

Paper laid by
Hon. Musyimi
Chairman Lands
Committee on
16/5/2012

PAPER
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Deputy Speaker
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KENYA NATIONAL ASSEMBLY
TENTH PARLIAMENT – (FOURTH SESSION)

DEPARTMENTAL COMMITTEE ON LANDS
AND NATURAL RESOURCES

REPORT

ON THE SCRUTINY OF ANNUAL ESTIMATES FOR FINANCIAL YEAR
2012/2013
FOR

1. VOTE 120 - MINISTRY OF WATER AND IRRIGATION;
2. VOTE 121 - MINISTRY OF ENVIRONMENT & MINERAL RESOURCES;
3. VOTE 136 - MINISTRY OF LANDS; AND
4. VOTE 155 – MINISTRY OF FORESTRY AND WILDLIFE.

Clerks Chambers,
Kenya National Assembly,
Nairobi

May 2012

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1.0 PREFACE

Mr. Speaker Sir,

- 1.1 On behalf of Members of the Departmental Committee on Lands and Natural Resources, I feel honoured to present to the House the Committee's Report on the Scrutiny of Annual Estimates for the Financial Year 2012/2013 for Votes – 120, 121, 136 and 155, pursuant to provision of Standing Order No. 152 (1) and (2).
- 1.2 The Estimates for the Year 2012/2013 submitted before the House by the Minister for Finance on Thursday, April 26, 2012. Pursuant to Standing Order 152, once submitted, the Estimates are committed to the relevant Departmental Committee for examination.
- 1.3 On Thursday, May 3, 2012, the Committee formally begin the preparation for Scrutiny of the estimates. Highlights on the budget include:-
- The total national budget is Kshs. 1.458 trillion constituting of the following:
 - Recurrent expenditure, Kshs. 657.185 billion, Development Expenditure, Kshs. 451.683 billion, Consolidated Fund Services, Kshs. 345.987 billion, and an Equalization Fund amount equivalent to Kshs. 2.5 billion.
 - This total national budget is one of the highest in recent times. In 2009/10 the budget amounted to Kshs. 725.3 billion, rising to Kshs. 811.9 billion in 2010/11, and Kshs. 1,071.3 billion in 2011/12.
 - The total budgets for each ministry are as follows: -
 - Ministry of Water and Irrigation, Kshs. 41,559.38 billion;
 - Ministry of Lands, Kshs. 5,057.86 billion;
 - Ministry of Forestry and Wildlife, Kshs. 11,794.01 billion;
 - Ministry of Environment and Mineral Resources, Kshs. 7,626.31 billion.

1.4 MANDATE OF THE COMMITTEE

- 1.4.1 The Departmental Committee No. J on Lands and Natural Resources is established pursuant to provisions of Standing Order No. 198 (2) and (3) with the following terms of reference: -
- a) to investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned Ministries and departments;
 - b) to study the programme and policy objectives of Ministries and departments and the effectiveness of the implementation;
 - c) to study and review all legislation referred to it;
 - d) to study, assess and analyse the relative success of the Ministries and departments as measured by the results obtained as compared with their stated objectives;
 - e) to investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as may be referred to them by the House or a Minister; and

f) to make reports and recommendations to the House as often as possible, including recommendation of proposed legislation.

1.4.2 The Committee is mandated to consider:-

- Lands and settlement,
- Forestry, water resource management and development,
- Irrigation;
- Environment,
- Wildlife,
- Mining and Natural Resources.

Mr. Speaker Sir,

1.5 Oversight

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

1.5.1 Ministry of Water and Irrigation – Vote 120;

1.5.2 Ministry of Environment and Minerals Resources – Vote 121;

1.5.3 Ministry of Lands – Vote 136; and

1.5.4 Ministry of Forestry and Wildlife – Vote 155.

1.6 Committee composition

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

1.6.1 Hon. Mutava Musyimi, M.P. – Chairman

1.6.2 Hon. Peris Chepchumba Simam, M.P. - Vice Chairperson

1.6.3 Hon. Benjamin Jomo Washiali, M.P.

1.6.4 Hon. Silas Ruteere Muriuki, M.P.

1.6.5 Hon. Benedict Fondo Gunda, M.P.

1.6.6 Hon. Peter Njuguna Gitau, M.P.

1.6.7 Hon. Mohammed Abdi Affey, M.P.

1.6.8 Hon. Omar Mbwana Zonga, M.P.

1.6.9 Hon. Kiema Julius Kilonzo, M.P.

1.6.10 Hon. Kizito Mugali Justus, M.P.

1.6.11 Hon. Dr. Erastus Kihara Mureithi, MBS, HSC, MP

1.7 Committee undertakings and submission gathering

1.7.1 pursuant to Standing Order 152, the Committee commenced on the scrutiny of printed Estimates of the Ministries of Environment and Mineral resources, Water and Irrigation, Lands, Forestry and Wildlife on Thursday, May 10, 2012.

1.7.2 In total the Committee held Six (6) sittings to consider the Estimates. The Committee also met with the staff of the Parliamentary Budget Office of the National Assembly. The minutes of these meetings are appended to this report;

1.7.3. The Committee received submission, presentations and other reports from the four Ministries as below:-

Mr. Speaker Sir,

1.7.4 Received submission from:-

1.7.4.1 Minister and Permanent Secretary, Ministry of Environment and Mineral Resources (MEMR),

Accompanied by:-

- Director, Kenya Meteorological Department;
- Director, Department of Remote Sensing and Resource Survey(DRSRS);
- Acting-Commissioner of Mines, Mining and Geology Department;
- Chief Geologist, DRSRS;
- Chief Finance Officer, MEMR;
- Chief finance Officer, MEMR; and
- Chief Economist, MEMR.

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

Accompanied by:-

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

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

Accompanied by

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

1.7.4.4 Minister and Permanent Secretary, Ministry of Lands:

Accompanied by:-

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

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

1.8.1 Vision 2030;

1.8.2 Printed Estimates for the FY 2012/2013 for vote 120, 121, 136 and 155;

1.6.1 Budget outlook paper for FY 2012/013;

1.7 CONCLUSION

Mr. Speaker Sir,

1.7.1 The Committee wishes to sincerely thank the Offices of the Speaker and the Clerk of the National Assembly for the necessary support extended to it in the execution of its mandate. The Committee further wishes to thank the Ministers for Environment and Mineral Resources, Water and Irrigation, Lands, Forestry and Wildlife for responding promptly to issues raised by the Committee during the examination of the 2012/2013 Estimates.

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

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

Mr. Spear Sir,

1.8 Recommendations

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

1.8.1 Ministry of Water and Irrigation

- a) The Ministry should put in place monitoring and evaluation measures to ensure the sustainability of Water Service Boards, that fund allocated to the Boards are utilized properly and for the intended purpose;
- b) The Ministry of finance should provide funds for the completion of the construction of large dams;
- c) The Ministry of Water & Irrigation expedite in conjunction with the judiciary the resolution of the disputes arising from the construction of Umaa Dam, either in court out of court or through arbitration, in the public interest, and
- d) The Ministry of Water & Irrigation should expedite water tariff review to ensure that water access is affordable;

1.8.2 Ministry of Environment and Mineral Resources

- a) The Ministry of Finance should allocate funds,
 - i. Kshs.16.04 billion, to the Department of Mines and Geology for the purchase of airborne geophysical-equipment and survey and others equipments;
 - ii. Kshs.954 million, to the Kenya Meteorological Department for weather modification, recruitment of staff, purchase of satellite distribution System and establishment of the national framework of climate services;
 - iii. Kshs.2.79 billion to National Environment Management Authority for establishment of waste management fund, recruitment of staff and establishment of county offices;
 - iv. Kshs.2.5 billion to department of Remote Sensing and Resource Survey for the development of ground receiving Station for remote sensing data

1.8.3 Ministry of Lands

- a) The Ministry of finance should allocate adequate resources to the Ministry of Lands to able it undertake the process of land adjudication and registrations in the country for people to assert their rights over land.
- b) Having undertaken computerization and improved service delivery, leading to increased revenue collections in the last 3 financial years from Kshs. 800 million to Kshs 8.4 billion in FY 2011/2012, the Ministry should be allowed to retain Kshs.2 billion of the revenue it collects annually to be able to implement projects/programmes partially and or left out in the Financial Year 2012/2013 and beyond;
- c) The Ministry should be allocated funds for land acquisition for settlement of landless poor, Internally displaced persons and creation of land bank;
- d) The Ministry should be funded to survey and monument various categories of national boundaries such constituencies, counties and district boundaries;
- e) Funds be allocated to the Ministry to implement the new land laws and Sessional paper No.3 of 2009 on National Land Policy;
- f) The Ministry of Lands should fast-track the implementation of the recently passed land laws and the Community Land Bill, 2012 for enactment.

1.8.4 Ministry of forestry and Wildlife

- a) The Ministry should fast-track the enactment of the Wildlife Bill, Forest Bill and relevant policies. The Bill proposes among other things, the setting up of a KWS Fund. The fund is expected to raise US \$ 100million over 10 years and will provide an avenue to ensure that Wildlife and its habitats in Kenya continue to be conserved for posterity. The funds shall be raised from Government, development partners and individuals locally and abroad hence the Kenya Wildlife Service will realize its potential and be self sustaining.
- b) In the new FY 2012/2013, KWS had requested for funding of Kshs.4.5 billion but was allocated Kshs.937million from government funding. the funding appear to be constant even into the midterm. The Committee recommends that the government funding to Kenya Wildlife Service be increasing to cater for the shortfall in the regulatory, research and response to Human-Wildlife conflict functions.

1.8.5 Exchequer Releases

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

And from the above,

1.8.6 The Committee is agreeable to the proposals by the Ministers for Water and Irrigation, Environment and Mineral Resources, Lands, Forestry and Wildlife and recommends that a sum of: -

1. Kshs.4,136,401,450 be allocated to the Ministry of Water and Irrigation – Vote 20 for Recurrent expenditure and Kshs.19,771,482,986 for Development expenditure, proposed in the Heads under Vote 20 and that the Ministry be allowed to raise Appropriation In Aid amounting to Kshs.1,923,722,596 under recurrent and Kshs.17,159,980,958 from Development partners, to finance its operations;
2. Kshs.2,398,769,150 be allocated to the Ministry of Environment and Mineral Resources – vote 21 for Recurrent and Kshs.3,951,867,685 for Development expenditure, proposed in the Heads under Vote 21 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 203,400,000 under recurrent and Kshs.153,882,847 from Development partners, to finance its operations;
3. Kshs.2,200,974,430 be allocated to the Ministry of Lands – Vote 36 - for Recurrent and Kshs.1,172,944,125 for Development expenditure proposed in the Heads under Vote 36; and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.131,226,100 to finance its operations;

4. Kshs.4,083,111,210 be allocated to the Forestry and Wildlife – Vote 55 - for Recurrent and Kshs.3,004,912,000 for Development expenditure, proposed in the Heads under Vote 55; and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.1,091,120,000 under recurrent and Kshs.484,000,000 from Development partners, to finance its operations;

Be approved by the House.

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

1.8.8 On behalf of the Committee, I request the house to adopt the report.

SIGNED:..........

HON. MUTAVA MUSYIMI, MP
----- CHAIRPERSON -----

DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES

DATE:.....Wednesday, May 16, 2012.....

SCRUTINY OF THE ANNUAL ESTIMATES FOR THE FY 2012/013

1. VOTE 120 – MINISTRY OF WATER AND IRRIGATION

1.1. INTRODUCTION - Mandate

1.1.1 The Ministry of Water and Irrigation has the mandate of ensuring that there is sustainable conservation, management and development of the available water and land resources and facilitates their planned exploitation. The provision of adequate and clean water both for domestic, for farming and for livestock has been a major goal that the government has been pursuing for years.

1.1.2 A review of the Vision 2030 and the Medium-Term Plan indicates that among the flagship projects in the sector were the expansion of the hectareage under irrigation, construction of large dams and increasing acces to clean water by 5million people.

