,314,805
<b>Total Receipts</b>		<b>11,974,475,645</b>	<b>13,171,939,033</b>
<b>Payments</b>			
Compensation of Employees	7	1,084,881,759	1,138,372,651
Use of Goods and Services	8	740,837,588	439,670,582
Grants and Transfers to Other Government Entities	9	9,944,908,503	11,330,759,914
Social Security Benefits	10	23,745,828	26,031,396
Acquisition of Assets	11	152,280,461	262,633,550
<b>Total Payments</b>		<b>11,946,654,139</b>	<b>13,197,468,093</b>
<b>Surplus/(Deficit)</b>		<b>27,821,505</b>	<b>(25,529,060)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The State department's financial statements were approved on 18/12 2023 and signed by:



.....  
 Name: Eng. Festus K.  
 Ng'eno  
 Accounting Officer



.....  
 Name: Peninah Njugunah  
 Head of Accounting Unit  
 ICPAK M/No:10661

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

Annual Report and Financial Statements for the year ended 30th June 2023

2. Statement of Financial Assets and Financial Liabilities as At 30<sup>th</sup> June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
<b>Financial assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	12A	16,529,782	48,706,903
Cash balances	12B	412,876	589,386
<b>Total cash and cash equivalents</b>	12	<b>16,942,658</b>	<b>49,296,289</b>
Imprests and advances	13	4,522,197	6,728,190
<b>Total financial assets</b>		<b>21,464,855</b>	<b>56,024,479</b>
<b>Financial liabilities</b>			
Third party deposits and retention	14	12,290,228	36,517,461
<b>Net financial assets</b>		<b>9,174,626</b>	<b>19,507,018</b>
<b>Represented by</b>			
Fund balance b/fwd.	15	19,507,019	57,352,754
Prior year adjustment	16	(38,153,898)	(12,316,676)
Surplus/(Deficit )for the year		27,821,505	(25,529,060)
<b>Net financial position</b>		<b>9,174,626</b>	<b>19,507,018</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The State department's financial statements were approved on 18/12/2023 and signed by:

Name: Eng. Festus K. Ng'eno  
Accounting Officer

Name: Peninah Njugunah  
Head of Accounting Unit  
ICPAK M/No:10661

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

3. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Notes	2022/2023	2021/2022
		Kshs	Kshs
<b>Operating Activities</b>			
<b>Receipts</b>			
Exchequer releases	1	9,638,082,129	11,788,000,067
Transfers from other government entities		-	-
Proceeds from domestic and foreign grants	2	3,753,064	225,648,621
Reimbursements and refunds		-	-
Miscellaneous receipts	6	311,620,791	203,314,805
<b>Total Receipts</b>		<b>9,953,455,983</b>	<b>12,216,963,493</b>
<b>Payments</b>			
Compensation of employees	7	1,084,881,759	1,138,372,651
Use of goods and services	8	740,837,588	439,670,582
Subsidies		-	-
Transfers to other government units	9	9,944,908,503	11,330,759,914
Other grants and transfers		-	-
Social security benefits	10	23,745,828	26,031,396
Finance costs including loan interest		-	-
Other payments		-	-
<b>Total Payment</b>		<b>11,794,373,678</b>	<b>12,934,834,543</b>
<b>Net receipts/(payments)</b>		<b>(1,840,917,695)</b>	<b>(717,871,050)</b>
<b>Adjusted For:</b>			
Adjustments during the year			
Prior year adjustments	16	(38,153,898)	(12,316,676)
Decrease/(Increase) in accounts receivable	17	2,205,993	(4,895,379)
Increase/(Decrease) in deposits and retention	18	(24,227,232)	(143,624,513)
<b>Net Cash Flow from Operating Activities</b>		<b>(1,901,092,831)</b>	<b>(878,707,618)</b>

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Description	Notes	2022/2023	2021/2022
		Kshs	Kshs
<b>Net Cash Flow from Operating Activities</b>		<b>(1,901,092,831)</b>	<b>(878,707,618)</b>
<b>Cash flow From Investing Activities</b>			
Proceeds from sale of assets	5	522,873,981	721,636,303
Acquisition of assets	11	(152,280,461)	(262,633,550)
<b>Net Cash Flows from Investing Activities</b>		<b>370,593,520</b>	<b>459,002,753</b>
<b>Cash flow From Financing Activities</b>			
Proceeds from foreign borrowings	4	1,498,145,680	233,339,237
<b>Net cash flow from financing activities</b>		<b>1,498,145,680</b>	<b>233,339,237</b>
<b>Net increase in cash and cash equivalents</b>		<b>(32,353,632)</b>	<b>(186,365,627)</b>
<b>Cash &amp; Cash Equivalent at Start of Year</b>	12	<b>49,296,289</b>	<b>235,661,917</b>
<b>Cash &amp; Cash Equivalent at End of Year</b>	12	<b>16,942,658</b>	<b>49,296,290</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The State department's financial statements were approved on 18/12/2023 and signed by:

.....  
**Name: Eng. Festus K. Ng'eno**  
**Accounting Officer**

.....  
**Name: Peninah Njugunah**  
**Head of Accounting Unit**  
**ICPAK M/No:10661**

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

**4. Statement of Comparison of Budget and Actual Amounts for FY2022/2023**

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Exchequer releases	12,716,400,000	-2,148,389,788	10,568,010,212	9,638,082,129	929,928,083	85%
Transfers from other government entities						
Proceeds from domestic and foreign grants	114,000,000	-74,000,000	40,000,000	3,753,064	36,246,936	85%
Proceeds from domestic borrowings						
Proceeds from foreign borrowings	1,156,500,000	543,500,000	1,700,000,000	1,498,145,680	201,854,310	88%
Proceeds from sale of assets	953,750,000	-237,500,000	716,250,000	522,873,981	193,376,019	73%
Reimbursements and refunds						
Miscellaneous receipts	315,150,000	300,000,000	615,150,000	311,620,791	303,529,209	50%
<b>Total Receipts</b>	<b>15,255,800,000</b>	<b>-1,616,389,788</b>	<b>13,639,410,212</b>	<b>11,974,475,645</b>	<b>1,664,934,568</b>	<b>88%</b>
<b>Payments</b>						
Compensation of employees	1,273,800,000	147,000,000	1,126,800,000	1,084,881,759	41,918,241	99%
Use of goods and services	533,236,485	269,059,120	802,295,605	740,837,588	61,458,017	89%
Interest payments						
Subsidies						
Transfers to other government entities	13,100,800,000	-1,611,185,393	11,489,614,607	9,944,908,503	1,544,706,104	86%

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

***Annual Report and Financial Statements for the year ended 30th June 2023***

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Other grants and transfers						
Social security benefits	15,200,000	19,800,000	35,000,000	23,745,828	11,254,172	61%
Acquisition of assets	332,763,515	-81,063,515	251,700,000	152,280,455	99,419,545	72%
Repayment of domestic & foreign borrowing						
Other payments						
<b>Total Payments</b>	<b>15,255,800,000</b>	<b>-1,550,389,788</b>	<b>13,705,410,212</b>	<b>11,946,654,133</b>	<b>1,758,756,079</b>	<b>87%</b>
<b>Surplus/ Deficit</b>				<b>27,821,511</b>		

The State department's financial statements were approved on 18/12/2023 and signed by:



.....

**Name: Eng. Festus K. Ng'eno**  
**Accounting Officer**



**Name: Peninah Njugunah**  
**Head of Accounting Unit**  
**ICPAK M/No:10661**

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

**4 (a) Statement of Comparison of Budget and Actual Amounts: Recurrent for FY2022/2023**

<b>Receipt/Expense Item</b>	<b>Original Budget a</b>	<b>Adjustments b</b>	<b>Final Budget c=a+b</b>	<b>Actual on Comparable Basis d</b>	<b>Budget Utilization Difference e=c-d</b>	<b>% of Utilization f=d/c %</b>
<b>Receipts</b>						
Exchequer releases	9,347,100,000	-1,340,389,788	8,006,710,212	7,984,084,632	22,625,580	100%
Transfers from other Government entities						
Proceeds from domestic and foreign grants						
Proceeds from domestic borrowings						
Proceeds from foreign borrowings						
Proceeds from sale of assets	953,750,000	-237,500,000	716,250,000	522,873,981	193,376,019	73%
Reimbursements and refunds						
Miscellaneous receipts	315,550,000	300,000,000	615,150,000	311,620,791	303,529,209	51%
<b>Total Receipts</b>	<b>10,616,400,000</b>	<b>-1,277,889,788</b>	<b>9,338,110,212</b>	<b>8,818,579,403</b>	<b>519,530,809</b>	<b>94%</b>
<b>Payments</b>						
Compensation of employees	1,273,800,000	-147,000,000	1,126,800,000	1,084,881,759	41,918,241	96%
Use of goods and services	465,236,485	304,559,120	769,795,605	710,568,014	59,227,591	90%

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**


**Annual Report and Financial Statements for the year ended 30th June 2023**

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Subsidies						
Transfers to other Government entities	8,849,000,000	-1,445,185,393	7,403,814,607	6,914,188,588	489,626,019	93%
Other grants and transfers						
Social security benefits	15,200,000	19,800,000	35,000,000	23,745,828	11,254,172	57%
Acquisition of assets	12,763,515	-10,063,515	2,700,000	1,062,497	1,637,503	44%
<b>Total Payments</b>	<b>10,616,000,000</b>	<b>-1,277,889,788</b>	<b>9,338,110,212</b>	<b>8,734,446,686</b>	<b>603,663,526</b>	<b>93%</b>
<b>Surplus/Deficit</b>				<b>84,132,717</b>		

The State department's financial statements were approved on 18/12/ 2023 and signed by:



.....  
 Name: Eng. Festus K. Ng'eno  
 Accounting Officer

  
 Name: Peninah Njugunah  
 Head of Accounting Unit  
 ICPAK M/No:10661

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

Annual Report and Financial Statements for the year ended 30th June 2023

4 (b) Statement of Comparison of Budget and Actual Amounts: Development for FY2022/2023

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
<b>Receipts</b>						
Exchequer releases	3,369,300,000	-808,000,000	2,561,300,000	1,653,997,497	907,302,503	65%
Transfers from other Government entities						
Proceeds from domestic and foreign grants	114,000,000	-74,000,000	40,000,000	3,753,064	36,246,936	9%
Proceeds from domestic borrowings						
Proceeds from foreign borrowings	1,156,500,000	543,500,000	1,700,000,000	1,498,145,680	206,548,713	88%
Proceeds from sale of assets						
Reimbursements and refunds						
Miscellaneous receipts						
<b>Total Receipts</b>	<b>4,639,800,000</b>	<b>-338,500,000</b>	<b>4,301,300,000</b>	<b>3,155,896,241</b>	<b>1,150,098,152</b>	<b>73%</b>
<b>Payments</b>						
Compensation of employees						
Use of goods and services	68,000,000	-35,500,000	32,500,000	30,269,574	2,230,426	93%
Interest payments						
Subsidies						

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

Annual Report and Financial Statements for the year ended 30th June 2023

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Transfers to other Government entity	4,251,800,000	-166,000,000	4,085,800,000	3,030,719,915	1,055,080,085	73%
Other grants and transfers						
Social security benefits						
Acquisition of assets	320,000,000	-71,000,000	249,000,000	151,217,958	97,782,042	73%
Other payments						
<b>Total Payments</b>	<b>4,639,800,000</b>	<b>-272,500,000</b>	<b>4,367,300,000</b>	<b>3,212,207,447</b>	<b>1,155,092,553</b>	<b>74%</b>
<b>Surplus/Deficit</b>				<b>(56,311,206)</b>		

SEE ANNEX 10(XIII) FOR EXPANATIONS

The State department's financial statements were approved on 18/12/ 2023 and signed by:



.....

Name: Eng. Festus K. Ng'eno  
Accounting Officer



Name: Peninah Njugunah  
Head of Accounting Unit  
ICPAK M/No:10661

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

Annual Report and Financial Statements for the year ended 30th June 2023

4 (c) Budget Executions by Programmes and Sub-Programmes for FY2022/2023

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2022			20XX	
	Kshs			Kshs	Kshs
'0000000000	'00	'00	'00	'00	'00
'0000000000	'00	'00	'00	'00	'00
1001000000	'00	'00	'00	'00	'00
1001010000	'00	'00	'00	'00	'00
<b>1002000000</b>	<b>2,913,461,395.00</b>			<b>2,301,709,761.35</b>	<b>611,751,633.65</b>
1002010000	2,673,864,607.00			2,078,160,176.40	595,704,430.60
1002030000	187,596,788.00			171,653,644.05	15,943,143.95
1002040000	52,000,000			51,895,940.90	104,059.10
<b>1010000000</b>	<b>701,212,716.00</b>			<b>663,789,533.40</b>	<b>37,423,182.60</b>
1010010000	701,212,716.00			663,789,533.40	37,423,182.60
<b>1012000000</b>	<b>1,321,736,101.00</b>			<b>1,191,617,295.55</b>	<b>130,118,805.45</b>
1012010000	1,179,736,101.00			1,079,290,001.15	100,446,099.85
1012020000	142,000,000.00			112,327,294.40	29,672,705.60

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

Annual Report and Financial Statements for the year ended 30th June 2023

Programme/Sub-programme	Original Budget 2022	Adjustments	Final Budget	Actual on comparable basis 20XX	Budget utilization difference
1018000000	8,769,000,000			7,789,537,543.00	979,462,457.00
1018010000	6,721,500,000.00			6,032,719,530.60	688,780,469.40
1018020000	1,416,000,000.00			1,225,318,012.40	190,681,987.60
1018030000	631,500,000.00			531,500,000.00	100,000,000.00
<b>Total</b>	<b>13,705,410,212.00</b>			<b>11,946,654,133.30</b>	<b>1,758,756,078.70</b>

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### *Annual Report and Financial Statements for the year ended 30th June 2023*

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#### **5. Notes to the Financial Statements**

##### **1. Statement of Compliance and Basis of Preparation**

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

##### **2. Reporting Entity**

The financial statements are for the State department of Environment and Forestry. The financial statements encompass the reporting State department as specified under Section 81 of the PFM Act 2012 and also comprise of the following development projects implemented by the State department:

- i. Lake Victoria Environment Project*
- ii. Phasing Out Ozone Depleting Substance Project*
- iii. Imarisha Naivasha*
- iv. Sound Chemicals UPOPS*
- v. System For Lands Based Emission (sleek)*
- vi. Green Zones*
- vii. Strengthen National Institutions to enhance Minamata& the SAICM*
- viii. Kenya Gold Mercury ASGM*
- ix. Support To Kenya for the revision of NBSAPS*
- x. National Report on the Convention on Biological Diversity*
- xi. Capacity Building for control of Movement of Hazardous Waste& Chemicals*
- xii. Kenya Enabling Activities for HFC Phasedown*

- xiii. Strengthening Drought Resilience for Farmers & Pastoralists in IGAD*
- xiv. Integrated SC Toolkit to Transmission of information*

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### *Annual Report and Financial Statements for the year ended 30th June 2023*

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#### **3. Reporting Currency**

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

#### **Significant Accounting Policies**

The accounting policies set out in this section have been consistently applied by State department for all the years presented.

#### **a) Recognition of Receipts**

The State department recognises all receipts from the various sources when the event occurs, and the related cash has been received.

#### **(i) Transfers from the Exchequer**

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving State department.

#### **(ii) External Assistance**

External assistance is received through grants and loans from multilateral and bilateral development partners. Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient State department or by the beneficiary. In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment. During the year ended 30<sup>th</sup> June 2023, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**(iii) miscellaneous receipts**

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognised in the financial statements the time associated cash is received.

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### *Annual Report and Financial Statements for the year ended 30th June 2023*

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#### **Significant Accounting Policies (Continued)**

##### **b) Recognition of payments**

The State department recognises all payments when the event occurs, and the related cash has been paid out by the State department for Environment and climate change.