2.0 State Corporations and Departments

2.1 The Ministry has five departments and they are: -

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

2.2 Key state corporations are:-

- National Water Conservation and Pipeline Corporation;
- National Irrigation Board;
- Kenya Water Institute;
- Water Services Trust Fund
- Water Resource Management Authority
- Water Services Regulatory Board;
- Water Appeals Board;
- Eight (8) regional Water Services Boards – Athi, Lake Victoria South, Lake Victoria North, Rift Valley, Coast, Tanathi, Tana, and Northern;

2.3 Papers Laid - Documents of reference

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

2.4 ALLOCATION

2.4.1 REQUEST, ALLOCATION AND EXPENDITURE

i.). COMPARISON OF THE PREVIUOS YEARS (Kshs. Millions)

- Ministry was allocated Kshs.18,188 million out of which Kshs.6,361 million is recurrent and Kshs.11,827 million for development while Kshs.25,361 million is for donor revenue

- Compared to last financial year 2011/12, the above allocation shows an decrease of Kshs.227 million and Kshs.1,190 million under recurrent and development expenditures respectively.
- The Ministry's absorption capacity is at 72% as Compared to the FY last financial year 2011/12 which stood at 82% (MILLIONS)

FY	GOK RECURRENT	GOK DEVELOPMENT	DONOR DEV.	TOTAL
Approved 2009/10	3, 361.6	10, 730.6	12, 522.3	26, 614.5
Approved 2010/2011	3, 779.9	12, 016.2	20, 513.5	36, 309.6
Approved 2011/2012	6,134	12, 016.2	18,069	36,220
Approved 2012/2013	6,361	11,827	25,361	43,549

2.4.2 AREAS LEFT OUT OF THE BUDGET = Kshs.28, 144million

- Serviceing Construction contracts at large dams
- Construction of Kiserian Sewerage
- Overhaul and replacement of drilling rigs
- New Dam construction
- dam equipment
- drilling of boreholes;
- Construction of rural water supply infrastructure
- Construction of urban water supply infrastructure
- Water supply subsidy;
- Smallholder irrigation development;

2.4.3 ALLOCATIONS TO NEW PROJECTS

- Theta Dam in Kiambu Kshs.300 million;
- Yatta Dam in Kitui – Kshs.2,373 million;
- Rare Dam – Kshs.80 million;
- Archers Post Dam, Samburu – Kshs.250 million;
- Watersecurity and climate change Resliince project – Kshs.234 million;
- Siyoi Dam in West Pokot Kshs.400 million
- Nzoia Dam in Lugari, Western Province Kshs.450 million

2.4.4 COMMITTEE COMMENTS AND OBSERVATIONS

- The total budget for the Ministry is Kshs. 41,559.38 billion of which Kshs. 6.361 billion is recurrent and Kshs. 35.198 billion is development.
- The ministry's budget has risen rapidly over the last five years. For instance, the total budget for the Ministry of Water and Irrigation rose from Kshs. 24.07 billion in 2008/09 to Kshs. 38.61 billion in 2010/11: an increase of 37.6%. The budget estimates for 2012/13 are Kshs. 41.559 billion.
- During the period 2010/11, the Ministry's overall expenditures stood at 18.9 % for recurrent expenditures and 81.1% for development expenditures.
- The performance of the ministry in absorbing or using the approved resources is wanting. For example, while the ministry's budget rose from Kshs. 24.07 billion in

2008/09 to Kshs. 38.61 billion in 2010/11, the actual expenditures increased from Kshs. 19.5 billion to Kshs. 28.6 billion. This indicates that the actual expenditures grew more slowly than the approved budget.

- The problem of absorption in the sector can easily be seen by comparing approved estimates and actual expenditures in the development vote. For example, overall in 2010/11 financial year the absorption rate was low as the actual expenditure were less than approved estimates by 607 million (24%). It may be noted that most of the funds in development were allocated to use of goods and services and acquisition of non-financial assets. Whereas the development budget of the ministry rose by 40.0% from Kshs 23.3 billion in 2009/10 to Kshs 32.8 billion in 2010/11. Actual expenditure was 70.8% of the approved development budget.
- A big component of resources to the ministry, particularly development resources, comes from development partners. Funding from development partners rose by 143.7 % from Kshs 8.5 billion in 2009/10 to Kshs 20.6 billion in 2010/11. This trend is likely to continue owing to the importance of the water and irrigation sector in the Vision 2030.
- List of programmes identified for implementation in the FY 2012/2013

Programme name	Programme output	Key performance indicators/targets (2012/13)
Water resources management and water storage	Water resource monitoring stations rehabilitated and operationalized	300 monitoring stations rehabilitated
	Large, small and medium sized dams	5 large dams constructed 22 medium sized dams constructed 100 small dams and water pans constructed
Water supply and sewerage	Medium size towns urban water supplies infrastructure expanded	26 urban water supplies infrastructure expanded
	New water and sanitation projects constructed	180 water and sanitation projects constructed
	New boreholes drilled and equipped	160 boreholes drilled and equipped
Water policy and management	Water management policies	Water management policies formulated
Irrigation infrastructure and land reclamation	Area developed for irrigation night storage pans constructed	50,000Ha developed 50 night storage pans constructed
	Water conservation and rain water harvesting structures constructed in ASALs and areas of land reclaimed	3,500 of water conservation and rain water harvesting structures constructed and 7,000Ha of land reclaimed

- The Ministry plans to expand smallholder irrigation schemes to develop 2000 Ha of irrigation in every constituency in the country. Thus, additional funding is required for the National Irrigation Board. Under this plan, 50,000 Ha will be put under Irrigation which will exceed the 40,000 Ha target under the Medium Term Plan.
- Under the Water Resource Management and Water Storage, NWCPC requires Kshs 1.9 Billion for Chemsusu Dam to be completed next financial year, Kshs. 7.5 Billion

- for new large dams such as Nzoia, Siyoi, Bunyunyu, Archers Post and Rare dams in 2012/2013 Financial Year. The amounts allocated for the outer years are: Kshs 8.5 Billion and Kshs 5.5 Billion for Financial years 2013/14 and 2014/15 respectively.
- The Corporation also intends to strengthen Flood control works in Nyando, Nzoia, Njoro Kubwa, Yatta, Daua and Garsen Town at a total cost of Ksh.505 Million in 2012/13 Financial Year and Kshs. 700 Million and Ksh.820 Million in 2013/14 and 2014/15, respectively.
 - The Ministry also planned to drill 160 boreholes at Kshs. 960 Million during 2012/13 Financial Year and 1.0 Billion each in subsequent Financial Years.
 - Construction of Small pans and small dams will cost Kshs. 660 Million during 2012/13 and 700 Million in 2013/14. The additional funding in the water Resources sub programme will be required to rehabilitate 300 existing hydro meteorological stations and install additional 100 regional gauging stations to enhance water resources data collection and management.
 - Under the Water supplies and sewerage program, the Ministry planned to do rural water supplies rehabilitation, expansion and development of 180 rural and community water supplies schemes. It will also be used in urban water supplies in Nairobi, Mombasa, Kisumu, Nzoia and 26 medium size towns in MTP programmes.
 - Of the Kshs.6.361 billion in recurrent estimates, Kshs.1.967 billion is AIA. Thus, the net recurrent expenditure for the Ministry is Kshs. 4.393 billion. The projected spending for this component remains fairly the same in the medium term. The recurrent budget for the ministry is therefore funded through government revenues amounting to Kshs.4.393 billion and AIA amounting to Kshs.1.967.
 - The main sources of recurrent AIA for most vote heads are receipts from sales of non-market establishments in institutions such as: the Water Resources Management Authority, Kenya Water Institute, National Irrigation Board, and Water Services boards across the country.
 - Allocations to water services boards amounts to Kshs.1.633 billion, of which Kshs.1.477 is AIA, while allocations to irrigation and land reclamation is Kshs.248.777 million. Kshs.635.887 million is allocated to the National Irrigation Board, and Kshs. 300 million to National Water Conservation and Pipeline Corporation.
 - The development budget for the Ministry is Kshs. 35.198 billion in 2012/13, of which Kshs. 19.150 billion is AIA. Thus, the net development expenditure for the Ministry is Kshs. 16.047 billion. This is for capital expenditure for irrigation schemes, National Water Conservation And Pipeline Corporation and National Irrigation Board.
 - Most of the development budget goes to water services boards (Head 0005), which are expected to receive Kshs. 18.990 billion, water conservation and dam construction (vote head 0031), which gets Kshs. 4.554 billion, national irrigation board (vote head 0027) with Kshs. 2.743 billion and Headquarters and professional services (vote head 0006), Kshs. 2.649 billion, and water services trust fund (vote head 0004).
 - The Kshs. 18.99 billion to water services boards is distributed among various water services boards across the country among them: Athi Water Services Board (which gets Kshs. 3.223 billion, where Kshs. 2.773 billion is AIA most of it sourced as direct foreign borrowing), Lake Victoria South Water Services Board (Kshs. 2.39 billion, with Kshs. 1,5 billion of the Kshs. 1.77 billion AIA sourced as direct foreign borrowing), Lake Victoria North Water Services Board (Kshs. 819 million), Coastal Water Services Board (Kshs. 1,5 billion AIA sourced as direct foreign borrowing), Tana Water Services Board (Kshs. 3.34 billion, with Kshs. 2.225 billion of the AIA sourced as direct foreign borrowing), Northern Water Services (Kshs. 2.311 billion, with Kshs. 1.598 billion of the Kshs. 1.678 billion AIA sourced as direct foreign borrowing), Tanathi

Water Services Board, (Kshs. 3.333 billion, with an AIA of Kshs. 2.850 billion, where the bulk of AIA is from direct foreign borrowing amounting to Kshs. 2.5 billion, against 350 million grants from foreign governments).

- The other large allocation on development budget is the Headquarters and Professional Services which get Kshs. 2.249 billion.
- The Kazi Kwa Vijana programme in the ministry (subhead 02 under Vote Head 0006-Head Quarters and Professional Services) gets Kshs. 400 million, with Kshs. 300 million for “other operating expenses” and the rest for wages for temporary employees.
- Allocations to irrigation programmes are as follows: Irrigation and Land Reclamation Head-0023 gets Kshs. 718 million; and the National Irrigation Board is allocated Kshs. 2.743 billion.
- Construction of Rural Water Supplies (devolved function) is allocated Kshs. 1.405 billion.
- Finally, Water Conservation and Dam Construction will get Kshs. 4.544 billion as development spending.
- The development budget for the ministry is funded through government revenues amounting to Kshs. 16.047 billion and AIA amounting to Kshs. 19.150 billion. The composition of AIA is Kshs. 3.778 billion in grants and Kshs. 15.373 billion in loans. Part of this comes in as external revenue, with Kshs. 988 million as grants and Kshs. 3.063 billion as loans.
- It appears that most of the ministry’s development budget is financed from foreign loans and development aid. This presents various risks including possible absorption problems if the projections are too ambitious, and also increased national debts. It is proposed that the ministry should ensure that the planned projects are delivered and there is value for money.
- Large 2014/15 figure for rehabilitation of civil works amounting to Ksh. 4.5 billion relative to Ksh. 620 million in 2012/13 under the vote head headquarters and professional services needs to be justified.
- The Ministry should put in place monitoring measures to ensure that fund allocated to Service Boards are utilized properly and for the intended purpose;
- That there is need to provide funds for the construction of large for water security
- Funds meant for National Irrigation Board be released as transfers/grants to government agency by the Treasury;
- The sector is overrelying on donor revenue and loans rather than self sustaining;
- Water services boards be manage to be self sustaining;
- The absorption capacity of the above Ministries and government department has been affected by delays in exchequer and donor releases. The Committee therefore recommends that the Ministry of Finance expedite exchequer releases to Ministries and department to enable completion of approved programmes.

2.5 CONSIDERATION OF ESTIMATES

2.5.1 SCRUTINY OF THE RECURRENT ALLOCATIONS (R120) - OBSERVATIONS AND RECOMMENDATION - Examination of Heads, by the Committee, under Vote R. 120 was as follows:-

0002:HEADQUARTERS ADMINISTRATIVE AND TECHNICAL SERVICES

The proposed net expenditure under this head is Kshs 253,735,351. In addition, under this head , the Ministry expects to raise Kshs.200,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 253,735,351 be allocated to the Ministry for the expenditure proposed in the items under Head 0002 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.200,000 to finance its operations.