##### **i) Compensation of Employees**

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

##### **ii) Use of Goods and Services**

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

##### **iii) Interest on Borrowing**

Borrowing costs that include interest are recognized as payment in the period in which they are paid for. *(Customise to your organisation)*

##### **iv) Principal on borrowing**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. *(Customize as per organization).*

##### **v) Acquisition of Fixed Assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained and a summary provided for purposes of

consolidation. *This summary is disclosed as an annexure xx to the financial statements.*

**vi) In-kind contributions**

In-kind contributions are donations that are made to the State department in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the State department of Environment and Forestry includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

**vii) Third Party Payments**

Included in the receipts and payments, are payments made on the State department's behalf to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties in the statement of receipts and payments as proceeds from foreign borrowings or grants.

**c) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. A bank account register is maintained, and a summary provided for purposes of consolidation. *This summary is disclosed as an annexure xx to the financial statements.*

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### *Annual Report and Financial Statements for the year ended 30th June 2023*

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#### **Restriction on Cash**

Restricted cash represents amounts that are limited/ restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits and retentions. As of 30th June 2023, this amounted to Kshs xxx compared to Kshs xxx in prior period as indicated on note xxx. There were no other restrictions on cash during the year.

#### **d) Imprests and advances**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or Authority to Incur Expenditure (AIE) holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

#### **e) Third party deposits and retention**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted for National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

**f) Pending Bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

**g) Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits and retentions, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament in June 2022 for the period 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023 as required by Law and there were two numbers of supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements. Government Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers.

**h) Comparative Figures**

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**i) Subsequent Events**

There have been no events after the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2023.

## STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

### Annual Report and Financial Statements for the year ended 30th June 2023

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#### **j) Prior Period Adjustment**

During the year, errors that have been corrected are disclosed *under note 26* explaining the nature and amounts.

#### **k) Related Party Transactions**

Related party means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

#### **l) Contingent Liabilities**

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the State department; or
  - a) A present obligation that arises from past events but is not recognised because:
    - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
    - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, and indemnities. Letters of comfort/ support, insurance, Public Private Partnerships, The State department does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. **Note xx** and *Annex 7* of this financial statement is a register of the contingent liabilities in the year.

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements

**1 Exchequer releases**

Description	Current FY2022/2023	Comparative FY 2021/2022
	Kshs	Kshs
Transfers From Exchequer	9,638,082,129	11,788,000,067
<b>Total</b>	<b>9,638,082,129</b>	<b>11,788,000,067</b>

SEE ANNEX 10 (1)

**2 Proceeds from Domestic and Foreign Grants**

Name of Donor	Date received	Indicate whether it was a direct payment	Amount in foreign currency	Current FY 2022/2023	Comparative FY 2021/2022
				Kshs	Kshs
<b>Grants received from Bilateral Donors (Foreign Governments)</b>					
<b>Grants received from Multilateral Donors (International Organizations)</b>					
Gold Mercury (UNEP)Ksh.3,753,064.00	-		-	3,753,064	7,160,400
				-	218,488,221
<b>Total</b>	<b>-</b>		<b>-</b>	<b>3,753,064</b>	<b>255,648,621</b>

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements

**3 Proceeds from Domestic Borrowings**

Description	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021/2022</i>
	Kshs	Kshs
Domestic Borrowing - Direct payments	-	-
Other Domestic accounts payable	-	-
<b>Total</b>	-	-

**4 Proceeds from Foreign Borrowings**

Description	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021/2022</i>
	Kshs	Kshs
Foreign Borrowing - Direct payments	1,498,145,680	233,339,237
<b>Total</b>	<b>1,498,145,680</b>	<b>233,339,237</b>

**5 Proceeds from Sale of Assets**

Description	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021 /2023</i>
	Kshs	Kshs
Receipts from the Sale Plant Machinery and Equipment	-	1,133,000
Receipts from Sale of Certified Seeds and Breeding Stock	465,873,981	644,505,352
Receipts from the Sale of Inventories, Stocks & Commodities	57,000,000	75,997,951
Disposal and Sales of Non-Produced Assets	-	-
<b>Total</b>	<b>522,873,981</b>	<b>721,636,303</b>

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements (continued)

**6 Miscellaneous Receipts**

<b>Description</b>	<b>Current FY 2022/2023</b>	<b>Comparative FY 2021/2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Rents	1,120,791	-
Receipts from Administrative Fees and Charges	-	195,966,000
Receipts from Administrative Fees and Charges - AIA	300,000,000	-
Receipts from Incidental Sales by Non-Market Establishments	10,499,999.55	-
Receipts from Sales by Non-Market Establishments	-	7,348,805
<b>Total</b>	<b>311,620,791</b>	<b>203,314,805</b>

**7 Compensation to Employees**

<b>Description</b>	<b>Current FY 2022/2023</b>	<b>Comparative FY 2021/2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic salaries of permanent employees	592,889,613	606,771,596
Personal allowances paid as part of salary	491,992,146	531,601,056
<b>Total</b>	<b>1,084,881,759</b>	<b>1,138,372,651</b>

The changes from prior periods were occasioned by transfers and promotion of staff of differed Job groups within the year under review.

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements (Continued)

8 Use of Goods and Services

Description	Current FY	t Comparative
	2022/2023	FY 2021/2022
	Kshs	Kshs
Utilities, supplies and services	45,444,038	34,982,237
Communication, supplies and services	22,774,605	8,383,408
Domestic travel and subsistence	13,566,569	8,482,549
Foreign travel and subsistence	1,587,881	1,191,855
Printing, advertising and information supplies & services	2,365,255	1,642,855
Rentals of produced assets	63,883,736	82,770,860
Training expenses	8,155,147	5,422,601
Hospitality supplies and services	90,528,116	95,342,121
Specialized materials and services	82,161,224	59,753,212
Office and general supplies and services	12,326,992	10,818,663
Fuel Oil and Lubricants	5,027,956	4,438,429
Other operating expenses	348,766,684	94,418,858
Routine maintenance – vehicles and other transport equipment	3,337,496	6,398,531
Routine maintenance – other assets	40,911,887	25,624,540
<b>Total</b>	<b>740,837,588</b>	<b>439,670,582</b>

The changes from prior year were due to:-

-communications, Hospitalities and domestic travel was because of cop-28 preparations and unpaid bills, rentals of produced assets was due to unpaid rent (quarter 4), Specialized materials and services was for payment for pending bills which were paid during the year, other operating expenses was due to payment for pending bill for Bea international court case for Ksh.300,000,000.000, routine maintenance was due to pending bills paid.

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

**9 Grants and Transfers to Other Government Entities**

Description	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021/2022</i>
	Kshs	Kshs
<b>Transfers to National Government entities</b>		
Current grants to government agencies and other level of govt	6,914,188,588	8,555,369,303
Current grants to development projects	486,421,433	1,055,000,000
Capital grants to development projects	-	-
Other Current transfers grants and subsidies	-	-
Other Capital transfers grants and subsidies	2,544,298,482	1,720,390,611
<b>Transfers to other levels of Government - Counties</b>		
-	-	-
<b>Total</b>	<b>9,944,908,503</b>	<b>11,330,759,914</b>

**ANNEX 10 (II)**

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements (Continued)

9.b Transfers to self – reporting entities in the year

*The above transfers were made to the following self-reporting entities in the year:*

Description	Recurrent	Development	Total for the year	comparative Year 2021 /2022
	Kshs	Kshs	Kshs	Kshs
<b>Transfers to SAGAs and SCs</b>				
National Environment Management Authority	1,049,000,000	24,921,400	1,073,921,433	1,234,500,000
National Environment Complaints Committee	132,785,215	-	132,785,215	135,900,000
Kenya Forestry Research Institute	1,080,750,000	95,250,000	1,176,000,000	1,803,500,000
Kenya Water Towers Agency	494,000,000	51,250,000	545,250,000	674,000,000
Kenya Forestry Services (DEPOSIT Ksh.10,000,000)	3,120,000,000	270,000,000	3,390,000,000	4,614,000,000
National Environment Trust fund	152,699,566	45,000,000	197,699,566	170,000,000
National Environment Tribunal	62,079,826	-	62,079,826	64,000,000
<b>Total Grants</b>	<b>6,091,314,607</b>	<b>486,421,433</b>	<b>6,577,736,040</b>	<b>8,695,900,000</b>
Kenya Forests Services (AIA)	465,873,981	-	465,873,981	644,505,352
National Environment Management Authority (AIA)	300,000,000	-	300,000,000	195,966,000
Kenya Forestry Research Institute (AIA)	57,000,000	-	57,000,000	75,997,951
<b>Total AIA</b>	<b>822,873,981</b>		<b>822,873,981</b>	<b>916,469,303</b>
<b>Transfers to Projects-</b>				<b>1,718,390,611</b>
LVEMP 1002			5,000,000	
OZONE 1006			16,695,769	
NABSAP 1007			9,064,601	
KMD 1018			24,875,424	
UPOPS			29,688,220	
SOLID WASTE 1030			39,930,541	

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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Description	Recurrent	Development	Total for the year	comparative Year 2021 /2022
	Kshs	Kshs	Kshs	Kshs
SLEEK 1035			749,000	
WaTER 1036			22,350,135	
FOREST FIRE 1052			1,360,230,904	
PLASTIC WASTE 1055			19,996,834	
RED++ 1060			7,796	
NATIONAL REPORT 1062			7,082,602	
GREEN ZONES 1063			426,562,631	
GREEN ZONES 1063			137,914,826	
CHEMOBS 1064			12,284,905	
SAICM 1065			9,815,972	
TREE CAMPAIGN 1066			133,357,264	
CLIMATE CHANGE 1067			94,173,558	
KENYA GOLD 1068			88,788,002	
KENYA GOLD 1068			3,753,064	
HFC PHASE DOWN 1069			3,483,187	
AFRICAN ENVIRONMENT 1077			29,423,778	
DRESSEA 1078			38,104,162	
DRESSEA 1078			117,000	
SECTOR SUPPORT 1079			6,804,522	
TOOLKIT 1081			12,217,885	
<b>TOTAL TRANSFER TO PROJECTS</b>		<b>2,544,298,482</b>	<b>2,544,298,482</b>	
<b>Total transfers (GRANT TOTALS)</b>			<b>9,944,908,503</b>	
<b>DEPOSIT TO KFS Ksh.10,000,000 FROM NEMA</b>		-	-	-
<b>Totals</b>	<b>6,914,188,588</b>	<b>3,030,719,915</b>	<b>9,944,908,503</b>	<b>11,330,759,914</b>

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

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Notes to the Financial Statements (Continued)

**10 Social Security Benefits**

	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021/2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Government pension and retirement benefits	23,745,828	26,031,396
<b>Total</b>	<b>23,745,828</b>	<b>26,031,396</b>

They are for project staff who are on contract .

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements (Continued)

11 Acquisition of Assets

Non -Financial Assets	Current FY 2022/2023	Comparative FY 2021/2023
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Construction of Roads	-	-
Construction and Civil Works	17,485,000	67,617,237
Overhaul and Refurbishment	-	-
Purchase of Vehicles and other Transport Equipment	-	-
Overhaul of Vehicles and other Transport Equipment	-	344,000
Purchase of Household Furniture and Institutional Equipment	1,062,500	817,590
Purchase of Office Furniture and General Equipment	37,193,303	1,666,073
Purchase of Specialized Plant, Equipment and Machinery	28,819,075	192,033,701
Purchase of ICT Equipment, Software and other ICT Assets	64,373,021	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	3,347,562	154,950
<b>Sub-total</b>	<b>152,280,461</b>	<b>262,633,550</b>
<b>Financial Assets</b>		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Foreign financial Institutions operating Abroad	-	-
Other Foreign Enterprises	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>152,280,461</b>	<b>262,633,550</b>

The changes between prior year and the year of audit were because of non-release of exchequer/funding.

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements (Continued)

12 Cash and Bank Accounts

Description	Current FY 2022/2023	Comparative FY 2021/2022
	Kshs	Kshs
Bank Accounts	16,529,781.65	48,706,902.65
Cash on hand	412,876.00	589,386
<b>Total</b>	<b>16,942,657.65</b>	<b>49,296,288.65</b>

12A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit etc.	Exc rate (if in foreign currency)	Current FY 2022/2023	Comparative FY 2021/2022
				Kshs	Kshs
Central Bank of Kenya, 1000383957 & Ksh.	Ksh	Recurrent	-	32,969.60	11,752,738.40
Central Bank of Kenya, 1000383957 & Ksh.	Ksh	Development	-	4,206,043.75	436,703.95
Central Bank of Kenya, 1000383957 & Ksh.	Ksh	Deposit	-	12,290,228.30	33,801,325.30
Central Bank of Kenya, 1000410353 & Ksh.	Ksh	Kcsap	-	270.00	2,716,134.00
<b>Total</b>				<b>16,529,781.65</b>	<b>48,706,902.65</b>

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

***Annual Report and Financial Statements for the year ended 30th June 2023***

**Notes to the Financial Statements (Continued)**

The following banks are maintained by Kenya Meteorological Department and operate independently from the Ministry bank accounts:-

KCEP-KRAAL	0114162656500	Co-operative Bank Dagorette Corner	11,719,157.55
Kenya Meteorological Account- <b>Recurrent</b>	1104002256	Kenya Commercial Bank, Kipande House	3,636,119.00
Kenya Meteorological Account- <b>Deposit</b>	1104157055	Kenya Commercial Bank, Kipande House	2,620,283.48
Ministry of Environment and mineral Resources- <b>A I A</b>		Kenya Commercial Bank, Kipande House	1,484.00
TWIGA(Transforming Weather Water data into value added information services for sustainable growth in Africa)	1104157055	Kenya Commercial Bank, Kipande House	1,164,604.00
ACREI (Agricultural Climate Resilience Enhancing Initiative Regional Project)	1104157055	Kenya Commercial Bank, Kipande House	-
University of SUSSEX	1104157055	Kenya Commercial Bank, Kipande House	-
LEEDS University	1104157055	Kenya Commercial Bank, Kipande House	-
AICCRA(Accelerating the impact of	1104157055	Kenya Commercial Bank, Kipande House	-

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

***Annual Report and Financial Statements for the year ended 30th June 2023***

consultative group on international Agricultural Research, Climate Research for Africa)			
FLLOCA(Financial locally-led Climate Action Programme)	1104157055	Kenya Commercial Bank, Kipande House	-
FINKERAT	1104157055	Kenya Commercial Bank, Kipande House	-
DOWN2EARTH	1104157055	Kenya Commercial Bank, Kipande House	-
DARAJA East Africa(Development Risk Assessment through Joint Action)	1104157055	Kenya Commercial Bank, Kipande House	-

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

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Notes to the Financial Statements (Continued)

12B: Cash on hand

Description	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021/2022</i>
	Kshs	Kshs
Cash in hand – Held in domestic currency	412,876.00	589,386
<b>Total</b>	<b>412,876.00</b>	<b>589,386</b>

Detailed Cash is as follows:

Description	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021/2022</i>
	Kshs	Kshs
CASH OFFICE HQS	412,876.00	589,386
<b>Total</b>	<b>412,876.00</b>	<b>589,386</b>

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements (Continued)

**13 : Imprests and Advances**

<i>Description</i>	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021/2022</i>
	<i>Kshs</i>	<i>Kshs</i>
Government Imprests (SEE ANNEX -10(V))	4,177,192	2,990,800
Salary advances SEE ANNEX -10(VI)	184,734.85	1,021,256
District suspense SEE ANNEX 10(IV)	160,000	-
Clearance accounts		-
Inter-ministerial (Kcsap)	270	2,716,134
Other Debtors & Pre-Payments		
<b>Total</b>	<b>4,522,197</b>	<b>6,728,190</b>