0003:FINANCE AND PROCUREMENT SERVICES

The proposed net expenditure under this head is Kshs.27,520,501. The Committee also proposes that a sum not exceeding Kshs.27,520,501 be allocated to the Ministry for the expenditure proposed in the items under Head 0003.

0004:THE WATER SERVICES TRUST FUND

The proposed net expenditure under this head is Kshs.18,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.18,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0004.

0005:WATER SERVICES BOARDS

The proposed net expenditure under this head is Kshs.156,297,000. In addition, under this head , the Ministry expects to raise Kshs.1,226,715,239 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.156,297,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0005 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.1,226,715,239 to finance its operations.

0006:HEADQUARTERS AND PROFESSIONAL SERVICES

The proposed net expenditure under this head is Kshs.539,228,408. In addition, under this head , the Ministry expects to raise Kshs.60,000 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.589,574,159 be allocated to the Ministry for the expenditure proposed in the items under Head 0006 that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.60,000 to finance its operations.

0007:MECHANICAL AND ELECTRICAL DIVISION

The proposed net expenditure under this head is Kshs.102,736,727. In addition, under this head , the Ministry expects to raise Kshs.60,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.90,622,704 be allocated to the Ministry for the expenditure proposed in the items under Head 0007 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.60,000 to finance its operations.

0008:KENYA WATER INSTITUTE

The proposed net expenditure under this head is Kshs 110,000,000. In addition, under head 0008, the Ministry expects to raise Kshs.60,000,000 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.110,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0008 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.60,000,000 to finance its operations.

0009:DEVELOPMENT PLANNING

The proposed net expenditure under this head is Kshs.16,693,008. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.16,693,008 be allocated to the Ministry for the expenditure proposed in the items under Head 0009.

0015:DISTRICT WATER SERVICES

The proposed net expenditure under this head is Kshs.1,713,157,451. In addition, under this head, the Ministry expects to raise Kshs.5,650,000 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 1,713,157,451 be allocated to the Ministry for the expenditure proposed in the items under Head 0015 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.5,650,000 to finance its operations.

0016:WATER RESOURCES - POLLUTION CONTROL

The proposed net expenditure under this head is Kshs.70,003,587. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.70,003,587 be allocated to the Ministry for the expenditure proposed in the items under Head 0016.

0017:WATER RESOURCES- SURFACE WATER

The proposed net expenditure under this head is Kshs.207,141,834. In addition, under this head, the Ministry expects to raise Kshs.1,500,000 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 207,141,834 be allocated to the Ministry for the expenditure proposed in the items under Head 0017 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.1,500,000 to finance its operations.

0018:COASTAL WATER SUPPLY

The proposed net expenditure under this head is Kshs.86,253,579. In addition, under this head, the Ministry expects to raise Kshs.1,650,000 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.86,253,579 be allocated to the Ministry for the expenditure proposed in the items under Head 0018 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.1,650,000 to finance its operations.

0019:WATER RESOURCES

The proposed net expenditure under this head is Kshs.140,713,929. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 140,713,929 be allocated to the Ministry for the expenditure proposed in the items under Head 0019.

0020:OTHER MUNICIPALITIES WATER SUPPLIES

The proposed net expenditure under this head is Kshs. 105,002,481. In addition, under this head , the Ministry expects to raise Kshs.2,000,000 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.105,002,481 be allocated to the Ministry for the expenditure proposed in the items under Head 0020 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.2,000,000 to finance its operations.

0021:SEWERAGE MAINTENANCE

The proposed net expenditure under this head is Kshs.22,933,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.22,933,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0021.

0023:IRRIGATION AND LAND RECLAMATION

The proposed net expenditure under this head is Kshs.248,777,731. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 248,777,731 be allocated to the Ministry for the expenditure proposed in the items under Head 0023.

0025:INTEGRATED ASAL PROGRAMME

The proposed net expenditure under this head is Kshs.26,151,487. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 26,151,487 be allocated to the Ministry for the expenditure proposed in the items under Head 0025.

0026:TURKANA REHABILITATION PROJECT

The proposed net expenditure under this head is Kshs.22,599,774. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 22,599,774 be allocated to the Ministry for the expenditure proposed in the items under Head 0026.

0027:NATIONAL IRRIGATION BOARD

The proposed net expenditure under this head is Kshs.311,000,000. In addition, under this head , the Ministry expects to raise Kshs.324,887,357 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.311,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0027 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.324,887,357 to finance its operations.

0030:NATIONAL WATER CONSERVATION AND PIPELINE CORPORATION

The proposed net expenditure under this head is Kshs.210,000,000. In addition, under this head, the Ministry expects to raise Kshs. 90,000,000 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.210,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0030 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.90,000,000 to finance its operations.

0032:WATER RIGHTS

The proposed net expenditure under this head is Kshs.5,367,952. In addition, under this head, the Ministry expects to raise Kshs.5,000,000 in Appropriation-in-aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.5,367,952 be allocated to the Ministry for the expenditure proposed in the items under Head 0032 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.5,000,000 to finance its operations.

2.6.2 ANALYSIS OF THE DEVELOPMENT BUDGET (D120) - COMMITTEE OBSERVATIONS –DEVELOPMENT - Examination of Heads, by the Committee, under Vote D20 was as follows:-

0002:HEADQUARTERS ADMINISTRATIVE AND TECHNICAL SERVICES

The proposed net expenditure under this head is kshs 10,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 10,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0002.

0004:THE WATER SERVICES TRUST FUND

The proposed net expenditure under this head is kshs 320,000,000. In addition, under this head, the Ministry expects to raise Kshs. 852,791,566 in Appropriation-in-aid from development partners.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding kshs 320,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0004 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 852,791,566 from development partners to finance its operations.

0005:WATER RESOURCES BOARDS

The proposed net expenditure under this head is Kshs.5,180,325,505. In addition, under this head, the Ministry expects to raise Kshs. 13,809,644,040 in Appropriation-in-aid from Development Partners

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.5,180,325,505 be allocated to the Ministry for the expenditure proposed in the items under Head 0005 and that the ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.13,809,644,040 from development partners to finance its operations.

0006:HEADQUARTERS PROFESSIONAL SERVICES

The proposed net expenditure under this head is Kshs.1,349,094,860. In addition, under this head, the ministry expects to raise Kshs. 1,300,000,000 in Appropriation-in-aid from development partners.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.1,349,094,860 be allocated to the Ministry for the expenditure proposed in the items under Head 0006 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 1,300,000,000 from development partners to finance its operations.

0008:WATER INSTITUTE

The proposed net expenditure under this head is Kshs.70,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 70,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0008.

0009:DEVELOPMENT PLANNING

The proposed net expenditure under this head is Kshs.5,110,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.5,110,000 be allocated to the Ministry for the expenditure proposed on the items under Head 0009.

0010:CENTRALIZED SERVICES

The proposed net expenditure under this head is Kshs 20,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 20,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0010.

0011:CONSTRUCTION OF RURAL WATER SUPPLIES

The proposed net expenditure under this head is Kshs 1,405,445,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.1,405,445,000 be allocated to the Ministry for the expenditure proposed on the items under Head 0011.

0012:CONSTRUCTION OF URBAN WATER SUPPLIES

The proposed net expenditure under this head is Kshs.703,200,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.703,200,000 be allocated to the Ministry for the expenditure proposed on the items under Head 0012.

0013:CONSTRUCTION OF SEWERAGES

The proposed net expenditure under this head is Kshs.204,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 204,000,000 be allocated to the Ministry for the expenditure proposed on the items under Head 0013.

0016:WATER RESOURCE- POLLUTION CONTROL

The proposed net expenditure under this head is Kshs 5,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 5,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0016.

0019:WATER RESOURCES

The proposed net expenditure under this head is Kshs.89,020,000. In addition, under this head, the ministry expects to raise Kshs.900,000 in Appropriation-in-aid from development partners.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 89,020,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0019 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.900,000 from development partners to finance its operations.

0023:IRRIGATION AND LAND RECLAMATION

The proposed net expenditure under this head is Kshs.538,100,000. In addition, under this head, the Ministry expects to raise Kshs.180,800,000 in Appropriation-in-aid from development partners.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.538,100,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0023 and the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 180,800,000 from development partners to finance its operations.

0025:INTEGRATED ASAL PROGRAMME

The proposed net expenditure under this head is Kshs.81,424,304. In addition, under this head, the Ministry expects to raise Kshs.14,000,000 in Appropriation-in-aid from development partners.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 81,424,304 be allocated to the Ministry for the expenditure proposed in the items under Head 0025 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.14,000,000 to finance its operations.

0026:TURKANA REHABILITATION PROJECT

The proposed net expenditure under this head is Kshs.24,300,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.24,300,000 be allocated to the Ministry for the expenditure proposed on the items under Head 0026.

0027:NATIONAL IRRIGATION BOARD

The proposed net expenditure under this head is Kshs.703,000,000. In addition, under this head, the ministry expects to raise Kshs.2,040,000,000 in appropriation-in-aid from development partners.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.703,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0027 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.2,040,000,000 from development partners to finance its operations.

0029:FLOOD CONTROL MANAGEMENT

The proposed net expenditure under this head is Kshs.156,998,131. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.156,998,131 be allocated to the Ministry for the expenditure proposed in the items under Head 0029.

0030:NATIONAL WATER CONSERVATION AND PIPELINE CORPORATION

The proposed net expenditure under this head is Kshs.575,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 575,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0030.

0031:WATER CONSERVATION AND DAM CONSTRUCTION

The proposed net expenditure under this head is Kshs.4,554,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 4,554,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0031.

1062:MOUNT KENYA EAST PILOT PROJECT

The proposed net expenditure under this head is Kshs.53,479,200. In addition, under this head , the ministry expects to raise Kshs.53,612,000 in appropriation-in-aid from development partners.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.53,479,200 be allocated to the Ministry for the expenditure proposed in the items under Head 1062 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.53,612,000 from development partners to finance its operations.

3. VOTE 121 – MINISTRY OF ENVIRONMENT AND MINERAL RESOURCES

3.1 Introduction – Mandate and appearance

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

3.1.2 The Ministry is faced with the following challenges: -

- Degradation and protection of catchment areas
- Insufficient funds allocated to NEMA and Mines and Geology department
- Inadequate staffing
- inadequate geological data
- Effect of Climate change
- Lack of adequate policies and legislation
- Lack of a benefit – sharing framework from Mineral and gemstones with communities
- Inadequate modern equipment for Kenya Mines Department

3.2 State Corporations and Departments

3.2.1 The Ministry has five departments and they are: -

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

3.2.2 Key state corporations are:-

- National Environment Management Authority (NEMA);

3.3 Papers Laid - Documents of reference

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

3.3.2 Disaggregated Budget for the Ministry; and

3.3.3 The Annual Estimates of the ministry 2011/2012;

3.4 ALLOCATION

3.4.1 Performance of the Ministry in 2010/2011 and current FY 2011/12

- In FY 2012/2013, Ministry requested Kshs.7,040,493,270 out of which Kshs.2,696,365,900 was recurrent and Kshs.4,344,127,370 for development
- Compared to last financial year 2011/12, of Kshs.5,919,067,686 the above allocation shows an increase of Kshs.367,395,899 and Kshs.754,029,685 under recurrent and development expenditures respectively.

3.5.3 AREAS LEFT OUT OF THE BUDGET

- ✓ The absorption capacity of the Ministry in FY 2011/12 was 75%. The low absorption capacity is attributed to delay in exchequer and donor releases.
- ✓ Projects left out of the estimates were: -

- a) Weather modification under the Kenya Meteorological Department at a cost of Kshs. 940 million
- b) Urban climate monitoring system – Kshs. 60 million
- c) Staffing and operations of NEMA at Kshs. 2.7 billion
- d) Mines and geology department – Kshs.16.0 billion;
- e) Nairobi River project support to reduce effluent discharge and waste pollution – Kshs. 2 billion
- f) Department of remote sensing and resource survey = kshs.2.5 billion;
- ✓ Budget for State Corporation and desegregated budget
 - ✓ NEMA and its institution was allocated Kshs. 736,289,224 in FY 2012/13
 - ✓ In FY 2011/12, Kshs. 934, 979, 250 of which Kshs. 828, 979,250 went to actual activities of NEMA, Kshs. 23 million for NE Tribunal, Kshs. 33 million to Public Complainants Committee and NET Fund Kshs. 50 million

3.5 COMMITTEE OBSERVATIONS AND COMMENTS

- 3.5.1 The Ministry needs to maximize on the opportunities presented by the global carbon trades or carbon trading under the Climate change negotiations;
- 3.5.2 The Ministry of finance should allocate funds on an annual basis for the carrying out aerial geophysical survey of Minerals;
- 3.5.3 The total budget for the Ministry of Environment and Mineral Resources is Kshs. 7.626 billion of which Kshs. 3.205 billion is recurrent and Kshs. 4.422 billion is development.
- 3.5.4 The total budget for this ministry has increased sharply since 2009/10 after a one year dips in 2008/09. The budget for the ministry has now reached Kshs. 7.626.31 billion from Kshs. 6,707.9 billion in 2011/12. The rise in the budget since 2009/10 is mainly driven by the steady rise in development expenditure. From a mere Kshs. 1 billion, the development spending has reached Kshs. 4.4 billion in the estimates for 2012/13.
- 3.5.5 On the rate of absorption of the approved budget there is some evidence that the Ministry nearly exhausts its recurrent budget. For example, while the total approved recurrent budget for this ministry increased slightly from 2.164 billion in 2008/09 to 2. 453 billion in 2010/11 (13% increase). The actual expenditures rose from Kshs. 1.979 in 2008/09 to Ksh.2.424 in 2010/11, an increase of 20%.

3.6 CONSIDERATION OF ESTIMATES

3.6.1 SCRUTINY OF THE RECURRENT BUDGET ALLOCATIONS (R121) - OBSERVATIONS AND RECOMMENDATIONS

0001: HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.353,317,925. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.353,317,925 be allocated to the Ministry for the expenditure proposed in the items under Head 0001.

0003: FINANCIAL MANAGEMENT AND PROCUREMENT SERVICES

The proposed net expenditure under this head is Kshs.32,749,477. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.32,749,477 be allocated to the Ministry for the expenditure proposed in the items under Head 0003.

0004:DEVELOPMENT PLANNING DIVISION

The proposed net expenditure under this head is Kshs.20,505,705. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 20,505,705 be allocated to the Ministry for the expenditure proposed in the items under Head 0004.

0015:MINES & GEOLOGY DEPARTMENT

The proposed net expenditure under this head is Kshs.139,496,121. In addition, under this head, the Ministry expects to raise Kshs.12,000,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 139,496,121 be allocated to the Ministry for the expenditure proposed in the items under Head 0015 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.12,000,000 to finance its operations.

0016:PROVINCIAL OFFICES – HEADQUARTERS

The proposed net expenditure under this head is Kshs.55,011,641. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.55,011,641 be allocated to the Ministry for the expenditure proposed in the items under Head 0016.

0017:MINERAL SURVEY AND EXPLORATION

The proposed net expenditure under this head is Kshs.15,764,750. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 15,764,750 be allocated to the Ministry for the expenditure proposed in the items under Head 0017.

0018:DEPARTMENT OF RESOURCE SURVEY AND REMOTE SENSING

The proposed net expenditure under this head is Kshs.205,034,812. In addition, under this head, the Ministry expects to raise Kshs.1,500,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 205,034,812 be allocated to the Ministry for the expenditure proposed in the items under Head 0018 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.1,500,000 to finance its operations.

0021:DIRECTORATE OF ENVIRONMENT

The proposed net expenditure under this head is Kshs.176,842,671. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 176,842,671 be allocated to the Ministry for the expenditure proposed in the items under Head 0021.

0022:NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY

The proposed net expenditure under this head is Kshs.590,789,224. In addition, under this Head, the Ministry expects to raise Kshs.478,000,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.590,789,224 be allocated to the Ministry for the expenditure proposed in the items

under Head 0022 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.478,000,000 to finance its operations.

0023:PUBLIC COMPLAINTS COMMITTEE

The proposed net expenditure under this head is Kshs.33,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.33,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0023.

0024:NATIONAL ENVIRONMENT TRIBUNAL

The proposed net expenditure under this head is Kshs.23,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.23,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0024.

0025:METEOROLOGICAL DEPARTMENT (HEADQUARTERS)

The proposed net expenditure under this head is Kshs.1,050,853,574. In addition, under this head, the ministry expects to raise Kshs.16,900,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.1,050,853,574 be allocated to the Ministry for the expenditure proposed in the items under Head 0025 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.16,900,000 to finance its operations.

3.6.2 SCRUTINY OF THE DEVELOPMENT ALLOCATIONS (D121) – COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

0001:HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.100,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.100,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0001.

0002:LAKE VICTORIA ENVIRONMENTAL MANAGEMENT PROJECT

The proposed net expenditure under this head is Kshs.813,878,690. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 813,878,690 be allocated to the Ministry for the expenditure proposed in the items under Head 0002.

0004:DEVELOPMENT PLANNING DIVISION

The proposed net expenditure under this head is Kshs.6,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.6,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0004.

0015:MINES AND GEOLOGY DEPARTMENT

The proposed net expenditure under this head is Kshs.453,200,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.453,200,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0015.

0016:PROVINCIAL OFFICES

The proposed net expenditure under this head is Kshs.9,400,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.9,400,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0016.

0018:DEPARTMENT OF RESOURCE SURVEY AND REMOTE SENSING

The proposed net expenditure under this head is Kshs.531,369,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.531,369,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0018.

0021:DIRECTORATE OF ENVIRONMENT

The proposed net expenditure under this head is Kshs.1,710,571,932. In addition, under this head , the Ministry expects to raise Kshs.25,350,000 in Appropriation-in-Aid

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 1,710,571,932 be allocated to the Ministry for the expenditure proposed in the items under Head 0021 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.25,350,000 to finance its operations.

0022:NATIONAL ENVIRONMENTAL MANAGEMENT AUTHORITY

The proposed net expenditure under this head is Kshs.89,500,000. In addition, under this head , the Ministry expects to raise Kshs.30,000,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.89,500,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0022 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.30,000,000 to finance its operations.

0025:METEOROLOGICAL DEPARTMENT

The proposed net expenditure under this head is Kshs.610,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.610,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0025.

1007:AFRICAN ADAPTATION PROJECT

The proposed net expenditure under this head is Kshs.10,761,900. In addition, under this head , the Ministry expects to raise Kshs.22,065,660 in Appropriation-in-Aid

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.10,761,900 be allocated to the Ministry for the expenditure proposed in the items under Head 1007 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.22,065,660 to finance its operations.

1009:PHASING OUT OZONE DEPLETING SUBSTANCES PROJECT OPERATIONALIZED

The proposed net expenditure under this head is Kshs.9,445,848. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 9,445,848 be allocated to the Ministry for the expenditure proposed in the items under Head 1009.

4 : VOTE 136 – MINISTRY OF LANDS

4.1 Introduction – Mandate

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

4.1.2 In achieving the above, the ministry is to; -

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

4.2 State Corporations and Departments

4.2.1 The Ministry does not have any state corporation under it;

4.3 Papers Laid - Documents of reference

4.3.1 The presentation statement on the FY 201/2011 Annual Estimates;

4.3.2 FY 2012/2013 Annual Estimates; and

4.3.3 Disaggregated Budget for the Ministry;

4.4 Key Priority expenditure areas include:-

- land registries;
- land reforms;
- national land information management systems;
- national spatial plan;
- land cover and land use mapping
- kenya national spatial data infrastructure;
- 20 local physical development plans
- resolution of land and boundary disputes;
- 30 land adjudication sections out of 340 pending;
- settling of 8000 families;
- resolution of 15000 land adjudication disputes out of 25000 pending; among others

4.5 ALLOCATION AND ABSORPTION CAPACITY

4.5.1 The Ministry in 2009/10, 2010/11 and 2011/12 received Kshs.3,440,427,700, Kshs.4,965,461,610 and Kshs. 6,031,836,323 respectively;

4.5.2 The Ministry has generated significant revenue and A-I-A collection amounting to an average of Kshs.7.329 billion per year in the last 3 years

4.5.3 Allocation for the FY2009/10, 2010/11 and 2011/12 were inclusive of Kshs.1.4 B, Kshs.2.5 billion and Kshs.2.5 B respectively for resettlement of IDPs;

4.5.4 In the FY2012/13, the Ministry requested for Kshs.12,282,000,000 but was allocated Kshs.4,967,241,030. Out of that Kshs.2,498,785,250 is recurrent while Kshs.2,468,455,780 is for development expenditure

4.5.5 Absorption capacity of the Ministry in the last FY 2010/11 was averaging 96%;

4.5.6 Programmes/Projects not funded were: -

- a. Recruitment of staff
- b. Purchase of Motor Vehicles
- c. Settlement of the landless Poor
- d. Settlement of internally displaced persons
- e. Surveying of 47 county boundaries, 290 constituencies and 290 districts;
- f. Purchase of land for Forest evictees
- g. Creation of a land bank in line with the national Land Policy;

4.5.7 COMMITTEE OBSERVATIONS AND COMMENTS.

- The total budget for the Ministry of Lands is Kshs. 5.058 billion of which Kshs. 2.508 billion is recurrent and Kshs. 2.5496 billion is development.
- The Ministry of Lands total budget has fluctuated over the last five years. The budget was at its lowest between 2008/09 and 2009/10, but rose thereafter to reach Kshs. 4.559 billion in 2010/11 from Kshs. 2.543 billion the previous year. The budget declined in the financial year 2011/12 to Kshs. 3.505 billion, but the 2012/13 estimates show that the ministry's budget will reach Kshs. 5.057 billion.
- With regard to absorption or use of resources, between 2008/09 financial year to 2010/11 financial year, there was notable differences between original budget and the actual budget. This reflects changes in the supplementary budget or non-adherence to the budget plans. This deviation is largest for development, for which there was a Kshs. 1.135 billion increase in development spending in 2009/10.
- Some of the key activities of the ministry in 2010/11 include the following:
 - preparation of various bills related to land including the one to form the land commission which has already been signed into law (such as the Land Bill);
 - development of national land use policy,
 - development of national spatial plan,
 - Development of land information systems.
 - development of physical plans and plans for resort cities such as Kilifi resort city,
 - deeds registration,
 - collection of revenue (which reached Kshs. 7.855 billion),
 - Resettlements, land dispute resolution among others.
- The Ministry should be allocated funds for land acquisition for settlement of landless poor, Internally displaced persons and creation of land bank;
- The Ministry should be funded to survey and monument various categories of national boundaries such constituencies, counties and district boundaries;
- Funds be allocated to the Ministry to implement the new land laws and Sessional paper No.3 of 2009 on National Land Policy;

4.6 CONSIDERATION OF THE ESTIMATES

4.6.1 SCRUTINY OF RECURRENT ALLOCATIONS (R136)- COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

0001: GENERAL ADMINISTRATION AND PLANNING

The proposed net expenditure under this head is Kshs.647,588,295. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.647,588,295

be allocated to the Ministry for the expenditure proposed in the items under Head 0001.

0002: REVENUE SECRETARIAT

The proposed net expenditure under this head is Kshs.17,573,226. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.17,573,226 be allocated to the Ministry for the expenditure proposed in the items under Head 0002.

0003 DEVELOPMENT PLANNING SERVICES

The proposed net expenditure under this head is Kshs.9,201,635. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.9,201,635 be allocated to the Ministry for the expenditure proposed in the items under Head 0003.

0004: LAND ADJUDICATION & SETTLEMENT HEADQUARTERS ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.58,394,037. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.58,394,037 be allocated to the Ministry for the expenditure proposed in the items under Head 0004.