Imprest Recovery on-going

**Imprests aging analysis.**

	<i>Current FY 2022/2023</i>	<i>% of the total</i>	<i>Comparative FY 2021 /2022</i>	<i>% of the total</i>
Under one year	2,372,897.10	%	2,990,800	%
1-2 years	1,804,295.00	%	-	%
2-3 years	-	%	-	%
<b>Total</b>	<b>4,177,192.10</b>		<b>2,990,800</b>	

SEE ANNEX 10(V)

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
SEE ANNEX-10(V)				
<b>Total</b>				-

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

Annual Report and Financial Statements for the year ended 30th June 2023

14 Third party deposits and retention

Description	Current FY 2022/2023		Comparative FY 2021/2022	
	Kshs		Kshs	
Retention	12,105,592.95		33,741,682.85	
Deposits	20,000.40		59,644.10	
flocca	164,904.95		-	
Kcsap			2,716,134	
<b>Total</b>	<b>12,290,498.30</b>		<b>36,517,460</b>	
<b>Ageing analysis:</b>	<b>Current FY 2022/2023</b>	<b>% of the Total</b>	<b>Prior FY 2021/ 2022</b>	<b>% of the Total</b>
Under one year	1,598,755.35	%	-	%
		%		%
1-2 years	3,734,790.00	%	-	%
		%		%
2-3 years	2,994,864.30	%	-	%
		%		%
Over 3 years	3,962,089.65	%	-	%
<b>Total</b>	<b>12,290,498.30</b>		<b>-</b>	

SEE ANNEX-10(VII)

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements (Continued)

15 Fund Balance Brought Forward

Description	Current FY 2022/2023	Comparative FY 2021/2022
	Kshs	Kshs
Bank Accounts	48,706,903	235,064,353
Cash in hand	589,386	597,564
Imprests and advances	6,728,190	1,832,811
Third party deposits and retention	(36,517,460)	(180,141,974)
Kcsap		
<b>Total</b>	<b>19,507,019</b>	<b>57,352,754</b>

16 Prior Year Adjustments

Description of the error	Balance b/f from previous year as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted ** Balance b/f Current Year
	Kshs	Kshs	Kshs
Bank Account Balances	(12,189,441)	(11,922,076)	-
Cash In Hand	(589,386)	-	-
Payables	(36,517,460)	(21,492,076)	12,290,498.30
Imprest (Receivables)	(6,728,190)	(4,739,160)	1,989,029.85
Others ( <i>Specify</i> )	-	-	-
	<b>(56,024,477)</b>	<b>(38,153,898)</b>	<b>14,279,528.15</b>

Prior year adjustment was due to end year transfers, long outstanding 3<sup>RD</sup> part Deposits exceeding 5years to National Treasury and outstanding imprest cleared during the year

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements (Continued)

17 (Increase)/ Decrease in Advances and Imprests

Description	<i>Current FY2022/2023</i>	<i>Comparative FY 2021/2022</i>
	Kshs	Kshs
Receivables As At 1 <sup>st</sup> July (A)	6,728,190	1,832,811
Receivables As At 30 <sup>th</sup> June (B)	4,522,197	6,728,190
<b>(Increase)/ Decrease in Receivables (C=(B-A))</b>	<b>2,205,993</b>	<b>4,895,379</b>

18 Increase/ (Decrease) in Retention and Third-Party Deposits

Description	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021/2022</i>
	Kshs	Kshs
Payables As At 1 <sup>st</sup> July	(36,517,460)	(180,141,974)
Payables As At 30 <sup>th</sup> June	12,290,228	36,517,460
<b>Increase/ (Decrease) In Payables</b>	<b>(24,227,232)</b>	<b>(143,624,514)</b>

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

**Notes to the Financial Statements (Continued)**

**19 Related Party Disclosures**

The following comprise of related parties to the State Department for Environment and Climate Change.

- i) Key management personnel that include the Cabinet Secretaries and Accounting Officers
- ii) Other Ministries Departments and Agencies and Development Projects;
- iii) County Governments; and
- iv) State Corporations and Semi-Autonomous Government Agencies.

Other Important Disclosures

**20. Related party transactions:**

Description	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021/2022</i>
	Kshs	Kshs
Key Management Compensation	-	-
<b>Transfers to Related Parties</b>		
Transfers to SCs , SAGAS	7,400,610,021	9,610,369,303
National Environment Management Authority	1,049,000,000	24,921,400
National Environment Complaints Committee	132,785,215	-
Kenya Forestry Research Institute	1,080,750,000	95,250,000
Kenya Water Towers Agency	494,000,000	51,250,000
Kenya Forestry Services (DEPOSIT Ksh.10,000,000	3,120,000,000	270,000,000
National Environment Trust fund	152,699,566	45,000,000
National Environment Tribunal	62,079,826	-
<b>Total Grants</b>	<b>6,091,314,607</b>	

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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Kenya Forests Services (AIA)	465,873,981	-
National Environment Management Authority (AIA)	300,000,000	-
Kenya Forestry Research Institute (AIA)	57,000,000	-
<b>Total AIA</b>	<b>822,873,981</b>	
Transfers to Projects-GoK counterpart funding	2,544,298,482	-
<b>Total transfers</b>		
DEPOSIT TO KFS Ksh.10,000,000	486,421,433	-
<b>Totals</b>	<b>9,944,908,503</b>	-

20.1 Pending Accounts Payable

	Balance b/f Previous FY	Additions for the period	Paid during the year	Balance c/f Current FY
Description	Kshs	Kshs	Kshs	Kshs
Construction of Buildings	-	-	-	-
Construction of Civil Works	44,222,583.30	-	40,207,567.30	4,015,016.00
Supply of Goods	7,607,867.15	-	(43,859,497.85)	51,467,365
Supply of Services	618,765,707.65	-	152,217,890.00	466,547,817.65
<b>Total</b>	<b>670,596,158.10</b>	<b>-</b>	<b>148,565,959.45</b>	<b>522,030,198.65</b>

SEE ANNEX-10(IX)

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements (Continued)

*Other important disclosures (continued)*

20.2: Other Pending Payables (See Annex 3)

	Balance b/f Previous FY	Additions for the period	Paid during the year	Balance c/f Current FY
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government Entities	-	-	-	-
Amounts due to County Government Entities	-	-	-	-
Amounts due to Third Parties	-	-	-	-
<b>Total</b>	-	-	-	-

a) External assistance relating loans and grants

	Current FY 2022/2023	Comparative FY 2021/2022
Description	Kshs	Kshs
External Assistance received as Loans	xxx	xxx
External Assistance received as Grants	1,501,898,744	xxx
<b>Total</b>	<b>1,501,898,744</b>	<b>xxx</b>

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Notes to the Financial Statements (Continued)

*Other important disclosures (continued)*

	<i>Current FY 2022/2023</i>	<i>Comparative FY 2021/2022</i>
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**20.3 Contingent Liabilities**

<b>Contingent liabilities</b>	<b>Current FY 2022/2023</b>	<b>Comparative FY/2021/2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Court case xxx against the Ministry	295,618,173.05	595,618,173.05
Bank guarantees in favour of subsidiary	-	-
<b>Total</b>	<b>295,618,173.05</b>	<b>595,618,173.05</b>

SEE ANNEX 10(XI)

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

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**Notes to the Financial Statements (Continued)**

**20.4 Progress on follow up of Prior Years Auditor-General's recommendations.**

The following is the summary of issues raised by the Auditor-General during the prior year and management comments that were provided.

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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Reference No. on the external audit Report	Is s u e / O b s e r v a t i o n s fr o m A u d it o r Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved )												
872.Inaccuracies in Transfers to other government Entities		<p><b>Management Response</b> The Ministry during the financial year 2020/2021 transferred to National Environment Management Authority (NEMA) under Development vote Kshs.126,499,288.00 broken down as here below:-</p> <table border="1" data-bbox="643 1317 1082 2018"> <thead> <tr> <th>NO</th> <th>AMOUNT (KSHS)</th> <th>DESCRIPTION</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>19,500,000.00</td> <td>Centre for excellence and Innovation on Environment Headquarter</td> </tr> <tr> <td>2</td> <td>10,000,000.00</td> <td>Establishment of National Environment Laboratory</td> </tr> <tr> <td>3</td> <td>37,000,000.00</td> <td>Plastic Waste</td> </tr> </tbody> </table>	NO	AMOUNT (KSHS)	DESCRIPTION	1	19,500,000.00	Centre for excellence and Innovation on Environment Headquarter	2	10,000,000.00	Establishment of National Environment Laboratory	3	37,000,000.00	Plastic Waste	Ministry appeared before public accounts committee of the national assembly. Pac recommendations are being awaited for.	
NO	AMOUNT (KSHS)	DESCRIPTION														
1	19,500,000.00	Centre for excellence and Innovation on Environment Headquarter														
2	10,000,000.00	Establishment of National Environment Laboratory														
3	37,000,000.00	Plastic Waste														

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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		Management and Pollution Control
4	41,499,288.00	Green Growth - NEMA
	<b>107,999,288.00</b>	<b>Sub Total</b>
5	18,500,000.00	Economic Stimulus Programme (National Tree planting Campaign).
	<b>126,499,288.00</b>	<b>Grand Total</b>

Initially Development vote allocation for the Entity (NEMA) was Kshs.133,000,000.00 which was later revised downwards to Kshs.66,500,000.00 through a supplementary budget.

The Authority's amount captured in its Ledger of Kshs.171,499,288.00 differs with the Ministry's figures of Kshs.126,499,288 by Kshs.45,000,000.00. This amount was Grant released to (NEMA) during the end of financial year 2019/2020 and the same was credited to NEMA's bank account in July 2020. The Ministry captured it as expenditure for financial year 2019/2020 whereas the Authority included it in its receipt figure for financial year 2020/2021.

**Appendix 1(i).**

Further, at the time of audit the Authority (NEMA) had confirmed Development Vote

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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		<p>receipt of Kshs.66,500,000.00 from the Ministry. However, the Authority has further confirmed receipt of an additional Kshs.104,999,288.00 which includes the Kshs.45 million for financial year 2019/2020 <b>Appendix 1(ii).</b></p> <p>NEMA's recurrent Vote allocation for financial year was Kshs.1,153,919,000. The full amount was transferred to the Authority and receipt for the same confirmed <b>Appendix.1(iii).</b></p>														
<p>873.Compen sation of employees</p>	<table border="1" data-bbox="357 1319 614 1550"> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> </table>													<p><b>Management Response</b> The Ministry paid the above mentioned allowances that were based on approvals given before Salaries and Remuneration Commission (SRC) came into being.</p> <p><b>I. Allowances paid to KMD Staff- Safety Allowance, Shift Allowance, Adversity Allowance &amp; Aviation Support Allowance totalling Kshs.227,491,876/=</b></p> <p>These payments were made based on the under listed circulars;</p> <p>i. Directorate of Personal Management Circular Ref. No DPM.2A VOL II/(84) dated 2<sup>nd</sup> November,1998 and; <b>Appendix 2(i);</b></p> <p>ii. Ministry of Transport and Communications</p>	<p>Ministry appeared before public accounts committee of the national assembly. Pac recommenda tions are being awaited for.</p>	

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		<p>letter Ref. No. MTC/S/18.20/12 dated 29<sup>th</sup> August, 1997; <b>Appendix 2(ii).</b></p> <p><b>II. Special Legal Allowance</b> Kshs.613,548/=</p> <p>These are allowances paid to the Legal Officers serving in this Ministry as perm the Office of the Attorney General &amp; Department of Justice Circular Ref. No. AG/5036/11/73 dated 24<sup>th</sup> April, 2020. <b>Appendix 2(iii).</b></p> <p>However, the Ministry has constituted a team of six (6) officers to review the allowances with a view to coming up with a report to:-</p> <ol style="list-style-type: none"> <li>i. Recommend the appropriate allowances payable to Kenya Meteorological Department Staff as per its findings;</li> <li>ii. Enable the Principal Secretary to write to Salaries and Remuneration Commission to seek for consideration and approval of the recommended allowances payable to KMD staff. <b>Appendix 2(iv).</b></li> </ol>		
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STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

<p>874. Budgetary Control and Performance</p>	<table border="1" data-bbox="359 1153 614 1232"> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </table>									<p><b>Management response</b></p> <p>The ministry's actual expenditure under the above items was kshs 11,496,059,730 against a total budgetary allocation of kshs 12,873,062,304 resulting to an under expenditure of kshs 1,377,002,574.</p> <p>The reasons under expenditure are;</p> <ul style="list-style-type: none"> <li>i. Delay by Donors in releasing some development projects funds;</li> <li>ii. Procurement process for some specialized KMD equipment had not been concluded / delivered by 30<sup>th</sup> June, 2021, hence payment could not be made for the same;</li> <li>iii. Covid 19 pandemic/Restrictions of movements interfered with ministry's implementation of programs.</li> </ul>	<p>Ministry appeared before public accounts committee of the national assembly. Pac recommendations are being awaited for.</p>

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*Annual Report and Financial Statements for the year ended 30th June 2023*

<p>875. Use of out-dated Equipment and Technology</p>		<p><b>Management Response</b>                      The automatic rain gauge and sunshine recorder at the Kenya Meteorological Department Headquarters' observatory were not functional at the time of the audit. The sunshine recorder uses special strips which were out of stock. However, the data was captured by the Automatic Weather Station (AWS) sensors co-located at the observatory. The Department also collects rainfall data through a network of 39 manned observatories, over 260 automatic weather stations (AWS) and over 600 volunteer observer stations spread across the country.                      Further, we wish to state that the Department is implementing a programme on modernization of meteorological services to ensure that the instruments and equipment deployed are state of the art. Some digital instruments have been procured.</p>	<p>Ministry appeared before public accounts committee of the national assembly. Pac recommendations are being awaited for.</p>	
<p>876. Un-resolved Prior years issues</p>		<p><b>Management Response</b>                      The Ministry has started updating a comprehensive fixed asset register.                      In order to develop a complete asset register, the following actions have been taken;                      (i). Request for the</p>	<p>Ministry appeared before public accounts committee of the national assembly.</p>	

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		<p>procurement of a consultant to undertake the digitization, registration, valuation and tagging of moveable and immovable assets across the Country has been made. However, the procurement of the same did not proceed due to lack of funds.</p> <p><b>Appendix.5.11(i);</b></p> <p>(ii). As we look for solutions on this matter, the Ministry has taken an internal measure by requesting all HoDs to ensure that new assets are posted in the asset register on a continuous basis.</p> <p><b>Appendix. 5.11(ii);</b></p> <p>(iii). Asset Register for assets procured during financial year 2019/2020 and prior years has been updated. (Asset and Liabilities Register attached as <b>(Appendix.5.11 (iii)).</b></p>	<p>Pac recommendations are being awaited for.</p>	
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<p>877.Pending Bills</p>		<p><b>Management Response</b></p> <p>It is true that Note 30.1 to the financial statements reflects pending bills totalling Kshs.754,319,373/= as at 30<sup>th</sup> June, 2021 and that at the time of audit in November, 2021 only Kshs.29,365,95/= or 4% of the total liability had been settled leaving a balance of Kshs.724,953,422 or 96% outstanding.</p> <p>We however, wish to respond further as follows:</p> <p>i. The ministry has not been able to pay all the pending bills due to inadequate budgetary allocation. Letters have been written to the National Treasury requesting for additional funding to enable the Ministry clear the outstanding pending bills.</p> <p><b>Appendix 11(i);</b></p> <p>ii. As at November 2021, the Ministry had managed to pay a small percentage of the total bills. The ministry has paid pending</p>	<p>Ministry appeared before public accounts committee of the national assembly. Pac recommendations are being awaited for.</p>	
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STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

		<p>bills totalling  <b>kshs.97,189,229.80</b> being  <b>kshs.22,614,184.10</b> and  <b>kshs.74,575,045.70</b> for  Development and  Recurrent votes  respectively during this  financial year 2021/ 2022.  <b>Appendix 11 (ii);</b></p> <p>iii. The bulk part of the  pending bills worth kshs  624,578,750 being 82.8 %  of the total pending bills  kshs.754,319,373.20  reported in the financial  year 2020/2021 is as a  result of court award.</p> <p>In supplementary I, the  National Treasury have  approved a budget of kshs  61,579,281.50 being 60  Kshs. million to carter for  part payment of the  decretal amount of Bea  International and Makoha  Odera kshs 1,579,281.50.  The funds have been  transmitted to State Law  Office and Department of  Justice for onward</p>		
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**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

		transmission the claimants. <b>Appendix 11(iii).</b>		
878.Digital Weather Instruments		<p><b>Management Response</b>                  The Instruments for data collection for meteorological parameters are highly specialized and expensive. Due to budgetary constraints, the Ministry at first procured the digital instruments during the financial year 2020/2021. The scope of works as outlined in the contract document did not include installations. The Installation of digital instruments and procurement of UPS's was to be done later after budget allocation in the financial year 2021/2022. The procurement process for supply and delivery of UPS's has been concluded and installation of the digital instruments is on-going. <b>Appendix 12(i).</b></p> <p>The installation of the digital instruments is being done by the Ministry's Engineers across the country as approved by the Accounting Officer. <b>Appendix 12(ii).</b></p>	Ministry appeared before public accounts committee of the national assembly. Pac recommenda tions are being awaited for.	

Name:Eng. Festus K. Ng'eno  
 Accounting Officer

Name: Peninah Njugunah  
 Head of Accounting Unit  
 ICPAK M/No:10661

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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6. Annexes

Annex 1 - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Date invoiced/ contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
			a	b	c	d=a+b-c		
Construction of buildings			-					
1.								
Sub-Total								
Construction of civil works								
2.			44,222,583.30				4,015,016	
Sub-Total								
Supply of goods								
3.			7,607,867.15				51,467,365	
Sub-Total								
Supply of services								
4.			618,765,707.65				466,547,817.65	
Grand Total			670,596,158.10				522,030,198.65	

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Job Group	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance Current Year	Outstanding Balance Previous Year	Comments
			a	b	c=a-b		
<b>Senior Management</b>							
1.							
2.							
<b>Sub-Total</b>							
<b>Middle Management</b>							
3.							
<b>Sub-Total</b>							
<b>Union Employees</b>							
4.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
5.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

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Annex 3 - Analysis of Other Pending Payables

Name	Brief Transaction Description	Date Payable Contracted	Original amount	Amount Paid To-Date	Outstanding Balance Current Year	Outstanding Balance Previous Year	Comments
			a	b	c=a-b		
Amounts due to National Govt Entities	Ministry of Agriculture		2,716,134	2,716,134	270	nil	
1.							
Sub-Total							
Amounts due to County Govt Entities							
2.							
Sub-Total							
Amounts due to Third Parties							
3.							
4.							
Sub-Total							
Others (specify)							
5.							
Sub-Total							
Grand Total			2,716,134	2,716,134	270	nil	

## Annual Report and Financial Statements for the year ended 30th June 2023

## Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) Current Year 2022/23
Land					
Buildings and structures	82,882,137.80	-			82,882,137.80
Transport equipment	305,093	-			15,756,555
Office equipment, furniture and fittings	35,331,682.40	37,193,303			63,631,072.40
ICT Equipment	263,308,568.20	64,373,021			332,633,268.20
Machinery and Equipment					51,278,684
Construction and Civil Works		17,485,000			
Overhaul of Vehicles and other transport Equipment		-			
Purchase of Specialized Plant, Equipment and Mahinery		28,819,075			
Purchase of Household Furniture and Institutional Equipment		1,062,500			
Rehabilitation and Renovation of Machinery and Equipment		3,347,562			815,000
Infrastructure Assets- Roads, Rails					
Heritage and cultural assets					
Intangible assets					7,670,058
Work in Progress					
<b>Total</b>	<b>381,827,481.40</b>	<b>152,280,461</b>			<b>554,666,775.40</b>

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**Annex 5 – List of Projects implemented by Ministry of Environment and Forestry**

Ref	Project Name	Principal activity of the project	Accounting Officer	Project consolidated in these financial statements(yes/no)
1.	Imarisha Lake Naivasha Catchment Management	Restoration of Lake Naivasha and its catchment	PS/Mr Mbogo Kamau	YES
2.	Phasing Out Ozone Depleting substances (ODS) operationalized	lead the country in phase out of Ozone Depleting Substances (ODS), strengthen capacity both institutional and human for the implementation of the Montreal Protocol and its requirements	PS/Kirui Marindany	YES
3.	Support to Kenya for the Revision of NBSAPs	Enhance conservation and sustainable utilization of biological diversity and ecosystem services	PS/Cyrus Mageria	YES
4.	Sound Chemicals Management Mainstreaming and UPOPs Reduction in Kenya	Streamline sound management of chemicals and waste into national and county activities. Introducing sound management of health care waste in selected healthcare facilities and reinforce the 3R on municipal waste	PS/Mayiani Saino	YES
5.	Kenya Enabling Activities for hydro fluorocarbon (HFC) Phase-down	Compliance with chlorofluorocarbon (CFC) phase out obligation and HCFC 10% reduction obligation	PS/Kirui Marindany	YES
6.	Integrated Health and Environment Observatories and Legal and Institutional Strengthening for the sound Management of Chemicals in Africa, ChemObs	Strengthen capacity of relevant national government departments and institutions to monitor pollution, prioritize areas for intervention as well as plan and implement solutions	PS/Cyrus Mageria	YES
7.	Support to produce the sixth National Report to the Convention on Biological Diversity	National report on the convention on biological diversity (CBD)	PS/Cyrus Mageria	YES
8.	Kenya GOLD Mercury Free	Reduce /eliminate mercury releases	PS/Cyrus	YES

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

Ref	Project Name	Principal Activity of the Project	Accounting Officer/Project Manager	Project Consolidated in these Financial Statements (Yes/No)
	ASGM Project	from the Kenya Artisanal and Small scale Gold Mining	Mageria	
9.	National Action Plan for Artisanal Small Scale Gold Mine	Develop and disseminate National Action Plan for Artisanal Small Scale Gold Mine	PS/Cyrus Mageria	YES
10.	Support to the Chemicals and Waste MEAs and SAICM implementation in Kenya	Strengthen national Institution to enhance Minamata & SAICM	PS/Cyrus Mageria	YES
11.	Capacity Building for Control of Movement of hazardous Waste and Chemicals	Dissemination of import quotas of hydro chlorofluorocarbon (HCFC) to the main importers	PS/Cyrus Mageria	YES
12.	Implementation Of Forest Carbon Partnership Facility REDD+ Readiness Grant	Stakeholder engagement and technical working group meetings on analytical studies and strategy options	PS/Harun Warui	YES
13.	Implementation of national Climate Change Action plan	Coordinated and coherent actions for climate change resilience and low greenhouse gas emission development	PS/Dr. Pacifica Ogolla	YES
14.	National Solid Waste Management	Build and strengthen institutional capacity for monitoring and ensuring compliance and enforcement of Solid Waste Management Regulations in Kenya	PS/Ayub Macharia	YES
15.	System for Land Based Emissions Estimation in Kenya (SLEEK)	Aims to build a robust measurement, reporting and verification (MRV) system to track land-based emissions. Once complete, SLEEK will enable Kenya to meet its national and international (including UNFCCC) Reporting Requirements based on credible data sets collected and analysed from various government institutions.	PS/Ann Ngugi	YES
16.	Green Growth and Employment Programme	Improved public policy environment for the private sector's engagement in green growth and sustainable environment and	PS/Augustine Kenduiwo	YES

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

Ref	Project Name	Principal Activity of the Project	Accounting Officer/Project Manager	Project Consolidated in these Financial Statements (Yes/No)
		natural resources management		
17.	Purchase of Digital Equipment	To phase out mercury instruments as per Minamata Convention	PS/ Dr. David I Gikungu	YES
18.	High Performance Computing	Improve capacity for computing and modelling systems for weather data processing, analysis and product generation	PS/ Dr. David I Gikungu	YES
19.	Acquisition of CAT3 Automatic Weather Stations	Increase the spatial density and temporal resolution of observation stations for improved weather forecasting products and climate database	PS/ Dr. David I Gikungu	YES
20.	Acquisition of CAT3 Airport Weather Observing system (AWOS) Phase III	Acquired three (3) Airport Weather Observing Systems and install at the major international airports and well as the military airbases	PS/ Dr. David I Gikungu	YES
21.	Weather Radar Surveillance Network	Rehabilitate and operationalize two radars in Nairobi and Msabaha (Kilifi County)	PS/ Dr. David I Gikungu	YES
22.	Green Innovation Award Project	Promote green growth through recognition and adoption of innovations that reduce the effects of climate change	PS/Andrew Machora	YES
23.	Plastic Waste Management and Pollution Control	i. Formulating Plastic Management Regulations, ii. Create awareness on ban of plastic bags to stakeholders ii. Enforcement of compliance to Plastic ban gazette Notice. v. Monitoring compliance of the ban and data management	PS/Mamo B. Mamo	YES
24.	Water Towers protection and climate change mitigation and Adaptation WaTER)	To strengthen the capacity of the MEF in the coordination, conservation and management of water towers; Improve landscape engagement with county Governments	PS/Beatrice Atemo/Julius Kamau	YES
25.	National Tree Planting Campaign	Coordinate national tree planting campaign;	PS/Julius Kamau	YES

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

Ref	Project Name	Principal Activity of the Project	Accounting Officer/Project Manager	Project Consolidated in these Financial Statements (Yes/No)
		Procurement of seedlings to undertake afforestation program during the national tree planting events; and Finalize the national strategy to attain 10% by 2022		
26.	Forest Irrigation Climate and Green Energy Project (FICaGE)	To increase tree biomass by 15 % in the target area through affordable irrigation technology	PS/CCF KFS/Julius Kamau	YES
27.	Natural Forest Programme (Conservation)	To contribute to the restoration and sustainable management of gazetted natural forests in the country	PS/CCF KFS/Julius Kamau	YES
28.	Farm and Dry land Forest Management	To ensure availability of forest products at the farm level, increase land productivity, improve livelihood and contribute to attainment of 10% tree and forest cover in the country	PS/CCF KFS/Julius Kamau	YES
29.	Rehabilitation of buildings (Forest Rangers Camps)	Continuously rehabilitates forest rangers camps to create a conducive environment for their operations.	PS/CCF KFS/Julius Kamau	YES
30.	Forest Roads Improvements	To improve accessibility to various forest areas for ease of management, removal of products and protection.	PS/CCF KFS/Julius Kamau	YES
31.	Capacity Building for sustainable forest management (CADEP-KFS)	Sustainable forest management is promoted in Kenya towards the national forest cover target of 10%	PS/CCF KFS/Julius Kamau	YES
32.	Forest Fire Prevention Management Project	To reduce the damage of forest fires in Kenya, and thereby reduce forest devastation and environmental disturbances caused by the fire from the	PS/CCF KFS/Julius Kamau	YES
33.	Green Zones Development Support Project Phase II	To improve forest conservation in Mau, Mt Kenya and Abadares ecosystems. The project is expected to support about 66,000 female-headed households in value	PS/CCF KFS/Julius Kamau	YES

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

Ref	Project Name	Principal Activity of the Project	Accounting Officer/Project Manager	Project Consolidated in these Financial Statements (Yes/No)
		addition and other income generating activities.		
34.	Construction of Farmer's Resource Centres in Migori	Enhances information dissemination on tree planting in the counties to contribute to increased forest and tree cover in Kenya as envisaged in the Constitution, Kenya Vision 2030 and Jubilee Manifesto.	PS/Director KEFRI/ Dr. Cheboiywo	YES
35.	Construction of Farmer's Resource Centres in TaitaTaveta, Laikipia and Turkana	Provision of Infrastructure and equipment for forestry research which forms the core mandate of KEFRI	PS/Director KEFRI/ Dr. Cheboiywo	YES
36.	Construction of Glass Houses-Regional centres (Green houses)	Construction of modern greenhouses which are half way complete	PS/Director KEFRI/ Dr. Cheboiywo	YES
37.	Installation of Water hydrants in Muguga and Kitui Centre	To enhance KEFRI's fire fighting capacity at muguga, kitui, baringo, turkana and lamu centreInstallation of water reticulation and water hydrants systems	PS/Director KEFRI/ Dr. Cheboiywo	YES
38.	Development of TIVA Forest as a Centre of excellence for Dry land	Development of technologies for dry land forestry for increased forest and tree cover; improved livelihoods; rehabilitation of degraded lands; mitigation against climate change and reduced soil erosion	PS/Director KEFRI/ Dr. Cheboiywo	YES
39.	Development of Forest Research Technologies	Generate forestry technologies for sustainable management, conservation and development of forests and allied natural resources	PS/Director KEFRI/ Dr. Cheboiywo	YES
40.	Construction of tree seed processing units	Construction of tree seed processing units in Muguga, Nyeri, Kibwezi, Gede, Kitui, Lodiani, Maseno, Turbo, Taita Taveta, Migori, Turkana, Baringo, Lamu, Kakamega.	PS/Director KEFRI/ Dr. Cheboiywo	YES

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

Ref	Project Name	Principal Activity of the Project	Accounting Officer/Project Manager	Project Consolidated in these Financial Statements (Yes/No)
41.	Mitigation and Management of Soil Loss	This is a continuous project that is mitigating and managing soil erosion that poses a threat to Kenya's water towers and general environmental health.	PS/DG KWTA/ Prof Tanui	YES
42.	Community Livelihood Improvement Program (CLIP)	Providing alternative livelihoods solutions and creating economic buffers for socio-economic development	PS/DG KWTA/ Prof Tanui	YES
43.	Construction of Centres of Excellence and Innovation on Environment	These centres seek to improve access and provision of services to the public, demonstrate good environmental practices and enhanced public awareness on environmental matters.	PS/DG NEMA/ Mamo B. Mamo	YES
44.	Establishment of National Environment Laboratory	The laboratory will ease prosecutions and enforcement on environmental crimes, strengthen environmental monitoring, reduce costs of environmental monitoring, reduce costs of environmental monitoring and analysis and strengthen national capacity on environmental analysis, knowledge, information and decision making	DG NEMA/ Mamo B. Mamo	YES
45.	Strategic Sector Support Phase II			YES
46.	Strengthening Drought Resilience for Farmers & Pastoralists in IGAD	The overall objective of the project is to increase the resilience of smallholder farmers and pastoralists to climate change risks mainly those related to drought, through the establishment of appropriate early warning systems and implementation of drought adaptation actions in the IGAD region.	PS/ Thomas Lerenten	YES
47.	Africa Environmental Health and Pollution Management	The project main objective is to strengthen institutional capacity to	DG NEMA/ Mamo B. Mamo	YES