0005: DISTRICT LAND ADJUDICATION & SETTLEMENT

The proposed net expenditure under this head is Kshs.339,960,844. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 339,960,844 be allocated to the Ministry for the expenditure proposed in the items under Head 0005.

0009: SURVEY OF KENYA - HEADQUARTERS ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.198,608,011. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 198,608,011 be allocated to the Ministry for the expenditure proposed in the items under Head 0009.

0010: PROVINCIAL SURVEY OFFICES

The proposed net expenditure under this head is Kshs.26,541,023. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 26,541,023 be allocated to the Ministry for the expenditure proposed in the items under Head 0010.

0011: DISTRICT SURVEY OFFICES

The proposed net expenditure under this head is Kshs.313,266,332. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 313,266,332 be allocated to the Ministry for the expenditure proposed in the items under Head 0011.

0012: KENYA INSTITUTE OF SURVEYING & MAPPING

The proposed net expenditure under this head is Kshs.78,262,090. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 78,262,090 be allocated to the Ministry for the expenditure proposed and that the Ministry be allowed

to raise Appropriation-in-Aid amounting to Kshs.9,414,750 to finance its operations in the items under Head 0012.

0013: LANDS - HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.256,597,204. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 256,597,204 be allocated to the Ministry for the expenditure proposed in the items under Head 0013.

0014: DISTRICT LAND OFFICES

The proposed net expenditure under this head is Kshs.343,029,049. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 343,029,049 be allocated to the Ministry for the expenditure proposed in the items under Head 0014.

0015:PHYSICAL PLANNING - HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.97,696720. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.97,696720 be allocated to the Ministry for the expenditure proposed in the items under Head 0015.

0016: DISTRICT PHYSICAL PLANNING OFFICES

The proposed net expenditure under this head is Kshs.112,066,784. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 112,066,784 be allocated to the Ministry for the expenditure proposed in the items under Head 0016.

4.6.2: SCRUTINY OF THE DEVELOPMENT ALLOCATIONS (D136) – COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

0001:GENERAL ADMINISTRATION AND PLANNING

The proposed net expenditure under this head is Kshs.1,094,726,796. In addition, under this head, the Ministry expects to raise Kshs.81,226,100 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.1,094,726,796 be allocated to the Ministry for the expenditure proposed in the items under Head 0001 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 81,226,100 to finance its operations.

0004: LAND ADJUDICATION & SETTLEMENT HEADQUARTERS ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.25,112,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.25,112,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0004.

0005: DISTRICT LAND ADJUDICATION & SETTLEMENT

The proposed net expenditure under this head is Kshs.18,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.18,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0005.

0007: S.F.T. STATE LAND;

The proposed net expenditure under this head is Kshs.8,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.8,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0007.

0008: S.F.T. SHIRIKA CONVENTIONAL SCHEME

The proposed net expenditure under this head is Kshs.29,838,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 29,838,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0008.

0009: SURVEY OF KENYA – HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.1,039,089,939. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 1,039,089,939 be allocated to the Ministry for the expenditure proposed in the items under Head 0009.

0010: PROVINCIAL SURVEY OFFICES

The proposed net expenditure under this head is Kshs.6,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.6,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0010.

0011: DISTRICT SURVEY OFFICES

The proposed net expenditure under this head is Kshs.5,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.5,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0011.

0012: KENYA INSTITUTE OF SURVEY AND MAPPING

The proposed net expenditure under this head is Kshs.13,400,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.13,400,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0012.

0014: DISTRICTS LANDS OFFICES

The proposed net expenditure under this head is Kshs.122,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.122,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0014.

0015:PHYSICAL PLANNING – HEADQUARTERS, ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.80,789,045. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.80,789,045 be allocated to the Ministry for the expenditure proposed in the items under Head 0015.

0016:DISTRICT PHYSICAL PLANNING OFFICES

The proposed net expenditure under this head is Kshs.26,500,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.26,500,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0016.

5. VOTE 155 – MINISTRY OF FORESTRY AND WILDLIFE

5.1 Mandate

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

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

5.2 State Corporations and Departments

5.2.1 Key state corporations are:-

- Kenya Forest Service;
- Kenya Wildlife Service;
- Wildlife Clubs of Kenya; and
- Kenya Forest Research Institute.

5.3 Papers Laid - Documents of reference

5.3.1 The Minister statement;

5.3.2 The budget Estimates (recurrent and Development); and

5.3.3 Disaggregated Budget.

5.4 Areas of concern under the sub sector

5.4.1 The Kenya Wildlife Conservation and Management legal frameworks have been pending for a long time;

5.4.2 The continued Human-wildlife conflicts have not been well addressed in terms of budgetary allocations;

5.4.3 Need to increase the forest cover in five water towers and other forest areas in a bid to reach the recommended 10% forest cover.

5.4.4 Management and disappearance of wetlands is alarming.

5.4.5 Natural resources disasters require to be funded and proper mechanism be in place;

5.5 ALLOCATION

5.6.1 Analysis of the resource requirements for the vote – with respect to programmes, respective outputs and allocations of resources in (Kshs.)

Programme	Requested Resources 2010/11	Printed Estimates
Totals	16 billion	9.7 billion
	recurrent	4.2 billion
	development	3.2 billion
	AIA	2.3 Billion

5.6.2 Analysis of Transfers to state corporations and Fund Accounts - the SAGAs that fall under the Ministry of Forestry and Wildlife include:-

SAGA	2012/13
Kenya Wildlife Service	2.22
Kenya Forestry Research Institute	1.045
Kenya Forest Service	3.314
Wildlife Clubs of Kenya	50 Million
<i>total</i>	<i>6.629 billion</i>

5.7 COMMITTEE COMMENTS AND OBSERVATION

- The Ministry's expenditure, including the recurrent and development components have been rising steadily since 2007/08. Even though the budget for development is lower than that of recurrent, all the components of past expenditure including the 2012/13 estimates appear to follow the same trend;
- The Ministry's total budget rose from Kshs. 5.412 billion in 2008/09 to Kshs. 7.668 billion by 2010/11. The Ministry's budget is expected to rise by 36%, or by Kshs. 3 billion from 2011/12 to 2012/13.
- Another striking issue about the ministry is that its recurrent actual budget always exceeds the approved budget since 2008/09. With regard to development; the average deviation is negative.

Recurrent	2008/09	2009/10	2010/11
original budget	3,439	3,770	4,795
actual	3,697	4,264	5,148
deviation	258	494	353
Development			
original budget	1,883	1,698	2,874
actual	1,650	2,125	1,948
deviation	-233	427	-926

- The Ministry plans to undertake the following activities:
 - Gazettement of 25500 ha of additional forests ,
 - management of 4,000 ha Masaita forest training blocks,
 - rehabilitate 100,000 ha of degraded natural Forest,
 - enrichment planting of 12,500 ha of indigenous forest,
 - establishment of 15,000 ha industrial forest,
 - protection and rehabilitation of 300,000 ha of dry land forest, rehabilitation 1500 km of forest roads,
 - construct KFS headquarters,
 - construct County Forest managers offices,
 - Recruit 525 rangers among others.
- The Ministry had requested Kshs. 13.804 billion for 2012/13 but was allocated Kshs 5.395 billion in the BPS. The shortfall is Kshs. 8.409 billion;
- Analysis by economic classification reveals that 55% of all 2012/13 estimates, or Kshs. 6.5 billion, will go to transfers. These transfers are to SAGAs under the ministry. The next bigger component is acquisition of capital that takes 24% and use of goods and services that takes 20%.
- transfers to SAGAs are as follows:
 - Wildlife Clubs of Kenya - Kshs. 30 million;
 - Kenya Wildlife Service - Kshs. 937.3 million;
 - Forestry Research Institute, receives Kshs. 952.98 million, part of which Kshs. 4.5 million AIA is received from the sale of certified seeds and breeding stock;
 - The Kenya forest Service receives - Kshs. 4.065 billion, of which AIA includes Kshs. 2.298 billion from sale of certified seeds and breeding stock.

- The total transfers to the SAGAs are Kshs. 5.985 billion.
- The Ministry should fast-track the enactment of the Wildlife Bill to enable Kenya Wildlife Service realize its potential and be self sustaining. The Bill proposes among other things, the setting up of a KWS Fund. The fund is expected to raise US \$ 100million over 10 years and will provide an avenue to ensure that Wildlife and its habitats in Kenya continue to be conserved for posterity. The funds shall be raised from Government, development partners and individuals locally and abroad.

In the new FY 2011/2012, KWS had requested for funding of Kshs.1.3billion but was allocated Kshs.937million. Due to this shortfall the regulatory, research and response to Human-Wildlife conflict functions will not be adequately addressed.

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

5.8 CONSIDERATION OF ESTIMATES

5.8.1 SCRUTINY OF THE RECURRENT ALLOCATIONS (R155) – COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

0001:HEADQUARTERS AND ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.494,147,308. In addition, under this head , the Ministry expects to raise Kshs.300,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.494,147,308 be allocated to the Ministry for the expenditure proposed in the items under Head 0001 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.300,000 to finance its operations.

0002:CONSERVATION DEPARTMENT

The proposed net expenditure under this head is Kshs.54,666,292. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 54,666,292 be allocated to the Ministry for the expenditure proposed in the items under Head 0002.

0003:KENYA WILDLIFE SERVICE

The proposed net expenditure under this head is Kshs.937,300,000.

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

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.937,300,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0003.

0005:FORESTRY RESEARCH INSTITUTE, HEADQUARTERS

The proposed net expenditure under this head is Kshs.948,458,000. In addition, under this head, the Ministry expects to raise Kshs.4,500,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.948,458,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0005 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.4,500,000 to finance its operations.

0014: KENYA FOREST SERVICE

The proposed net expenditure under this head is Kshs.1,765,358,400. In addition, under this head, the Ministry expects to raise Kshs. 2,300,270,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.1,765,358,400 be allocated to the Ministry for the expenditure proposed in the items under Head 0014 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.2,300,270,000 to finance its operations.

5.8.1 SCRUTINY OF THE DEVELOPMENT ALLOCATION (D155)– COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

0001:HEADQUARTERS AND ADMINISTRATIVE SERVICES

The proposed net expenditure under this head is Kshs.120,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.120,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0001.

0002:CONSERVATION DEPARTMENT

The proposed net expenditure under this head is Kshs.150,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 150,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0002.

0003:KENYA WILDLIFE SERVICE

The proposed net expenditure under this head is Kshs.1,299,000,000. In addition, under this head, the Ministry expects to raise Kshs. 277,000,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.1,299,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0003 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.277,000,000 to finance its operations.

0004:HEADQUARTERS FORESTRY DEVELOPMENT

The proposed net expenditure under this head is Kshs.950,850,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 950,850,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0004.

0005:FORESTRY RESEARCH INSTITUTE, HEADQUARTERS

The proposed net expenditure under this head is Kshs.97,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.97,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0005.

0007:FORESTRY TRAINING COLLEGE - LONDIANI

The proposed net expenditure under this head is Kshs.5,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.5,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0007.

0011:ROAD CONSTRUCTION UNIT

The proposed net expenditure under this head is Kshs 113,900,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs 113,900,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0011.

0012:FORESTRY EXTENSION SERVICES

The proposed net expenditure under this head is Kshs.138,600,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 138,600,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0012.

0013:FORESTRY INSPECTION AND PATROL UNIT

The proposed net expenditure under this head is kshs 10,000,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 10,000,000 be allocated to the Ministry for the expenditure proposed in the items under Head 0013.

1001:SUPPORT TO COMMUNITY BASED FARM FORESTRY ENTERPRISES IN SEMI ARID AREAS PROJECT

The proposed net expenditure under this head is Kshs.84,730,000. The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 84,730,000 be allocated to the Ministry for the expenditure proposed in the items under Head 1001.