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

Ref	Project Name	Principal Activity of the Project	Accounting Officer/Project Manager	Project Consolidated in these Financial Statements (Yes/No)
	Project	manage and regulate e-waste and related UPOPS in Kenya.		
48.	Innovative Approaches on the Sustainable Management of Water Towers	To project aims to enhance Innovation on sustainable management and utilization of Water Tower resources	PS/DG KWTA/ Prof Tanui	YES
49.	Fencing Maasai Mau	Mau Forest Complex, the largest water catchment area in Kenya consists of 22 blocks covering more than 400,000 hectares and extends through several counties including Narok County. IT Is expected to protect the forest from any form of destruction to enable it regenerate naturally.	PS/DG KWTA/ Prof Tanui	YES
50.	Rehabilitation & Conservation of Hurri Hills	To aim of the project is to restore the degraded areas of Hurri Hills Water Tower to enhance ecosystem health and resilience as well as improved community livelihood.	PS/DG KWTA/ Prof Tanui	YES
51.	Management of Electronic Waste in Kenya		DG NEMA/ Mamo B. Mamo	YES
52.	Capacity Development Project for Sustainable Forest Management	The approach in this project is to enhance the capacity of institutions that formulate/implement forest-related policies and strategies, namely MoEF, KFS, KEFRI, and county governments, through activities in five outputs: policy support, pilot implementation through country government and private sector, REDD+ readiness, tree breeding, and regional cooperation.	PS/ Mr. Alfred Gichu	YES
53.	Suswa Lake Magadi - Migori Environment Restoration Project	Restoration of suswa-Lake Magadi catchment area will open up opportunities for business development, clean water in rivers, create jobs, improve livelihoods	PS/ Director, URR Mr.Eric Akitsi	YES

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

Ref	Project Name	Principal Activity of the Project	Accounting Officer/Project Manager	Project Consolidated in these Financial Statements (Yes/No)
		and accelerate the growth of quality livestock feed and forage.		
54.	Securing and Protection of Water Towers	The goal of the project is to reclaim encroached areas in the Mau, Cherengany Hills and Mt. Elgon Forest Ecosystems and Protect the Water towers from agents of degradation	PS/DG KWTA/ Prof Tanui	YES

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

**Annex 6 – List of SCs, Sagas and Public Funds under State department for Environment and Climate change**

<b>Ref</b>	<b>SC, SAGA or Public Fund's name</b>	<b>Amount transferred during the year</b>	<b>Inter- entity reconciliations done?(yes/no)</b>		
<b>Ref</b>	<b>SAGA or Public Fund's name</b>	<b>Principal activity of entity</b>	<b>Accounting Officer</b>	<b>Amount transferred during the year</b>	<b>Inter- entity reconciliations done?(yes/no)</b>
1	Kenya Forest Service	Enhance development, conservation and management of Kenya forest resources for equitable benefits of present and future generations	Mr. Julius Kamau Chief Conservator of Forests	3,390,000,000.00	Yes
2	National Environment Management Authority	Management of environment through exercising general supervision and coordination over matters relating to	Mr. Mamo B. Mamo Director general	1,073,921,433.00	Yes

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

		<b>environment and implementation of all policies relating to the environment</b>			
<b>3</b>	<b>National Environment Trust Fund</b>	<b>Facilitating research intended to further requirements of environmental management, capacity building, environmental awards, environmental publications, scholarship and grants</b>	<b>Mr. Samson Toinok Chief Executive Officer</b>	<b>197,699,566.00</b>	<b>Yes</b>
<b>4</b>	<b>Public Complaints Committee (NECC)</b>	<b>Investigation complaints or allegations regarding the condition of the environment in Kenya and suspected cases of environmental degradation. It</b>	<b>Dr. John Chumo Secretary</b>	<b>132,785,215.00</b>	<b>YES</b>

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

*Annual Report and Financial Statements for the year ended 30th June 2023*

		also Undertake public interest litigation on behalf of the citizens in environmental matters.			
5	National Environment Tribunal	To hear disputes arising from decisions of national environment authority on issuance, denial or revocation of licences from Kenya wildlife management act and Kenya forest act	Ms. Belinda Akello	62,079,826.00	YES
6	Kenya Water Towers Authority	Protection, Rehabilitation, conservation and sustainable management of all critical water towers in Kenya.	Prof. Julius Tanui Ag. Director General	545,250,000.00	YES
7	Kenya Forestry Research	Undertakes research and provides	Dr. Joshua Cheboiwo Chief	1,176,000,000.00	YES

**STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE**

*Annual Report and Financial Statements for the year ended 30th June 2023*

	<b>Institute</b>	<b>technologies and information for sustainable management, conservation and development of forests and allied natural resources</b>	<b>Executive Officer</b>		

**Annex 7 – Contingent Liabilities Register**

	<b>Nature of contingent liability</b>	<b>Remarks</b>
1		
2	<b>SEE ANNEX-10(X)</b>	
3		
4		
5		
6		
7		
8		
9		
10		

STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

Annual Report and Financial Statements for the year ended 30th June 2023

Annex 8: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Project Activities				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
1. Strategic Sector Support Phase 11.	<p>-To strengthen implementation of Kenya new waste bill and waste policy.</p> <p>-To enhance compliance and inspection procedures to promote greening of the Kenyan manufacturing sector.</p>	<p>-Develop guidelines and regulations on extended procedure Responsibility (EPR) and circular economy.</p> <p>-Implement national waste bill and waste policies.</p> <p>-Develop scheme for environmental audits and data management.</p> <p>-Provide training on industrial environmental assessment &amp;</p>	10.25	10.25	10.25	10.25	<p>-NEMA</p> <p>-DANIDA</p>		

Annual Report and Financial Statements for the year ended 30th June 2023

<p>2.Strengthening Drought Resilience for Smallholder Farmers and Pastoralists (DRESSEA) in IGAD</p>	<p>-To increase the resilience of smallholder Farmers and pastoralists to climate change risks those related to drought.</p> <p>-To promote investments in drought early warning systems and improve the existing ones.</p> <p>-To strengthen and improve the capacity of stakeholders in drought risks areas.</p> <p>-To support communities to undertake innovative adaptation actions that</p>	<p>self-regulation.</p> <p>-Invest in early warning systems.</p> <p>-Undertake capacity building Programmes in drought risk management.</p> <p>-Construction of boreholes &amp; wells.</p> <p>-Capacity building, knowledge generation and dissemination.</p>	<p>15</p>	<p>15</p>	<p>15</p>	<p>15</p>	<p><b>GOK:Ksh.10M</b> <b>DONOR:Ksh.50M</b></p>	<p>-Sahara and Sahel observatory (OSS) -Global Water partner East Africa (GWPEA) -Nile Basin Initiative (NBI)</p>
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STATE DEPARTMENT FOR ENVIRONMENT AND CLIMATE CHANGE

Annual Report and Financial Statements for the year ended 30th June 2023

<p>3. Implementation of National Climate Change Action Plan.</p>	<p>reinforces their resilience to drought.</p>	<p>-Align climate change actions in the country with the Government development agenda. -Strengthen the participation in climate change actions by all stakeholders of the Society. -Reduce risks to communities and infrastructure resulting from climate change related disasters. -Mainstream climate actions in all sectors of the economy.</p>	<p>23.75</p>	<p>23.75</p>	<p>23.75</p>	<p>23.75</p>	<p>GOK:Ksh.85M</p>	<p>GOK</p>
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**Annex 9: Disaster Expenditure Reporting Template**

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
			<b>NO EXPENDITURE ON DISASTER</b>			

**Annex 10- Reports Generated from IFMIS**

IFMIS financial reports to be presented on request.

# ANNEX 10 (1)

RECURRENT VOTE  
R1108 MINISTRY OF ENVIRONMENT AND FORESTRY  
Recurrent Exchequer Position

Date	Not. No.	Amount (KShs)	Date	Particulars	Amount (KShs)
29-Jul-22	RE-008/03	87,448,930.00	01-Jul-22	Original Provisio	9,347,100,000.00
12-Aug-22	RE-017/03	1,859,750,000.00	01-Mar-23	Supp I	- 1,273,189,788.00
31-Aug-22	RE-023/04	87,455,979.20	07-Jun-23	Supp II	- 67,200,000.00
05-Sep-22	RE-028/02	40,000,000.00			
14-Sep-22	RE-035/02	95,295,644.70			
03-Oct-22	RE-048/08	86,388,172.55			
07-Nov-22	RE-068/04	71,107,315.05			
11-Nov-22	RE-072/07	1,562,004,900.00			
18-Nov-22	RE-074/04	362,030,000.00			
28-Nov-22	RE-079/02	192,444,162.45			
23-Dec-22	RE-097/11	123,181,889.30			
20-Jan-23	RE-111/06	117,029,696.10			
26-Jan-23	RE-116/10	86,325,379.85			
02-Feb-23	RE-120/04	1,899,750,000.00			
02-Mar-23	RE-133/17	89,327,548.30			
04-Apr-23	RE-152/13	91,424,838.25			
03-May-23	RE-165/19	92,911,106.60			
24-May-23	RE-173/16	300,000,000.00			
31-May-23	RE-179/06	257,779,392.00			
08-Jun-23	RE-183/19	482,429,677.40			
Total Issues		7,984,084,631.75			
Balance		22,625,580.25			
		8,006,710,212.00			8,006,710,212.00


DEVELOPMENT VOTE  
D1108 MINISTRY OF ENVIRONMENT AND FORESTRY  
Development Exchequer Position

Date	Not. No.	Amount (KShs)	Date	Particulars	Amount (KShs)
26-Aug-22	DE-008/03	38,026,032.60	1-Jul-22	Original Provisio	3,369,300,000.00
30-Aug-22	DE-008/01	17,273,200.00	1-Mar-23	Supp I	- 938,000,000.00
13-Oct-22	DE-032/04	55,024,816.90	7-Jun-23	Supp II	196,000,000.00
17-Oct-22	DE-034/02	215,759,378.95			
18-Nov-22	DE-042/05	51,676,649.00			
23-Nov-22	DE-43/04	6,827,520.00			
19-Dec-22	DE-055/09	88,532,639.80			
22-Dec-22	DE-057/05	28,283,702.80			
20-Jan-23	DE-069/04	121,448,383.00			
15-Mar-23	DE-089/04	5,200,000.00			
14-Apr-23	DE-098/05	64,927,906.85			
28-Apr-23	DE-102/04	296,500,000.00			
6-Jun-23	DE-115/02	22,577,385.00			
7-Jun-23	DE-116/04	127,056,665.70			
14-Jun-23	DE-122/04	24,921,433.25			
15-Jun-23	DE-122/01	53,750,000.00			
27-Jun-23	DE-129/04	5,941,705.00			
30-Jun-23	DE-131/04	430,270,078.15			
Total Issues		1,653,997,497.00			
Balance		973,302,503.00			
		2,627,300,000.00			2,627,300,000.00

Dev Summary	GOK	DONOR	TOTAL
Budget	1,721,500,000.00	905,800,000.00	2,627,300,000.00
Issues	1,097,202,566.85	556,794,930.15	1,653,997,497.00
Balance	624,297,433.15	349,005,069.85	973,302,503.00

# **ANNEX 10 (II)**

## **CONFIRMATION OF SAGAS**

  
**MINISTRY ENVIRONMENT, CLIMATE CHANGE AND FORESTRY**  
**State Department for Environment and Climate Change**

Telegram: "NATURE", Nairobi  
 Telephone: 0254-20-2730808/9  
 Fax : 0254-20-2734722  
 Email : [ptoffice@environment.go.ke](mailto:ptoffice@environment.go.ke)  
 Website : [www.environment.go.ke](http://www.environment.go.ke)

**N.H.I.F. BUILDING**  
**RAGATI ROAD**  
**P. O. BOX 30126**  
**NAIROBI**

Ref. No: MECF/ACC/FIN/28 VOL.V

18<sup>th</sup> August, 2023

Director General  
 National Environment Management  
 Authority (NEMA)  
**NAIROBI.**




**CONFIRMATION OF EXCHEQUER DISBURSEMENT**

The above subject matter refers. The Ministry of Environment and Forestry wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2023 as indicated in the table below. Kindly compare with the funds received then sign and stamp this request in the space provided and return it to us.

NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY				
CONFIRMATION OF FUNDS DISBURSED BY THE MINISTRY AS AT 30 JUNE 2023				
REFERENCE	DATE DISBURSED	RECURRENT (Kshs) (A)	DEVELOPMENT (Kshs) (B)	TOTAL (Kshs) (C) = (A+B)
FT222345G3RY	22/08/22	286,000,000.00		286,000,000.00
FT223206J96Y	16-Nov-22	286,000,000.00		286,000,000.00
FT23034VD3T0	3-Feb-23	286,000,000.00		286,000,000.00
FT231570TQ58	6-Jun-23	191,000,000.00		191,000,000.00
FT231740HDQ9	23-Jun-23		24,921,433.00	24,921,433.00
<b>GRAND TOTAL</b>		<b>1,049,000,000.00</b>	<b>24,921,433.00</b>	<b>1,073,921,433.00</b>



  
**MINISTRY OF ENVIRONMENT, CLIMATE CHANGE AND FORESTRY**  
**State Department for Environment and Climate Change**

Telegram: "NATURE", Nairobi  
Telephone: 0204-20-2730808/9  
Fax : 0204-20-2734722  
Email : [psoffice@environment.go.ke](mailto:psoffice@environment.go.ke)  
Website : [www.environment.go.ke](http://www.environment.go.ke)

**N.H.I.F. BUILDING**  
**RAGATI ROAD**  
**P. O. BOX 30126**  
**NAIROBI**

Ref. No: MECF/ACC/FIN/28 VOL.V

18<sup>th</sup> August, 2023

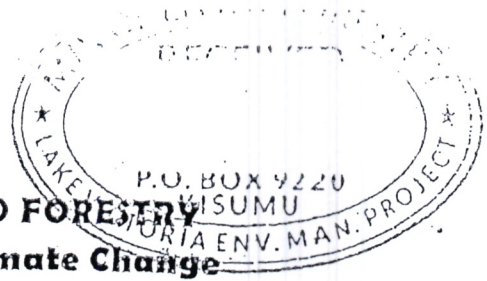
**Chief Executive Officer**  
Kenya Forestry Research Institute (KEFRI)  
**NAIROBI.**

**CONFIRMATION OF EXCHEQUER DISBURSEMENT**

Reference is made to the above subject matter. The Ministry of Environment and Forestry wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2023 as indicated in the table below. Kindly compare with the funds received then sign and stamp this request in the space provided and return it to us.

KENYA FOREST RESEARCH INSTITUTE				
CONFIRMATION OF FUNDS DISBURSED BY THE MINISTRY AS AT 30 JUNE 2023				
REFERENCE	DATE DISBURSED	RECURRENT (Kshs) (A)	DEVELOPMENT (Kshs) (B)	TOTAL (Kshs) (C) = (A+B)
FT22234VNNMR	22/08/22	360,250,000.00		360,250,000.00
FT22325RYYV0	21-Nov-22	360,250,000.00		360,250,000.00
FT23034KR77X	3-Feb-23	360,250,000.00		360,250,000.00
FT23122ZH5ML	2-May-23		80,250,000.00	80,250,000.00
FT23122MR3F1	2-May-23		15,000,000.00	15,000,000.00
<b>GRAND TOTAL</b>		<b>1,080,750,000.00</b>	<b>95,250,000.00</b>	<b>1,176,000,000.00</b>

**MINISTRY ENVIRONMENT, CLIMATE CHANGE AND FORESTRY**  
**State Department for Environment and Climate Change**

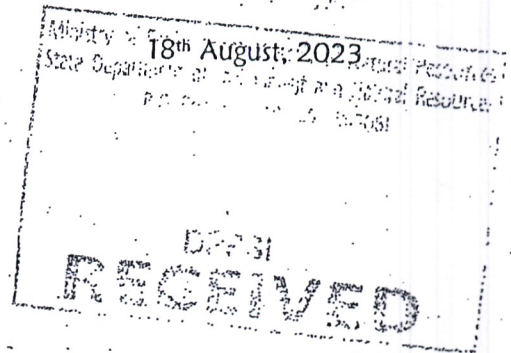


Telegram: "NATURE", Nairobi  
 Telephone: 0254-20-2730808/9  
 Fax: 0254-20-2734722  
 Email: pioffice@environment.go.ke  
 Website: www.environment.go.ke

**N.H.I.F. BUILDING**  
**RAGATI ROAD**  
**P. O. BOX 30126**  
**NAIROBI**

Ref. No: MECF/ACC/FIN/28 VOL.V

Ag. Chief Executive Officer  
 Lake Victoria Environment Management  
 Project (LVEMP)  
**KISUMU.**



**CONFIRMATION OF EXCHEQUER DISBURSEMENT**

Reference is made to the above subject matter. The ministry of Environment and Forestry wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2023 as indicated in the table below. Kindly compare with the funds received then sign and stamp this request in the space provided and return it to us.

LAKE VICTORIA ENVIRONMENTAL MANAGEMENT PROJECT				
CONFIRMATION OF FUNDS DISBURSED BY THE MINISTRY AS AT 30 JUNE 2023				
REFERENCE	DATE DISBURSED	RECURRENT (Kshs) (A)	DEVELOPMENT (Kshs) (B)	TOTAL (Kshs) (C) = (A+B)
FT231851WN5X	4-Jul-23	2,500,000.00		2,500,000.00
FT23192171M0	11-Jul-23	2,500,000.00		2,500,000.00
<b>GRANG TOTAL</b>		<b>5,000,000.00</b>		<b>5,000,000.00</b>

I confirm that the amounts shown above are correct as of the date indicated.

Head of Accounts Department

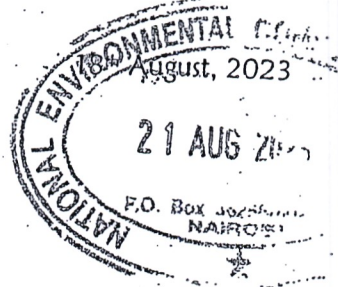
**MINISTRY ENVIRONMENT, CLIMATE CHANGE AND FORESTRY**  
**State Department for Environment and Climate Change**

Telegrams: "NATURE", Nairobi  
 Telephone: 0254-20-2730808/9  
 Fax : 0254-20-2734722  
 Email : [pioffice@environment.go.ke](mailto:pioffice@environment.go.ke)  
 Website : [www.environment.go.ke](http://www.environment.go.ke)

N.H.I.F. BUILDING  
 RAGATI ROAD  
 P. O. BOX 30126  
 NAIROBI

Ref. No: MECF/ACC/FIN/28 VOL.V


Secretary  
 National Environment Complaints Committee  
 NAIROBI.



**CONFIRMATION OF EXCHEQUER DISBURSEMENT**

Reference is made to the above subject matter. The Ministry of Environment and Forestry wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2023 as indicated in the table below. Kindly compare with the funds received then sign and stamp this request in the space provided and return it to us.

NATIONAL ENVIRONMENT COMPLAINTS COMMITTEE				
CONFIRMATION OF FUNDS DISBURSED BY THE MINISTRY AS AT 30 JUNE 2023				
REFERENCE	DATE DISBURSED	RECURRENT (Kshs) (A)	DEVELOPMENT (Kshs) (B)	TOTAL (Kshs) (C)= (A+B)
FT2223484PW5	22/08/22	34,000,000.00		34,000,000.00
FT22319CFT53	15-Nov-22	34,000,000.00		34,000,000.00
FT23034NOTCB	3-Feb-23	34,000,000.00		34,000,000.00
FT23157D28GY	6-Jun-23	30,785,215.00		30,785,215.00
<b>GRAND TOTAL</b>		<b>132,785,215.00</b>		<b>132,785,215.00</b>

  
**MINISTRY ENVIRONMENT, CLIMATE CHANGE AND FORESTRY**  
**State Department for Environment and Climate Change**

Telegram: "NATURE", Nairobi  
Telephone: 0254-20- 2730808/9  
Fax : 0254-20- 2734722  
Email : [ptoffice@environment.go.ke](mailto:ptoffice@environment.go.ke)  
Website : [www.environment.go.ke](http://www.environment.go.ke)

N.H.I.F. BUILDING  
RAGATI ROAD  
P. O. BOX 30126  
NAIROBI

Ref. No: MECF/ACC/FIN/28 VOL.V

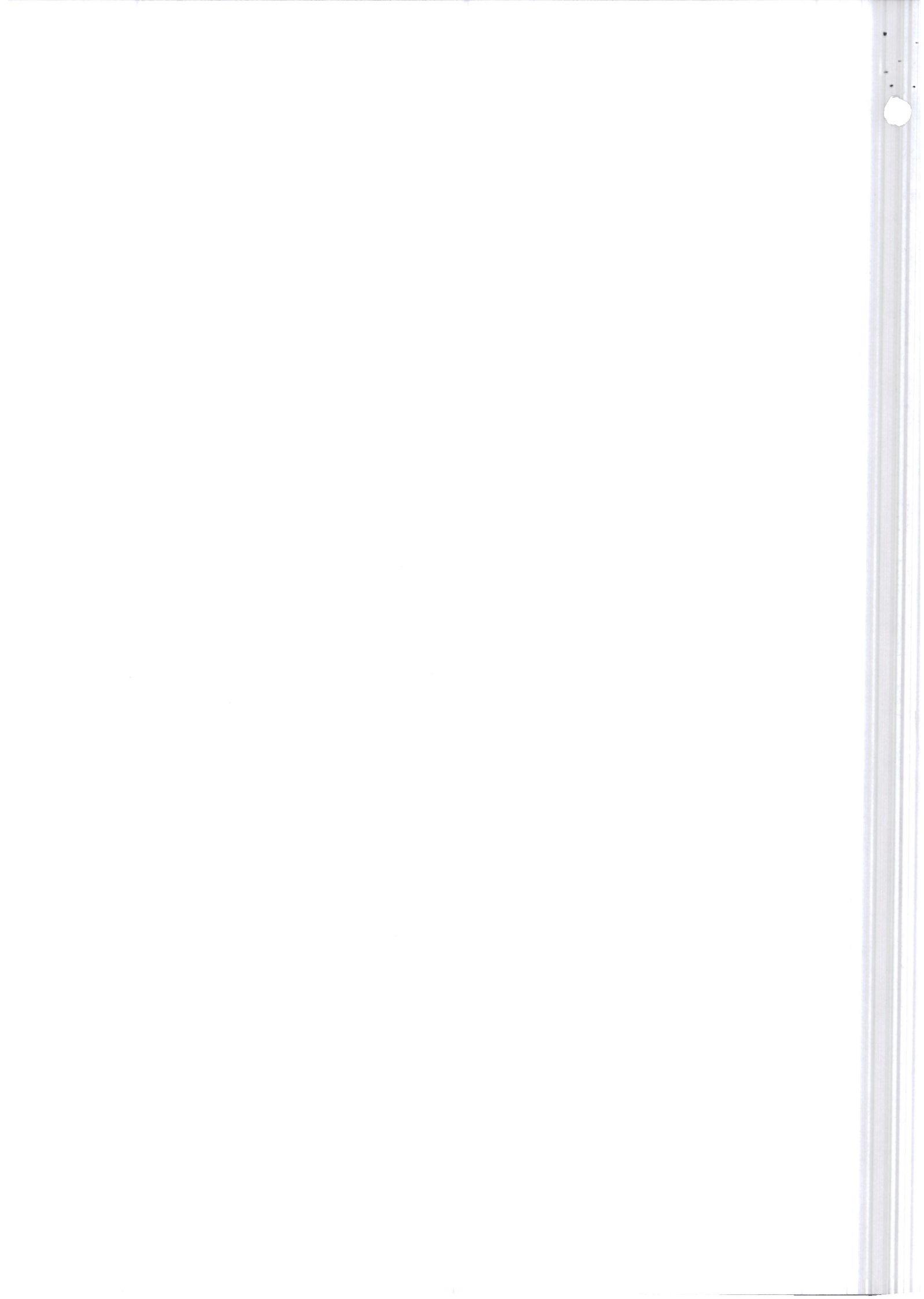
18<sup>th</sup> August, 2023

Ag. Director General  
Kenya Water Towers Agency (KwTA)  
**NAIROBI.**

**CONFIRMATION OF EXCHEQUER DISBURSEMENT**

Reference is made to the above subject matter. The Ministry of Environment and Forestry wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2023 as indicated in the table below. Kindly compare with the funds received then sign and stamp this request in the space provided and return it to us.

KENYA WATER TOWERS AGENCY				
CONFIRMATION OF FUNDS DISBURSED BY THE MINISTRY AS AT 30 JUNE 2023				
REFERENCE	DATE DISBURSED	RECURRENT (Kshs) (A)	DEVELOPMENT (Kshs) (B)	TOTAL (Kshs) (C)= (A+B)
FT22234YNPJ7	22/08/22	123,500,000.00		123,000,000.00
FT22319S JL8F	15-Nov-22	123,500,000.00		123,000,000.00
FT23034JT F7M	3-Feb-23	123,500,000.00		123,000,000.00
FT231608N4RQ	9-Jun-23	123,500,000.00		123,500,000.00
FT23122VDFQD	2-May-23		51,250,000.00	51,250,000.00
<b>GRAND TOTAL</b>		<b>494,000,000.00</b>	<b>51,250,000.00</b>	<b>545,250,000.00</b>





**MINISTRY ENVIRONMENT, CLIMATE CHANGE AND FORESTRY**  
**State Department for Environment and Climate Change**

Telegram: "NATURE", Nairobi  
Telephone: 0254-20-2730808/9  
Fax: 0254-20-2734722  
Email: [psoffice@environment.go.ke](mailto:psoffice@environment.go.ke)  
Website: [www.environment.go.ke](http://www.environment.go.ke)

**N.H.I.F. BUILDING**  
**RAGATI ROAD**  
**P. O. BOX 30126**  
**NAIROBI**

Ref. No: MECF/ACC/FIN/28 VOL.V

18<sup>th</sup> August, 2023

Secretary  
National Environment Tribunal  
**NAIROBI**

21/08/2023

**CONFIRMATION OF EXCHEQUER DISBURSEMENT**

Reference is made to the above subject matter. The Ministry of Environment and Forestry wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2023 as indicated in the table below. Kindly compare with the funds received then sign and stamp this request in the space provided and return it to us.

NATIONAL ENVIRONMENT TRIBUNAL				
CONFIRMATION OF FUNDS DISBURSED BY THE MINISTRY AS AT 30 JUNE 2023				
REFERENCE	DATE DISBURSED	RECURRENT (Kshs) (A)	DEVELOPMENT (Kshs) (B)	TOTAL (Kshs) (C) = (A+B)
FT22234KMK9X	22/08/22	16,000,000.00		16,000,000.00
FT223191J7SP	15-Nov-22	16,000,000.00		16,000,000.00
FT23034SGPZV	3-Feb-23	16,000,000.00		15,000,000.00
FT231574MV6J	6-Jun-23	14,079,826.00		14,079,826.00
GRAND TOTAL		62,079,826.00		62,079,826.00

**MINISTRY ENVIRONMENT, CLIMATE CHANGE AND FORESTRY**  
**State Department for Environment and Climate Change**

Telegram: "NATURE", Nairobi  
 Telephone: 0254-20-2730808/9  
 Fax: 0254-20-2734722  
 Email: [info@environment.go.ke](mailto:info@environment.go.ke)  
 Website: [www.environment.go.ke](http://www.environment.go.ke)

**N.H.I.F. BUILDING**  
**RAGATI ROAD**  
**P. O. BOX 30126**  
**NAIROBI**

Ref. No: MECF/ACC/FIN/28 VOL.V

Chief Executive Officer  
 National Environment  
 Trust Fund (NETFUND)  
**NAIROBI**

18<sup>th</sup> August, 2023  
 MINISTRY OF ENVIRONMENT AND FORESTRY  
 STATE DEPARTMENT FOR ENVIRONMENT & CLIMATE CHANGE  
 P. O. BOX 30126, NAIROBI  
 23 AUG 2023  
 RECEIVED

**CONFIRMATION OF EXCHEQUER DISBURSEMENT**

Reference is made to the above subject matter. The Ministry of Environment and Forestry wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2023 as indicated in the table below. Kindly compare with the funds received then sign and stamp this request in the space provided and return it to us.

NATIONAL ENVIRONMENT TRUST FUND				
CONFIRMATION OF FUNDS DISBURSED BY THE MINISTRY AS AT 30 JUNE 2023				
REFERENCE	DATE DISBURSED	RECURRENT (Kshs) (A)	DEVELOPMENT (Kshs) (B)	TOTAL (Kshs) (C) = (A+B)
FT222518ND7L	8-Sep-22	40,000,000.00		40,000,000.00
FT22319315VT	15-Nov-22	40,000,000.00		40,000,000.00
FT23034JTF7M	3-Feb-23	40,000,000.00		40,000,000.00
FT23157D28GY	6-Jun-23	32,699,566.00		32,699,566.00
FT23173ZBBPD	22-Jun-23		11,250,000.00	11,250,000.00
FT231736XRDV	22-Jun-23		33,750,000.00	33,750,000.00
<b>GRAND TOTAL</b>		<b>152,699,566.00</b>	<b>45,000,000.00</b>	<b>197,699,566.00</b>

# KENYA FORESTRY RESEARCH INSTITUTE

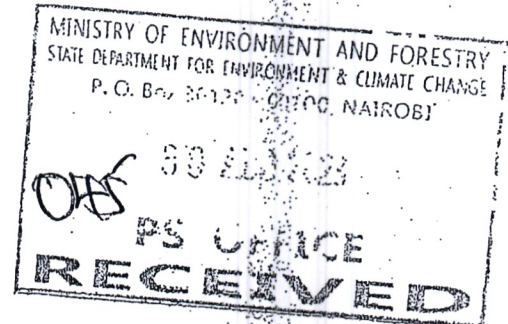
Tel: +254 20 2010651/2  
+254 722 157 414  
+254 724 259 781/2  
+254 734 251 888  
Email: director@kefri.org  
Website: www.kefri.org

P. O. Box 20412  
00200, Nairobi  
KENYA

Ref: KEFRI/28/01/VOL.I/(5)

Date: 29<sup>th</sup> August 2023

Eng. Festus K Ng'eno  
Principal Secretary  
Ministry of Environment, Climate Change and Forestry  
State Department for Environment and Climate Change  
N.H.I.F Building  
RAGATI Road  
P.O. Box 30126  
NAIROBI



Dear Eng. Ng'eno

RE: APPROPRIATION IN AID (AIA) RETURNS FOR THE FINANCIAL  
YEAR 2022/2023

Reference is made to your letter Ref:MECF/ACC/FIN/28 VOL.V dated 25<sup>th</sup> August  
2023 on the above subject.

Enclosed please find attached Appropriation in Aid (AIA) returns for the financial  
year 2022/2023.

Yours sincerely

Jane W. Njuguna (PhD)  
Ag. DIRECTOR – KEFRI

Encl.