1004:GREEN ZONE DEVELOPMENT PROJECT(KFS)

The proposed net expenditure under this head is Kshs.329,138,300. In addition, under this head , the Ministry expects to raise Kshs.73,300,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.329,138,300 be allocated to the Ministry for the expenditure proposed in the items

under Head 1004 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.73,300,000 to finance its operations

1005:MITI MINGI MAISHA BORA(PHASE II)

The proposed net expenditure under this head is Kshs.141,984,370. In addition, under this head , the Ministry expects to raise Kshs.732,638,125 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs.141,984,370 be allocated to the Ministry for the expenditure proposed in the items under Head 1005 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.732,638,125 to finance its operations.

1007:THE FOREST PRESERVATION PROGRAMME

The proposed net expenditure under this head is Kshs.0. In addition, under this head , the Ministry expects to raise Kshs.180,000,000 in Appropriation-in-Aid.

The Committee is agreeable to the proposal by the Minister that a sum not exceeding Kshs. 0 be allocated to the Ministry for the expenditure proposed in the items under Head 1007 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.180,000,000 to finance its operations.

NATIONAL ASSEMBLY

DEPARTMENTAL COMMITTEE (J) ON LANDS AND NATURAL RESOURCES

PROGRAMME FOR CONSIDERATION OF THE 2012/2013 ESTIMATES

Thursday, May 3, 2012

Afternoon Sitting (3.30 P.M. – 5.30 P.M.)

Deliberations on the Committee programme

(Venue – Committee room 2, 2ND floor, Continental House)

Thursday, May 10, 2012

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

Meeting with the Minister for Forestry and Wildlife

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

(Venue – Committee Room, KICC)

Afternoon Sitting, May 10, 2012
(2.30 P.M. – 4.30 P.M.)

Meeting with the Minister for Lands

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

(Venue – Committee Room, KICC)

Tuesday, May 15, 2012

Morning Sitting (9.30 A.M. – 12.30 P.M.)

Meeting with the Minister for Environment and Mineral Resources

Examination of Estimates for the Ministry of Environment and Mineral
Resources: R.21 and D.21
(Recurrent and Development);

(Venue – Committee Room, KICC)

Afternoon Sitting, May 15, 2012

(2.30 P.M. – 4.30 P.M.)

Meeting with the Minister for Water & Irrigation

Examination of Estimates for the Ministry of Forestry and Wildlife: R.20 and
D.20
(Recurrent and Development);

(Venue – Committee Room, KICC)

Wednesday, May 16, 2012

(9.00 A.M. – 4.30 P.M.)

Consideration of Submissions, Presentations, Report and Adoption of Report.

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

(Venue – Committee Room, KICC)

MINUTES OF THE FIRST SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON THURSDAY, MAY 3, 2012 IN COMMITTEE ROOM 2, 2ND FLOOR, CONTINENTAL HOUSE AT 3.00P.M.

PRESENT:

The Hon. Mutava Musyimi, M. P. - Chairman
The Hon. Peris Simam, M. P. - Vice Chairperson
The Hon. Peter Gitau, M. P.
The Hon. Benedict F. Gunda, M. P.
The Hon. Silas M. Ruteere, M. P.

ABSENT WITH APOLOGY:

The Hon. Mohammed Affey, M. P.
The Hon. Omar Zonga, M. P.
The Hon. Kiema Kilonzo, M. P.
The Hon. (Dr.) Erastus Mureithi, MBS, HSC, M. P.
The Hon. Justus M. Kizito, M. P.
The Hon. Benjamin Washiali, M. P.

IN ATTENDANCE

Rana Tiampati
Wasike Makoha

- NATIONAL ASSEMBLY:

Second Clerk Assistant
Third Clerk Assistant

MIN. NO.1/2012: PRELIMINARIES

The Chairperson called the meeting to order at thirteen minutes past Three O'clock after prayers were said. He welcomed Members and other persons present in the meeting. The Agenda was adopted by Members present. The Agenda is: -

- a) Prayers;
- b) Confirmations of minutes;
- c) Matters arising;
- d) Consideration of the programme on the Scrutiny of Estimates for Votes – 120, 121, 136 and 155;
- e) Any Other Business –
- f) Date of the next sitting.

MIN.NO.2/2012:CONFIRMATION OF MINUTES OF THE PREVIOUS MEETINGS.

There are no minutes pending for Confirmation.

MIN. NO.3/2012: PROGRAMME FOR SCRUTINY OF ESTIMATES FOR FY 2012/2013

The Committee deliberated on the programme and approved as indicated below..

NATIONAL ASSEMBLY
DEPARTMENTAL COMMITTEE (J) ON LANDS AND NATURAL RESOURCES

PROGRAMME FOR CONSIDERATION OF THE 2012/2013 ESTIMATES

Thursday, May 3, 2012

Afternoon Sitting (3.30 P.M. – 5.30 P.M.)

Deliberations on the Committee programme
(Venue – Committee room 2, 2ND floor, Continental House)

Thursday, May 10, 2012

Morning Sitting

(9.00 A.M. – 12.30 P.M.)

Meeting with the Minister for Forestry and Wildlife

Examination of Estimates for the Ministry of Forestry and Wildlife: R.55 and D.55
(Recurrent and Development);
(Venue – Committee Room, KICC)

Afternoon Sitting, May 10, 2012

(2.30 P.M. – 4.30 P.M.)

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

(Venue – Committee Room, KICC)

Tuesday, May 15, 2012

Morning Sitting (9.30 A.M. – 12.30 P.M.)

Meeting with the Minister for Environment and Mineral Resources

Examination of Estimates for the Ministry of Environment and Mineral Resources: R.21 and
D.21
(Recurrent and Development);
(Venue – Committee Room, KICC)

Afternoon Sitting, May 15, 2012

(2.30 P.M. – 4.30 P.M.)

Meeting with the Minister for Water & Irrigation

Examination of Estimates for the Ministry of Forestry and Wildlife: R.20 and D.20
(Recurrent and Development);
(Venue – Committee Room, KICC)

Wednesday, May 16, 2012

(9.00 A.M. – 4.30 P.M.)

Consideration of Submissions, Presentations, Report and Adoption of Report.

(Estimates for Votes – 20, 21, 36, and 55)
(Venue – Committee Room, KICC)

MIN. NO. 4/2012:

ADJOURNMENT

The Chairman adjourned the meeting at Twenty Five minutes past four O'clock. The next meeting be held on Thursday, May 10, 2012 in the VIP Lounge, KICC AT 09.00a.m.



SIGN:.....

(HON. MUTAVA MUSYIMI, MP)

DATE:.....MAY 16, 2012.....

MINUTES OF THE SECOND SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON TUESDAY, MAY 10, 2012 IN VIP LOUNGE, KICC AT 09.00AM.

PRESENT:

The Hon. Mutava Musyimi, M. P. - Chairman
The Hon. Benedict F. Gunda, M. P.
The Hon. (Dr.) Erastus Mureithi, MBS, HSC, M. P.
The Hon. Justus M. Kizito, M. P.
The Hon. Omar Zonga, M. P.

ABSENT WITH APOLOGY:

The Hon. Peris Simam, M. P. - Vice Chairperson
The Hon. Mohammed Affey, M. P.
The Hon. Silas M. Ruteere, M. P.
The Hon. Benjamin Washiali, M. P.
The Hon. Peter Gitau, M. P.
The Hon. Kiema Kilonzo, M. P.

IN ATTENDANCE

Rana Tiampati - Second Clerk Assistant
Wasike Makhoha - Third Clerk Assistant
Nyaga D - Budget Office, PBO

- NATIONAL ASSEMBLY:

MIN. NO.5/2012: PRELIMINARIES

The Chairperson called the meeting to order at Seventeen minutes past Twelve O'clock after prayers were said. He welcomed Members and other persons present in the meeting. The Agenda was adopted by Members present. The Agenda is: -

- g) Prayers;
- h) Confirmations of minutes;
- i) Matters arising;
- j) Briefing by the Parliamentary Budget Office on the Estimates for FY 2011/2012;
- k) Any Other Business
- l) Date of the next sitting.

MIN.NO.6/2012: CONFIRMATION OF MINUTES OF THE PREVIOUS MEETINGS.

Confirmation of Minutes of the 1st sittings were postponed to a later date.

MIN. NO. 7/2012: BRIEFING BY THE PARLIAMENTARY BUDGET OFFICE ON THE ESTIMATES FOR FY 2012/2013

The Committee was informed that: -
Ministry of forestry and wildlife

- The Ministry's expenditure, including the recurrent and development components have been rising steadily since 2007/08. Even though the budget for development is lower than that of recurrent, all the components of past expenditure including the 2012/13 estimates appear to follow the same trend;
- The Ministry's total budget rose from Kshs. 5.412 billion in 2008/09 to Kshs. 7.668 billion by 2010/11. The Ministry's budget is expected to rise by 36%, or by Kshs. 3 billion from 2011/12 to 2012/13.
- Another striking issue about the ministry is that its recurrent actual budget always exceeds the approved budget since 2008/09 With regard to development; the average deviation is negative.

Recurrent	2008/09	2009/10	2010/11
original budget	3,439	3,770	4,795
actual	3,697	4,264	5,148
deviation	258	494	353
Development			
original budget	1,883	1,698	2,874
actual	1,650	2,125	1,948
deviation	-233	427	-926

- The Ministry plans to undertake the following activities:
 - Gazettement of 25500 ha of additional forests ,
 - management of 4,000 ha Masaita forest training blocks,
 - rehabilitate 100.000 ha of degraded natural Forest,
 - enrichment planting of 12,500 ha of indigenous forest,
 - establishment of 15,000 ha industrial forest,
 - protection and rehabilitation of 300,000 ha of dry land forest, rehabilitation 1500 km of forest roads,
 - construct KFS headquarters,
 - construct County Forest managers offices,
 - Recruit 525 rangers among others.
- The Ministry had requested Kshs. 13.804 billion for 2012/13 but was allocated Kshs 5.395 billion in the BPS. The shortfall is Kshs. 8.409 billion;
- Analysis by economic classification reveals that 55% of all 2012/13 estimates, or Kshs. 6.5 billion, will go to transfers. These transfers are to SAGAs under the ministry. The next bigger component is acquisition of capital that takes 24% and use of goods and services that takes 20%.
- transfers to SAGAs are as follows:
 - Wildlife Clubs of Kenya - Kshs. 30 million;
 - Kenya Wildlife Service - Kshs. 937.3 million;
 - Forestry Research Institute, receives Kshs. 952.98 million, part of which Kshs. 4.5 million AIA is received from the sale of certified seeds and breeding stock;
 - The Kenya forest Service receives - Kshs. 4.065 billion, of which AIA includes Kshs. 2.298 billion from sale of certified seeds and breeding stock.
- The total transfers to the SAGAs are Kshs. 5.985 billion.
- The transfers under development amount-

- Kshs. 477 million mainly to Wildlife Clubs of Kenya Wildlife Service, and Support to Community Based Farm Forestry Enterprises in Semi Arid Areas Project.

Ministry of Lands

- The total budget for the Ministry of Lands is Kshs. 5.058 billion of which Kshs. 2.508 billion is recurrent and Kshs. 2.5496 billion is development.
- The Ministry of Lands total budget has fluctuated over the last five years. The budget was at its lowest between 2008/09 and 2009/10, but rose thereafter to reach Kshs. 4.559 billion in 2010/11 from Kshs. 2.543 billion the previous year. The budget declined in the financial year 2011/12 to Kshs. 3.505 billion, but the 2012/13 estimates show that the ministry's budget will reach Kshs. 5.057 billion.
- With regard to absorption or use of resources, between 2008/09 financial year to 2010/11 financial year, there was notable differences between original budget and the actual budget. This reflects changes in the supplementary budget or non-adherence to the budget plans. This deviation is largest for development, for which there was a Kshs. 1.135 billion increase in development spending in 2009/10.
- Some of the key activities of the ministry in 2010/11 include the following:
 - preparation of various bills related to land including the one to form the land commission which has already been signed into law (such as the Land Bill);
 - development of national land use policy,
 - development of national spatial plan,
 - Development of land information systems.
 - development of physical plans and plans for resort cities such as Kilifi resort city,
 - deeds registration,
 - collection of revenue (which reached Kshs. 7.855 billion),
 - Resettlements, land dispute resolution among others.

Ministry of water

- The total budget for the Ministry is Kshs. 41,559.38 billion of which Kshs. 6.361 billion is recurrent and Kshs. 35.198 billion is development.
- The ministry's budget has risen rapidly over the last five years. For instance, the total budget for the Ministry of Water and Irrigation rose from Kshs. 24.07 billion in 2008/09 to Kshs. 38.61 billion in 2010/11: an increase of 37.6%. The budget estimates for 2012/13 are Kshs. 41.559 billion.
- During the period 2010/11, the Ministry's overall expenditures stood at 18.9 % for recurrent expenditures and 81.1% for development expenditures.
- The performance of the ministry in absorbing or using the approved resources is wanting. For example, while the ministry's budget rose from Kshs. 24.07 billion in 2008/09 to Kshs. 38.61 billion in 2010/11, the actual expenditures increased from Kshs. 19.5 billion to Kshs. 28.6 billion. This indicates that the actual expenditures grew more slowly than the approved budget.
- The problem of absorption in the sector can easily be seen by comparing approved estimates and actual expenditures in the development vote. For example, overall in 2010/11 financial year the absorption rate was low as the actual expenditure were less than approved estimates by 607 million (24%). It may be noted that most of the funds in development were allocated to use of goods and services and acquisition of non-financial assets. Whereas the development budget of the ministry

rose by 40.0% from Kshs 23.3 billion in 2009/10 to Kshs 32.8 billion in 2010/11. Actual expenditure was 70.8% of the approved development budget.

- A big component of resources to the ministry, particularly development resources, comes from development partners. Funding from development partners rose by 143.7 % from Kshs 8.5 billion in 2009/10 to Kshs 20.6 billion in 2010/11. This trend is likely to continue owing to the importance of the water and irrigation sector in the Vision 2030.
- List of programmes identified for implementation in the FY 2012/2013

Programme name	Programme output	Key performance indicators/targets (2012/13)
Water resources management and water storage	Water resource monitoring stations rehabilitated and operationalized	300 monitoring stations rehabilitated
	Large, small and medium sized dams	5 large dams constructed 22 medium sized dams constructed 100 small dams and water pans constructed
Water supply and sewerage	Medium size towns urban water supplies infrastructure expanded	26 urban water supplies infrastructure expanded
	New water and sanitation projects constructed	180 water and sanitation projects constructed
	New boreholes drilled and equipped	160 boreholes drilled and equipped
Water policy and management	Water management policies	Water management policies formulated
Irrigation infrastructure and land reclamation	Area developed for irrigation night storage pans constructed	50,000Ha developed 50 night storage pans constructed
	Water conservation and rain water harvesting structures constructed in ASALs and areas of land reclaimed	3,500 of water conservation and rain water harvesting structures constructed and 7,000Ha of land reclaimed

- The Ministry plans to expand smallholder irrigation schemes to develop 2000 Ha of irrigation in every constituency in the country. Thus, additional funding is required for the National Irrigation Board. Under this plan, 50,000 Ha will be put under Irrigation which will exceed the 40,000 Ha target under the Medium Term Plan.
- Under the Water Resource Management and Water Storage, NWCP requires Kshs 1.9 Billion for Chemsusu Dam to be completed next financial year, Kshs. 7.5 Billion for new large dams such as Nzoia, Siyoi, Bunyunyu, Archers Post and Rare dams in 2012/2013 Financial Year. The amounts allocated for the outer years are: Kshs 8.5 Billion and Kshs 5.5 Billion for Financial years 2013/14 and 2014/15 respectively.
- The Corporation also intends to strengthen Flood control works in Nyando, Nzoia, Njoro Kubwa, Yatta, Daa and Garsen Town at a total cost of Ksh.505 Million in

2012/13 Financial Year and Kshs. 700 Million and Ksh.820 Million in 2013/14 and 2014/15, respectively.

- The Ministry also planned to drill 160 boreholes at Kshs. 960 Million during 2012/13 Financial Year and 1.0 Billion each in subsequent Financial Years.
- Construction of Small pans and small dams will cost Kshs. 660 Million during 2012/13 and 700 Million in 2013/14. The additional funding in the water Resources sub programme will be required to rehabilitate 300 existing hydro meteorological stations and install additional 100 regional gauging stations to enhance water resources data collection and management.
- Under the Water supplies and sewerage program, the Ministry planned to do rural water supplies rehabilitation, expansion and development of 180 rural and community water supplies schemes. It will also be used in urban water supplies in Nairobi, Mombasa, Kisumu, Nzoia and 26 medium size towns in MTP programmes.
- Of the Kshs.6.361 billion in recurrent estimates, Kshs.1.967 billion is AIA. Thus, the net recurrent expenditure for the Ministry is Kshs. 4.393 billion. The projected spending for this component remains fairly the same in the medium term. The recurrent budget for the ministry is therefore funded through government revenues amounting to Kshs.4.393 billion and AIA amounting to Kshs.1.967.
- The main sources of recurrent AIA for most vote heads are receipts from sales of non-market establishments in institutions such as: the Water Resources Management Authority, Kenya Water Institute, National Irrigation Board, and Water Services boards across the country.
- Allocations to water services boards amounts to Kshs.1.633 billion, of which Kshs.1.477 is AIA, while allocations to irrigation and land reclamation is Kshs.248.777 million. Kshs.635.887 million is allocated to the National Irrigation Board, and Kshs. 300 million to National Water Conservation and Pipeline Corporation.
- The development budget for the Ministry is Kshs. 35.198 billion in 2012/13, of which Kshs. 19.150 billion is AIA. Thus, the net development expenditure for the Ministry is Kshs. 16.047 billion. This is for capital expenditure for irrigation schemes, National Water Conservation And Pipeline Corporation and National Irrigation Board.
- Most of the development budget goes to water services boards (Head 0005), which are expected to receive Kshs. 18.990 billion, water conservation and dam construction (vote head 0031), which gets Kshs. 4.554 billion, national irrigation board (vote head 0027) with Kshs. 2.743 billion and Headquarters and professional services (vote head 0006), Kshs. 2.649 billion, and water services trust fund (vote head 0004).
- The Kshs. 18.99 billion to water services boards is distributed among various water services boards across the country among them: Athi Water Services Board (which gets Kshs. 3.223 billion, where Kshs. 2.773 billion is AIA most of it sourced as direct foreign borrowing), Lake Victoria South Water Services Board (Kshs. 2.39 billion, with Kshs. 1.5 billion of the Kshs. 1.77 billion AIA sourced as direct foreign borrowing), Lake Victoria North Water Services Board (Kshs. 819 million), Coastal Water Services Board (Kshs. 1.5 billion AIA sourced as direct foreign borrowing), Tana Water Services Board (Kshs. 3.34 billion, with Kshs. 2.225 billion of the AIA sourced as direct foreign borrowing), Northern Water Services (Kshs. 2.311 billion,

with Kshs. 1.598 billion of the Kshs. 1.678 billion AIA sourced as direct foreign borrowing), Tanathi Water Services Board, (Kshs. 3.333 billion, with an AIA of Kshs. 2.850 billion, where the bulk of AIA is from direct foreign borrowing amounting to Kshs. 2.5 billion, against 350 million grants from foreign governments).

- The other large allocation on development budget is the Headquarters and Professional Services which get Kshs. 2.249 billion.
- The Kazi Kwa Vijana programme in the ministry (subhead 02 under Vote Head 0006-Head Quarters and Professional Services) gets Kshs. 400 million, with Kshs. 300 million for "other operating expenses" and the rest for wages for temporary employees.
- Allocations to irrigation programmes are as follows: Irrigation and Land Reclamation Head-0023 gets Kshs. 718 million; and the National Irrigation Board is allocated Kshs. 2.743 billion.
- Construction of Rural Water Supplies (devolved function) is allocated Kshs. 1.405 billion.
- Finally, Water Conservation and Dam Construction will get Kshs. 4.544 billion as development spending.
- The development budget for the ministry is funded through government revenues amounting to Kshs. 16.047 billion and AIA amounting to Kshs. 19.150 billion. The composition of AIA is Kshs. 3.778 billion in grants and Kshs. 15.373 billion in loans. Part of this comes in as external revenue, with Kshs.988 million as grants and Kshs. 3.063 billion as loans.
- It appears that most of the ministry's development budget is financed from foreign loans and development aid. This presents various risks including possible absorption problems if the projections are too ambitious, and also increased national debts. It is proposed that the ministry should ensure that the planned projects are delivered and there is value for money.
- Large 2014/15 figure for rehabilitation of civil works amounting to Kshs. 4.5 billion relative to Kshs. 620 million in 2012/13 under the vote head headquarters and professional services needs to be justified.

MINISTRY OF ENVIRONMENT

- The total budget for the Ministry of Environment and Mineral Resources is Kshs. 7.626 billion of which Kshs. 3.205 billion is recurrent and Kshs. 4.422 billion is development.
- The total budget for this ministry has increased sharply since 2009/10 after a one year dips in 2008/09. The budget for the ministry has now reached Kshs. 7,626.31 billion from Kshs. 6,707.9 billion in 2011/12. The rise in the budget since 2009/10 is mainly driven by the steady rise in development expenditure. From a mere Kshs. 1 billion, the development spending has reached Kshs. 4.4 billion in the estimates for 2012/13.
- On the rate of absorption of the approved budget there is some evidence that the Ministry nearly exhausts its recurrent budget. For example, while the total approved recurrent budget for this ministry increased slightly from 2.164 billion in 2008/09 to 2.453 billion in 2010/11 (13% increase). The actual expenditures rose from Kshs. 1.979 in 2008/09 to Ksh.2.424 in 2010/11, an increase of 20%.

MIN.NO. 8/2012: BRIEFING BY THE MINISTER FOR FORESTRY AND WILDLIFE AT 10.00A.M.

PRESENT:

The Hon. Mutava Musyimi, M. P. - Chairman
The Hon. Benedict F. Gunda, M. P.
The Hon. (Dr.) Erastus Mureithi, MBS, HSC, M. P.
The Hon. Justus M. Kizito, M. P.
The Hon. Omar Zonga, M. P.

ABSENT WITH APOLOGY:

The Hon. Peris Simam, M. P. - Vice Chairperson
The Hon. Mohammed Affey, M. P.
The Hon. Silas M. Ruteere, M. P.
The Hon. Benjamin Washiali, M. P.
The Hon. Peter Gitau, M. P.
The Hon. Kiema Kilonzo, M. P.

IN ATTENDANCE

Rana Tiampati -
Wasike Makhoha -
Nyaga D -

- NATIONAL ASSEMBLY:

Second Clerk Assistant
Third Clerk Assistant
Budget Office, PBO

IN ATTENDANCE - MINISTRY OF FORESTRY AND WILDLIFE

Hon. Dr. Noah Wekesa, EGH, MP - Minister
Mr. M. A. M Wa-Mwachai, CBS - Permanent Secretary
Dr. Ben Shikamai - Director - KEFRI
Dr. J. Kipng'etich - Director - KWS

The Minister briefed the committee on the mandate of his Ministry and observed that:-

- The ministry is currently implementing tasks on flagship projects within its mandate.
- In 2011/2012 financial year, the ministry submitted a proposal of ksh.16 billion but was allocated ksh.7 billion and in 2012/2013 the ministry asked for ksh. 10 billion and has been allocated ksh.6 billion.
- The Kenya Forestry service had requested for ksh.8.3 billion but has been allocated ksh.3.3 billion.
- The minister noted that the allocation is not enough and will derail implementation of several projects.
- The ministry has allocated ksh.143 million towards countrywide forestry conservation methods.
- The minister assured the committee that his ministry has reviewed and finalised the wildlife Bill, gone through stakeholder's forum and it is currently with the A.G for further action.
- the Ministry needs more funds to purchase choppers to help fight fire and also for recruitment of staff.

KENYA WILDLIFE SERVICE

- The Managing Director stated that the recurrent expenditure of KWS needs to be enhanced to reflect their level of operation such as national capacity to combat fire.
- The KWS needs more funds to acquire fire fighting equipment.

Analysis of the resource requirements for the vote – with respect to programmes, respective outputs and allocations of resources in (Kshs.)