**KENYA FORESTRY RESEARCH INSTITUTE**  
**A-I-A COLLECTION STATUS - 2022/2023 FY.**

S/No.	Activity	Printed Estimates 2022/23 FY.	Quarter 1	Quarter 2	Quarter 3	Total
1	Sale of Non-Capital Goods (KEFRI).	76,000,000	18,810,657	19,268,754	19,478,256	57,557,667
	<b>Total (Kshs).</b>	<b>76,000,000</b>	<b>18,810,657</b>	<b>19,268,754</b>	<b>19,478,256</b>	<b>57,557,667</b>
<b>SOURCES OF A-I-A</b>						
		Printed Estimates 2022/23 FY.	Quarter 1	Quarter 2	Quarter 3	Total
1	Sale of Forestry Produce	26,649,875	6,849,562	7,016,370	6,578,944	20,444,876
2	Sale of Seeds	20,467,846	4,568,723	4,679,985	6,547,254	15,795,965
3	Nominal Income (Rent, Water & Electricity)	9,056,750	2,040,653	2,090,349	2,187,494	6,318,494
4	Hire of KEFRI Facilities	17,563,456	4,789,256	4,905,889	3,789,417	13,484,462
5	Lab Analysis	2,262,073	562,463	576,161	534,697	1,673,321
	<b>TOTAL</b>	<b>76,000,000</b>	<b>18,810,657</b>	<b>19,268,754</b>	<b>19,637,806</b>	<b>57,717,217</b>

Prepared: Rose Osoro  
 DEPUTY DIRECTOR FINANCE- KEFRI



## NATIONAL ENVIRONMENTAL COMPLAINTS COMMITTEE

Telephone: 020-2405782  
Cell Phone 0722510510  
E-mail [Info@necc.go.ke](mailto:Info@necc.go.ke)  
[necc.environment@gmail.com](mailto:necc.environment@gmail.com)  
Website: [www.necc.go.ke](http://www.necc.go.ke)

Belle-vue Area, Popo Road,  
off Mombasa Road,  
P. O. Box 36256 - 00200,  
NAIROBI, Kenya

Ref: NECC/2/VOL.IV(70)

Date: 28<sup>th</sup> August, 2023

The Principal Secretary  
State Department for Environment and Climate Change  
NHIF Building  
NAIROBI (Attn: Helley Felab Obanyi)

### APPROPRIATION IN AID (AIA) RETURNS FOR THE FINANCIAL YEAR 2022/2023

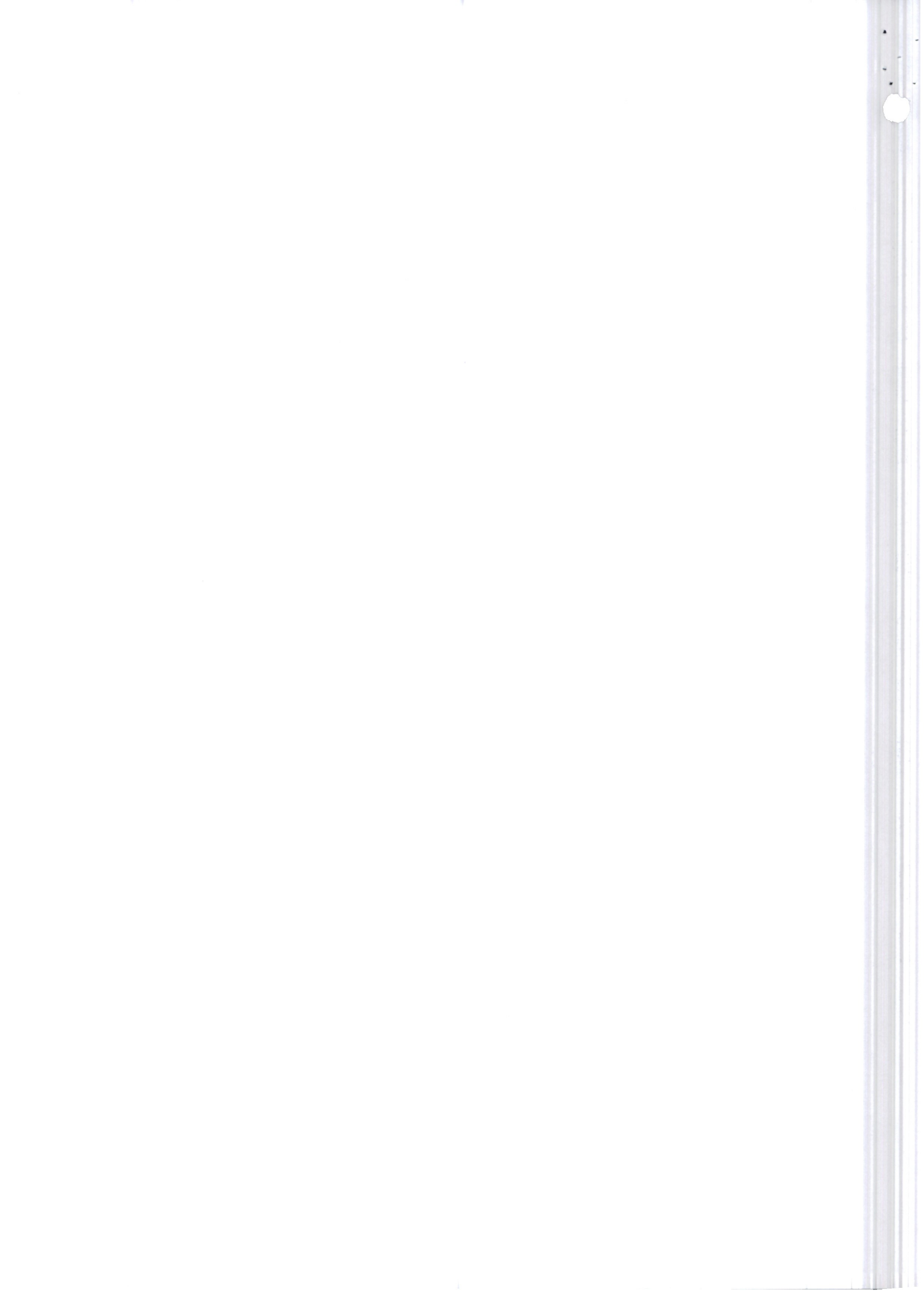
We make reference to your letter Ref. No. MECF/ACC/FIN/28 VOL.V dated  
25<sup>th</sup> August, 2023 on the above mentioned matter.

This is to inform you that we do not have Appropriation in Aid (AIA) in our  
budget.

**DUNCAN KOMBO**  
For: CHAIRMAN

*MISSION: To facilitate access to environmental justice to the public by providing a forum for environmental conflict  
resolution and contributing to environmental policy.*







**ANNEX 5 OUTSTANDING IMPREST REGISTER**

27-NOV-23 12:31 PM

FROM DATE: 01-JUL-2021

TO DATE: 30-JUN-2023

For: Ministry of Environment and Forestry

PF/NO	Particulars	Designation	Amount
1983053799	ALI DAWOOD MOHAMED	N.A.	
1986088167	JOSEPHAT MWANGI MUTURI	N.A.	471,556.80
1987002067	PURITY WACHUKA KAMAU	MOLSSS Pr Productivity Officer	4,000.00
1988105151	JOSEPH NGUNJIRI NDIRANGU	N.A.	31,500.00
1989028289	ALFRED NDUNGU GICHU	N.A.	48,800.00
1989128013	WALTER SAMUEL OMONDI	N.A.	37,800.00
1990000650	MARY AMBASA LUSENO	N.A.	112,000.00
1990055396	GRACE WAIRIMU WAHURA	N.A.	20,000.00
1990114174	JANE NAFULA KISUTIA	N.A.	67,200.00
1991029916	JOYCE SYOKAU NTHUKU	N.A.	31,500.00
1991056701	ONESMUS KINGI NZIOKI	N.A.	111,300.00
1993076906	MAINA PETERSON KAMAU	1332 AIE HOLDER	14,700.00
1996112667	GAMALIEL ODHIAMBO OMONDI	N.A.	105,000.00
1997030193	MICHAEL OCHIENG OKUMU	N.A.	25,200.00
1998022282	DANIEL LEARAT	N.A.	105,000.00
2004002850	CHRISTANTUS JUMA WEKESA	N.A.	44,100.00
2005018121	JULIA WANJIRU MACHARIA	N.A.	77,739.45
2005022887	SHADRACK KYALO MAWEU	MEF CFO	56,000.00
2005033545	BRIAN MUHINDI MADISI	N.A.	42,000.00
2005061433	SAMSON WAMBUGU NDUNGU	N.A.	81,900.00
2006066818	STEPHEN SIMPIROI ASAPE	N.A.	89,800.00
2006082725	KEVIN PETER EGONDI	N.A.	14,700.00
2007028724	EDWIN GITARI NJIRU	N.A.	37,600.00
2007070884	DAVID MWENJE THUKU	N.A.	139,000.00
2008033007	THOMAS OBIYE NYABOCHWA	N.A.	73,900.00
2008110061	CHARLES LEISON J LENANGOR	N.A.	176,600.00
2009012680	ABEL KIPRUTO KOECH	N.A.	44,100.00
2009034242	OMBATI OTUNDO JAMES	N.A.	317,200.00
2009064514	NYAGA CHRISTOPHER NKOROI	N.A.	14,700.00
2010016998	ELISHA NDUGA OCHIENG	1331 REQUESTOR	31,500.00
2010037075	PHILLIP MWANGI GATHUYA	N.A.	30,000.00
2011038422	LAWRENCE NGACHI WAGITHI	N.A.	67,200.00
2012036141	PHILIP KIMUTAI TIROP	N.A.	14,700.00
20130056674	AKINYI JUNE ALUOCH	N.A.	39,800.00
2016003440	PACIFICA FLORENCE ACHIENG OGOLA	N.A.	42,000.00
2017014489	JOHN LOTUNO KARALE	N.A.	25,200.80
2017100546	Maxwell Memusi	N.A.	14,700.00
2018099940	SAMUEL KARIUKI NJOROGE	N.A.	31,500.00
20200206860	NAFULA RESSA KOMBI	N.A.	1,261,295.00
20200206894	BRIAN MONDE ONDIEKI	N.A.	7,000.00
20220008509	ESTHER WANJIRU WACHIRA	N.A.	32,400.00
20220100084	VALENTINE MADENGWA MAJONI	N.A.	44,000.00
20220335207	PETER MIANO MATHENGE	N.A.	62,400.00
20220527016	JOHN GACONGO NDUNGU	N.A.	3,000.05
CNT/0119/2021	ALFRED TOBIKO YIANKASO	N.A.	22,400.00
KEFRI5721	ELIJAH KIPLANGAT RONO	N.A.	19,600.00
			33,600.00
		<b>Total</b>	<b>4,177,192.10</b>

2021 - 2023



IMPREST REPORT AS AT 30TH JUNE 2023 CUMULATIVE

No.	Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrenderd	Balance
1	DR. PACIFICA OGOLA	31/03/2023	25,200.80	-	25,200.80
2	ALFRED GICHU	2/3/2023	37,800.00	-	37,800.00
3	BRIAN MOUNDE	13/4/2023	32,400.00	-	32,400.00
4	BRIAN MUHINDI	20/04/2023	81,900.00	-	81,900.00
5	CHRISTOPHER NYAGA	24/9/22	31,500.00	-	31,500.00
6	DANIEL LEARAT	27/11/22	44,100.00	-	44,100.00
7	EDWIN NJIRU	17/11/2022	9,800.00	-	9,800.00
8	EDWIN NJIRU	2/5/2023	14,700.00	-	14,700.00
9	EDWIN NJIRU	30/03/2023	31,500.00	-	31,500.00
10	EDWIN NJIRU	16/6/2023	83,000.00	-	83,000.00
11	EGONDI PETER KEVIN	13/4/23	37,600.00	-	37,600.00
12	ELISHA OCHIENG	23/5/23	30,000.00	-	30,000.00
13	ESTHER WACHIRA	2/11/2022	20,000.00	-	20,000.00
14	ESTHER WACHIRA	3/11/2022	24,000.00	-	24,000.00
15	GRACE WAHURA	17/5/23	67,200.00	-	67,200.00
16	JUNE ALOUCH AKINYI	5/10/2022	42,000.00	-	42,000.00
17	JANE KISUTIA NAFULA	26/9/22	31,500.00	-	31,500.00
18	JOHN LOTUNO	1/2/2023	14,700.00	-	14,700.00
19	JOHN NDUNGU GACONGO	5/6/2023	22,400.00	-	22,400.00
20	JOSEPH NDIRANGU	2/3/2023	48,800.00	-	48,800.00
21	JOSEPHAT MUTURI	2/3/2023	4,000.00	-	4,000.00
22	JOYCE SYOKAU	7/2/2022	37,800.00	-	37,800.00
23	JOYCE SYOKAU	17/4/23	73,500.00	-	73,500.00
24	JULIA MACHARIA	21/9/22	56,000.00	-	56,000.00
25	JUMA WEKESA	3/4/2023	25,000.00	-	25,000.00
26	JUMA WEKESA	25/4/23	19,600.00	-	19,600.00
27	JUMA WEKESA	6/4/2023	19,600.00	-	19,600.00
28	JUMA WEKESA	25/4/23	13,539.45	-	13,539.45
29	LAWRENCE NGACHI	3/2/2023	14,700.00	-	14,700.00
30	MAAXWELL MEMUSI	26/9/22	31,500.00	-	31,500.00
31	MARY LUSENO AMBASA	22/3/23	20,000.00	-	20,000.00
32	MICHAEL OKUMU	4/4/2023	105,000.00	-	105,000.00
33	MOHAMMED ALI	23/5/23	471,556.80	-	471,556.80
34	ONESMUS KINGI	3/8/2022	4,900.00	-	4,900.00
35	ONESMUS KINGI	1/9/2022	9,800.00	-	9,800.00
36	PETERSON KAMAU	5/5/2023	105,000.00	-	105,000.00
37	PHILIP GATHUIYA	7/3/2023	67,200.00	-	67,200.00
38	PHILIP TIROP	18/11/22	39,800.00	-	39,800.00
39	PURITY KAMAU	26/09/2022	31,500.00	-	31,500.00
40	SHADRACK MAWEU	6/4/2023	42,000.00	-	42,000.00
41	SAMSON WAMBUGU NDUNGU	22/3/23	89,800.00	-	89,800.00
42	THOMAS OBIYE	6/6/2023	12,600.00	-	12,600.00
43	THOMAS OBIYE	16/6/23	164,000.00	-	164,000.00
44	VALENTINE MAJONI	31/3/23	62,400.00	-	62,400.00
45	WALTER SAMUEL OMONDI	10/2/2023	28,000.00	-	28,000.00

TOTAL OUTSTANDING  
2021-2023

IMPREST REPORT AS AT 30TH JUNE 2023

No.	Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrenderd	Balance
1	DR. PACIFICA OGOLA	31/03/2023	25,200.80	-	25,200.80
2	ALFRED GICHU	2/3/2023	37,800.00	-	37,800.00
3	BRIAN MOUNDE	13/4/2023	32,400.00	-	32,400.00
4	BRIAN MUHINDI	20/04/2023	81,900.00	-	81,900.00
5	CHRISTOPHER NYAGA	24/9/22	31,500.00	-	31,500.00
6	DANIEL LEARAT	27/11/22	44,100.00	-	44,100.00
7	EDWIN NJIRU	17/11/2022	9,800.00	-	9,800.00
8	EDWIN NJIRU	2/5/2023	14,700.00	-	14,700.00
9	EDWIN NJIRU	30/03/2023	31,500.00	-	31,500.00
10	EDWIN NJIRU	16/6/2023	83,000.00	-	83,000.00
11	EGONDI PETER KEVIN	13/4/23	37,600.00	-	37,600.00
12	ELISHA OCHIENG	23/5/23	30,000.00	-	30,000.00
13	ESTHER WACHIRA	2/11/2022	20,000.00	-	20,000.00
14	ESTHER WACHIRA	3/11/2022	24,000.00	-	24,000.00
15	GRACE WAHURA	17/5/23	67,200.00	-	67,200.00
16	JUNE ALOUCH AKINYI	5/10/2022	42,000.00	-	42,000.00
17	JANE KISUTIA NAFULA	26/9/22	31,500.00	-	31,500.00
18	JOHN LOTUNO	1/2/2023	14,700.00	-	14,700.00
19	JOHN NDUNGU GACONGO	5/6/2023	22,400.00	-	22,400.00
20	JOSEPH NDIRANGU	2/3/2023	48,800.00	-	48,800.00
21	JOSEPHAT MUTURI	2/3/2023	4,000.00	-	4,000.00
22	JOYCE SYOKAU	7/2/2022	37,800.00	-	37,800.00
23	JOYCE SYOKAU	17/4/23	73,500.00	-	73,500.00
24	JULIA MACHARIA	21/9/22	56,000.00	-	56,000.00
25	JUMA WEKESA	3/4/2023	25,000.00	-	25,000.00
26	JUMA WEKESA	25/4/23	19,600.00	-	19,600.00
27	JUMA WEKESA	6/4/2023	19,600.00	-	19,600.00
28	JUMA WEKESA	25/4/23	13,539.45	-	13,539.45
29	LAWRENCE NGACHI	3/2/2023	14,700.00	-	14,700.00
30	MAAXWELL MEMUSI	26/9/22	31,500.00	-	31,500.00
31	MARY LUSENO AMBASA	22/3/23	20,000.00	-	20,000.00
32	MICHAEL OKUMU	4/4/2023	105,000.00	-	105,000.00
33	MOHAMMED ALI	23/5/23	471,556.80	-	471,556.80
34	ONESMUS KINGI	3/8/2022	4,900.00	-	4,900.00
35	ONESMUS KINGI	1/9/2022	9,800.00	-	9,800.00
36	PETERSON KAMAU	5/5/2023	105,000.00	-	105,000.00
37	PHILIP GATHUIYA	7/3/2023	67,200.00	-	67,200.00
38	PHILIP TIROP	18/11/22	39,800.00	-	39,800.00
39	PURITY KAMAU	26/09/2022	31,500.00	-	31,500.00
40	SHADRACK MAWEU	6/4/2023	42,000.00	-	42,000.00
41	SAMSON WAMBUGU NDUNGU	22/3/23	89,800.00	-	89,800.00
42	THOMAS OBIYE	6/6/2023	12,600.00	-	12,600.00
43	THOMAS OBIYE	16/6/23	164,000.00	-	164,000.00
44	VALENTINE MAJONI	31/3/23	62,400.00	-	62,400.00

FOR 1 YEAR  
2022-2023

OUTSTANDING IMPREST FOR OVER ONE YEAR.

No.	Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrenderd	Balance
1	GAMALIEL OMONDI	12/4/2022	25,200.00	-	25,200.00
2	STEPHEN ASAAPE	10/2/2023	14,700.00	-	14,700.00
3	DAVID THUKU	9/11/2021	73,900.00	-	73,900.00
4	CHARLES LEISON	3/11/2021	18,900.00	-	18,900.00
5	CHARLES LEISON	15/12/2021	25,200.00	-	25,200.00
6	ABEL KOECH	1/10/2021	19,600.00	-	19,600.00
7	ABEL KOECH	25/11/2021	30,600.00	-	30,600.00
8	ABEL KOECH	25/11/2021	49,000.00	-	49,000.00
9	ABEL KOECH	21/12/2021	218,000.00	-	218,000.00
10	JAMES MBATI	1/4/2022	14,700.00	-	14,700.00
11	ALFRED TOBIKO	3/11/2021	4,900.00	-	4,900.00
12	ALFRED TOBIKO	8/11/2021	14,700.00	-	14,700.00
13	ELIJAH RONO	12/8/2021	16,800.00	-	16,800.00
14	ELIJAH RONO	28/09/2021	16,800.00	-	16,800.00
15	SAMUEL KARIUKI	5/11/2021	255,000.00	-	255,000.00
16	SAMUEL KARIUKI	2/12/2021	33,600.00	-	33,600.00
17	SAMUEL KARIUKI	24/01/2022	42,000.00	-	42,000.00
18	SAMUEL KARIUKI	23/02/2022	89,600.00	-	89,600.00
19	SAMUEL KARIUKI	3/3/2022	198,195.00	-	198,195.00
20	SAMUEL KARIUKI	8/3/2022	485,000.00	360,000.00	125,000.00
21	SAMUEL KARIUKI	14/3/2022	44,800.00	-	44,800.00
22	SAMUEL KARIUKI	23/03/2022	25,200.00	-	25,200.00
23	SAMUEL KARIUKI	24/04/2022	67,200.00	-	67,200.00
24	SAMUEL KARIUKI	1/4/2022	75,700.00	-	75,700.00
25	SAMUEL KARIUKI	13/02/2022	140,000.00	-	140,000.00
26	SAMUEL KARIUKI	14/04/2022	165,000.00	-	165,000.00
	<b>TOTALS</b>		<b>2,164,295.00</b>	<b>360,000.00</b>	<b>1,804,295.00</b>

OVER 1 YEAR

2021 - 2022

# DISTRICT SUSPENSION

## ANNEX 10 (IV)

F.O.17

REPUBLIC OF KENYA

RECEIPT VOUCHER

TO: PS - MW&FORESTRY - P. O. Box, 30126, NAIROBI

Particulars or Summary	AMOUNT	
	Shs	Cts
Being receipt of cash from Kisumu fo unspent AIE as per the attached MR NO 5088551.	160,000	00
<b>TOTALS</b>	<b>160,000</b>	<b>00</b>

Please receive e (or) please note that the sum shown above has been paid into.....

Bank Account on the.....the paying-in slip is attached.

23/12/23  
25/11/23  
Date

*M. D. S.*  
Signature

SDAG  
Designation

ACCOUNTS  
Department

VOTE		HEAD/SUB-HEAD		ITEM		
R-1331		0000		6530101		
ACCOUNT No.	Dept. Vch. No.	Station	CASHBOOK		AMOUNT	
			Voucher No.	Date	Sh.	Cts.
0-1331-6820-6530101		0101			160,000	

000617

ORIGINAL  
REPUBLIC OF KENYA

OFFICIAL RECEIPT D 5088551

Station Nairobi Date 23/8, 2023

RECEIVED FROM KISUMU

Shillings one hundred and fifty thousand  
shillings only cents 1=

on account of Dispent Att.

Vote Head <u>0-1331</u>	KSh. <u>160,000</u> cts.
Sub-Head <u>0007</u>	Ac. No. <u>0-1331-0007</u>
Item <u>6530101</u>	<u>6530101</u>
Cash	
Cheque No. ....	

M. Kato  
Signature of Officer receiving remittance

FORM 6



**ANNEX 10 (VL)**  
GOVERNMENT OF KENYA - CIVIL SERVICE

IRPD - Payroll by-product: Training Levy for the month of June-2023

Employer (vote): 12101 Ministry of Environment and Forestry

Payroll No.	Officer's Name	ID / PP No.	Amount(Ksh)	Balance (Ksh)	Remarks
1. 2011004994 Mr	Augustine Kiplagat Kiptum	24304671	13,195.35	184,734.85	
<b>1</b>	<b>Vote Totals:</b>	<b>12101 Ministry of Environment and Forestry</b>	<b>13,195.35</b>	<b>184,734.85</b>	

MINISTRY OF ENVIRONMENT AND FORESTRY					
VOTE DEP 1108(DEPOSITS ACCOUNT)					
RETENTION MONEY 2022/2023 FY					
No	Payee	Dated	official receipt	Amount	Folios
1	TRIPLE I@K COMPANY	24/6/2016	8005139	400,000.00	5
2	EXPRESS PLUMBERS	24/3/2016	8005122	500,000.00	5
3	SMART FRONTERS	24/3/2016	8005121	643,771.00	5
4	SITE GEN CONTRACTION	30/6/2016	8005145	1,180,000.00	5
5	LENGO AFRICA GEN. CONSTRUCTION	30/6/2016	8005147	846,700.00	5
6	Online Technologies	30/6/2017	c9296036	394,549.65	7
7	DALLO HOLDING LIMITED	27/6/2019	c5210018	42,713.50	1
8	WAASO CONSTRUCTION	25/9/2020	5210254	904,197.25	7
9	WAASO CONSTRUCTION	25/9/2020	5210255	1,393,983.75	7
10	VENTURA LIMITED	27/11/2020	5210257	311,498.80	7
11	VENTURA LIMITED	30/6/2021	5210259	342,021.00	8
12	DALLO HOLDING LIMITED	30/6/2021	5210263	450.00	8
13	WAASO CONSTRUCTION	28/10/2021	5210266	706,293.75	9
16	KEENCELL VENTURE	23/4/2022	970304	606,469.45	11
18	JUSTIC CONSTRUCTION	10/5/2022	970305	482,075.00	11
19	PRIVILEGE CAPITAL LTD	10/5/2022	970313	646,500.00	11
20	GREAT STUNVIL LTD	10/5/2022	970306	511,697.80	11
22	LOG ASSOCIATES	30/6/2022	970314	115,254.00	11
23	PRIVILEGE CAPITAL LTD	30/6/2022	970307	646,500.00	11
	KEENCELL VENTURE	30/11/2022	970320	475,084.00	3
	JUSTEC COMMUNICATION	30/12/2022	970324	84,311.00	3
	BOKAJI LIMITED	8/5/2023		498,230.00	
	ROKOLI CONTRACTORS	30/06/2023		376,225.00	
	<b>SUB TOTALS</b>			<b>12,108,524.95</b>	
	MISCELLANEOUS DEPOSITS 2020/2021 F/Y				
1	CADAN ENTERPRISES	21.2/2022	5210282	10,000.00	10
2	CADAN ENTERPRISES	21/2/2022	5210283	5,000.00	10
3	GABRIEL MBUGUA	21/2/2022	5210287	5,000.00	10
	FLLOCA			164,905.95	
	<b>SUB TOTALS</b>			<b>184,905.35</b>	
	<b>TOTALS</b>			<b>12,293,430.30</b>	
	<b>CLOSING BALANCE FOR 2022/2023 FY</b>			<b>12,293,430.30</b>	
	<b>LESS NATIONAL TREASURY COMMISSION</b>			<b>2,932.00</b>	
	<b>CLOSING BALANCE AS PER CASH BOOK</b>			<b>12,290,498.30</b>	

*RESTORATION*

*DEPOSITS*

*2 0,000 '4*

*PHOCCA*

# FLOCCA

FINANCING CLIMATE CHANGE UNDER LOCALLY LED CLIMATE ACTION

FLOCCA

30/6/23	MR NO- D 0970335 OF 29/06/2023	CHQ NO FT231847LQFF	23,100,000.00	WARANT NO
1	ENG FESTUS NGENO	403,586.55	22,696,413.45	4957581
2	ELIAZER MABWAI	2,235,529.60	20,460,883.85	4949945
3	HON SOIPAN TUYA	332,791.70	20,128,092.15	4957580
4	ELIAZER MABWAI	300,000.00	19,828,092.15	4948246
5	PETER MATHENGE	200,000.00	19,628,092.15	4957799
6	AUGUSTUS NETO	953,219.20	18,674,872.95	4949948
7	DR PACIFICA OGOLA	1,896,438.40	16,778,434.55	4949947
8	KENNEDY OLWASI	1,553,449.60	15,224,984.95	4957553
9	AUGUSTINE KENDUIWO	1,553,449.60	13,671,535.35	4957551
10	SAMUEL MUCHIRI	1,553,449.60	12,118,085.75	4949950
11	BRIAN MOUNDE	1,323,769.60	10,794,316.15	4957556
12	RESSA KOMBI	1,323,769.60	9,470,546.55	4957555
13	MARGARET MAINA	1,149,212.80	8,321,333.75	4957557
14	JAMES THONJO	1,323,769.60	6,997,564.15	4949946
15	THOMAS LERENTEN	1,553,449.60	5,444,114.55	4957552
16	ENG FESTUS NGENO	1,409,795.20	4,034,319.35	4949944
17	CAROLINE OPERE	1,323,769.60	2,710,549.75	4957578
18	MICHAEL OKUMU	1,553,449.60	1,157,100.15	4949949
19	DR LUCY NGANGA	992,195.20	164,904.95	4957558
	<b>TOTALS</b>	<b>22,935,095.05</b>		
	<b>BALANCE FLOCCA</b>	<b>164,904.95</b>		

**ANNEX 10 (X)**

**CONTINGENT LIABILITIES  
REGISTER**

**MINISTRY OF ENVIRONMENT AND FORESTRY**  
**Reports and Financial Statements for the Year ended 30th June, 2020**

S/No.	CASE	DISPUTE	REMARKS
1.	<p><b>Case No. CR 142/64/2013</b></p> <ul style="list-style-type: none"> <li>The Vehicle GKA 152Q Toyota Prado was carjacked while on official duty on 24th August, 2013 at around 10:20pm as per the drivers report to the Ministry and the statement, he recorded at Kileleshwa Police Station. (Both copies of report and statement herby attached)</li> </ul>	<ul style="list-style-type: none"> <li>The car was carjacked on Saturday August, 24th 2013 at around 10:20 PM.</li> <li>By then this vehicle was assigned to then former Principal Secretary Dr. Richard Lesiyampe and had a civilian number plate KAY 953F.</li> <li>The driver was Mr. Boniface Mwaura Kimani who has since been transferred to the Ministry of Agriculture.</li> <li>The driver reported that he was authorized by the PS to pick his son and facilitate him deliver something urgently required at Kenyatta National Hospital where PS father in law was admitted.</li> </ul>	<p>This is an active case currently being handled by the DCI. Several persons of interest have been called upon and have recorded fresh statements. The vehicle estimated value is Ksh.5,460,000.</p>

At the time of loss...

heading back to PS residence Mihuti court along State House Road carrying the PS son.

- The driver reported that they were carjacked at the junction of Ralph Burche Road and State House Road and drugged.
- The driver found himself at around 3.00 am at Embakasi and reported the matter at Kileleshwa Police station while the PS son was abandoned at Mlolongo where he also reported the incident.
- The incident was officially reported to the PS through the transport officer on 26<sup>th</sup> August, 2013.
- The transport officer further reported to the PS through SDA on 29<sup>th</sup> August, 2013.
- The Ministry has since written several letters to the Inspector General of Police requesting to have investigations expedited. These letter includes the following:

1. On 4<sup>th</sup> October, 2018 former PS Al Noor Ismail then wrote to then Inspector General of Police Mr. Joseph K. Boinet.
2. On 4<sup>th</sup> July, 2019 former PS Dr. Ibrahim Mohamed wrote to the current Inspector General of Police Mr. Hillary Nzioki Mutyambai. A response to this letter was received on 16<sup>th</sup> August, 2019 whereby we were required to provide the vehicle log book, work ticket for July and August 2013, drivers job description, regulation governing use of government vehicles and any other relevant document which were submitted on 20<sup>th</sup> August, 2019.
3. On 23<sup>rd</sup> January, 2020 former PS Ms. Betty C. Maina again wrote to the current Inspector General of Police Mr. Hillary Nzioki Mutyambai requesting for an update of the investigation.
4. 10<sup>th</sup> June, 2020 PS Ministry of Environment & Forestry wrote to

PROGRESS OF THE INVESTIGATION ON

5. 27th September, 2020 PS

Ministry of Environment & Forestry wrote to PS Ministry of Interior and Coordination of National Government requesting him to ask Inspector General of Police (IGP) to hasten the investigation. 6. 27th October, 2020 PS Interior & Citizen Services conveyed the message that DCI concluded the investigations and forwarded the file to the Office of the Director of Public Prosecution for further necessary action and guidance.

The Ministry had tendered for the purchase of land for the medical and hazardous waste under the Multilateral Environmental Agreements (MEAS) departments. After the tendering process, the Ministry signed an agreement with the sellers but later cancelled the

Environmental & Land Court  
 Petition No.22 of 2018 James  
 Kiongi Mwaura & 2 OTHERS- VS-  
 CS Ministry of Environment &  
 Forestry

ELC No 22 of 2018

Judgment on the Petition was delivered on 15th day of November, 2018 and the petitioners were directed to do



agreement in the Public Interest, after it emerged that the issues that had been raised by the National Land Commission had not been satisfied. Aggrieved by the Ministry's move to cancel the contract, the sellers filed a petition in the Environment and Land Court in Nairobi.

the 10% deposit of KES. 24.5 Million in an interest earning account in the names of the advocates for the petitioners and the respondent pending filing for determination of the suit on the issue of the alleged breach of the sale agreement.