Programme	Requested Resources 2010/11	Printed Estimates
Totals	16 billion	9.7 billion
	recurrent	4.2 billion
	development	3.2 billion
	AIA	2.3 Billion

Analysis of Transfers to state corporations and Fund Accounts - the SAGAs that fall under the Ministry of Forestry and Wildlife include:-

SAGA	2012/13
Kenya Wildlife Service	2.22
Kenya Forestry Research Institute	1.045
Kenya Forest Service	3.314
Wildlife Clubs of Kenya	50 Million
<i>total</i>	<i>6.629 billion</i>

COMMITTEE COMMENTS AND OBSERVATION

- The Ministry's expenditure, including the recurrent and development components have been rising steadily since 2007/08. Even though the budget for development is lower than that of recurrent, all the components of past expenditure including the 2012/13 estimates appear to follow the same trend;
- The Ministry's total budget rose from Kshs. 5.412 billion in 2008/09 to Kshs. 7.668 billion by 2010/11. The Ministry's budget is expected to rise by 36%, or by Kshs. 3 billion from 2011/12 to 2012/13.
- Another striking issue about the ministry is that its recurrent actual budget always exceeds the approved budget since 2008/09 With regard to development; the average deviation is negative.

Recurrent	2008/09	2009/10	2010/11
original budget	3,439	3,770	4,795
actual	3,697	4,264	5,148
deviation	258	494	353
Development			
original budget	1,883	1,698	2,874


actual	1,650	2,125	1,948
deviation	-233	427	-926

- The Ministry plans to undertake the following activities:
 - Gazettement of 25500 ha of additional forests ,
 - management of 4,000 ha Masaita forest training blocks,
 - rehabilitate 100,000 ha of degraded natural Forest,
 - enrichment planting of 12,500 ha of indigenous forest,
 - establishment of 15,000 ha industrial forest,
 - protection and rehabilitation of 300,000 ha of dry land forest, rehabilitation 1500 km of forest roads,
 - construct KFS headquarters,
 - construct County Forest managers offices,
 - Recruit 525 rangers among others.
- The Ministry had requested Kshs. 13.804 billion for 2012/13 but was allocated Kshs 5.395 billion in the BPS. The shortfall is Kshs. 8.409 billion;
- Analysis by economic classification reveals that 55% of all 2012/13 estimates, or Kshs. 6.5 billion, will go to transfers. These transfers are to SAGAs under the ministry. The next bigger component is acquisition of capital that takes 24% and use of goods and services that takes 20%.
- transfers to SAGAs are as follows:
 - Wildlife Clubs of Kenya - Kshs. 30 million;
 - Kenya Wildlife Service - Kshs. 937.3 million;
 - Forestry Research Institute, receives Kshs. 952.98 million, part of which Kshs. 4.5 million AIA is received from the sale of certified seeds and breeding stock;
 - The Kenya forest Service receives - Kshs. 4.065 billion, of which AIA includes Kshs. 2.298 billion from sale of certified seeds and breeding stock.
- The total transfers to the SAGAs are Kshs. 5.985 billion.
- The Ministry should fast-track the enactment of the Wildlife Bill to enable Kenya Wildlife Service realize its potential and be self sustaining. The Bill proposes among other things, the setting up of a KWS Fund. The fund is expected to raise US \$ 100million over 10 years and will provide an avenue to ensure that Wildlife and its habitats in Kenya continue to be conserved for posterity. The funds shall be raised from Government, development partners and individuals locally and abroad.
- In the new FY 2011/2012, KWS had requested for funding of Kshs.1.3billion but was allocated Kshs.937million. Due to this shortfall the regulatory, research and response to Human-Wildlife conflict functions will not be adequately addressed.
- The absorption capacity of the above Ministries and government department has been affected by delays in exchequer and donor releases. The Committee therefore recommends that the Ministry of Finance expedite exchequer releases to Ministries and department to enable completion of approved programmes.

MIN. NO.9/2012:

ADJOURNMENT

There being no other business, the Chairperson adjourned the meeting at Twenty five minutes past four O'clock. The next meeting will be held on Thursday, May 10, 2012 in VIP Lounge, KICC at 2.00 p.m.



SIGN:.....

(HON. MUTAVA MUSYIMI, MP)

DATE:.....MAY 16, 2012.....

MINUTES OF THE THIRD SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON TUESDAY, MAY 10, 2012 IN THE VIP LOUNGE KICC AT 2.00 P.M.

PRESENT:

Hon. Mutava Musyimi, MP- Chairperson
Hon. (Dr.) Erastus Mureithi, MBS, HSC, M.P.
Hon. Justus M. Kizito, M. P.
Hon. Benedict Fondo Gunda, MP

ABSENT WITH APOLOGY:

Hon. Peris C. Simam, MP - Vice chairperson
Hon. Omar M. Zonga, MP
Hon. Silas M. Ruteere, MP
Hon. Peter Gitau, M.P
Hon. Kiema Kilonzo, M. P
Hon. Benjamin J. Washiali, M.P

IN ATTENDANCE - MINISTRY OF LANDS

Hon. James Orengo, MP - Minister
Ms. Magdalene Wambua - Director of Administrations, MOL

NATIONAL ASSEMBLY

Rana Tiampati Clerk Assistant II
Wasike Makhoha Clerk Assistant III

MIN.NO.10/2012: PRELIMINARIES

The Chairperson called the meeting to order at Ten minutes past Two O'clock after prayers were said. He further welcomed and introduced the Members and other persons present in the meeting.

MIN.NO.11/2012: CONFIRMATION OF MINUTES OF PREVIOUS SITTINGS

Confirmation of the minutes of the 1st and 2nd sittings was postponed to a later date.

MIN.NO.12/2012: PRESENTATION BY THE MINISTER FOR LANDS HON. JAMES ORENGO MP, ON BUDGET FOR VOTE 136

The Minister informed the meeting that:

- i. The Ministry will implement a number of projects/programmes in FY 2011/12. These include: -
 - Land Reform
 - Land Registries
 - National Land Information Management System (NLIMS)
 - National Spatial Plan
 - Land Cover and land use mapping

- Kenya National Spatial Data
 - 20 Local Physical development plans
 - Resolution of land and boundary disputes
 - Finalize 30 land adjudication sections of pending 350 adjudication sections across the country
 - Settlement of 12,000 families in ongoing settlement schemes in Malindi, Nyando, Mombasa, Kinango and Lamu
 - Resolving 15,000 land adjudication disputes out of outstanding 24,000 disputes across the country
 - Approval of development applications
 - Preparation of local physical development plans for two resort cities in Kenya – Kilifi-Diani and Ukunda
 - Processing of 65,000 plots to prepare/update registry index maps (RIM) and preliminary index diagrams (PIDs)
 - Survey and maintenance of national and international boundary pillars to promote peace within our neighbours
 - Preparation of the legal framework to convert KISM into a SAGA
 - Undertake business process re-engineering in the Ministry's processes to ensure efficient and effective service delivery
- ii. Total net budgetary request from exchequer
- The Ministry in FY2008/09, 2009/10 and 2010/11, received Kshs.2,001,684,320, Kshs.3,440,427,700 and Kshs.4,965,461,610 respectively
 - Allocation for the FY2009/10 and 2010/11 were inclusive of Kshs.1.4 B and 2.5 B respectively for resettlement of IDPs
 - The Ministry has generated significant revenue and A-I-A collection amounting to an average of Kshs.7.329 billion per year in the last 3 years
 - Allocation for the FY2009/10, 2010/11 and 2011/12 were inclusive of Kshs.1.4 B, Kshs.2.5 billion and Kshs.2.5 B respectively for resettlement of IDPs;
 - In the FY2012/13, the Ministry requested for Kshs.12,282,000,000 but was allocated Kshs.4,967,241,030. Out of that Kshs.2,498,785,250 is recurrent while Kshs.2,468,455,780 is for development expenditure
- iii. Absorption capacity of the Ministry in the last FY 2010/11 was averaging 96%
- iv. Areas left out of the FY 2011/12 estimates are: -
- a. Partially funded projects:
- Implementation of land reforms as envisaged in the Constitution
 - Surveying of International boundaries as well as inspecting and maintaining boundary pillars
 - Preparation of national Spatial Plan and Physical development Plans for two Resort Cities
 - Implementation of the Kenya National Spatial Data Infrastructure project i.e. construction of a data centre
 - Resolution of land adjudication cases
- v. Programmes/Projects not funded were: -
- Recruitment of staff
 - Purchase of Motor Vehicles
 - Settlement of the landless Poor

- Settlement of internally displaced persons
- Creation of a land bank in line with the national Land Policy

MIN.NO.13/2012: COMMITTEE OBSERVATIONS AND COMMENTS

- The total budget for the Ministry of Lands is Kshs. 5.058 billion of which Kshs. 2.508 billion is recurrent and Kshs. 2.5496 billion is development.
- The Ministry of Lands total budget has fluctuated over the last five years. The budget was at its lowest between 2008/09 and 2009/10, but rose thereafter to reach Kshs. 4.559 billion in 2010/11 from Kshs. 2.543 billion the previous year. The budget declined in the financial year 2011/12 to Kshs. 3.505 billion, but the 2012/13 estimates show that the ministry's budget will reach Kshs. 5.057 billion.
- With regard to absorption or use of resources, between 2008/09 financial year to 2010/11 financial year, there was notable differences between original budget and the actual budget. This reflects changes in the supplementary budget or non-adherence to the budget plans. This deviation is largest for development, for which there was a Kshs. 1.135 billion increase in development spending in 2009/10.
- Some of the key activities of the ministry in 2010/11 include the following:
 - preparation of various bills related to land including the one to form the land commission which has already been signed into law (such as the Land Bill);
 - development of national land use policy,
 - development of national spatial plan,
 - Development of land information systems.
 - development of physical plans and plans for resort cities such as Kilifi resort city,
 - deeds registration,
 - collection of revenue (which reached Kshs. 7.855 billion),
 - Resettlements, land dispute resolution among others.
- The Ministry should be allocated funds for land acquisition for settlement of landless poor, Internally displaced persons and creation of land bank;
- The Ministry should be funded to survey and monument variuos categories of national boundaries such constituencies, counties and district boundaries;
- Funds be allocated to the Ministry to implemente the new land laws and Sessional paper No.3 of 2009 on National Land Policy;

MIN. NO. 14/2012: ADJOURNMENT

There being no other business, the Chairperson adjourned the meeting at Twenty five minutes past five O'clock. The next meeting will be held on Tuesday, May 15, 2012 in VIP Lounge, KICC at 09.00 a.m.



SIGN:.....
(HON. MUTAVA MUSYIMI, MP)

DATE:.....MAY 16, 2012.....

MINUTES OF THE FOURTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON TUESDAY, MAY 15, 2012 IN VIP LOUNGE, KICC AT 9.00A.M

PRESENT:

The Hon. Mutava Musyimi, M. P. - Chairman
The Hon. (Dr.) Erastus Mureithi, MBS, M. P.
The Hon. Mohammed Affey, M. P.
The Hon. Benedict F. Gunda, M. P.
The Hon. Omar Zonga, M.P.
The Hon. Justus Kizito, M. P.

ABSENT WITH APOLOGY:

The Hon. Peris Simam, M. P. - Vice Chairperson
The Hon. Kiema Kilonzo, M. P.
The Hon. Silas M. Ruteere, M. P.
The Hon. Peter Gitau, M. P.
The Hon. Benjamin Washiali, M. P.

IN ATTENDANCE - MINISTRY OF ENVIRONMENT AND MINERAL RESOURCES

Hon. Chirau Ali Mwakwere, MP - Minister
Mr. Ali Dawood, CBS - Permanent Secretary
Mr. P. Kinja - Chief Finance Officer - MEMR
Dr. Joseph Mukabana - Director- KMD
Dr. Jasper Agasiva - Director – DRSRS
Prof. Wakhungu - Director General – NEMA

NATIONAL ASSEMBLY:

Rana Tiampati - Second Clerk Assistant
Oscar N. Wesonga - Third Clerk Assistant

MIN. NO.15/2012: PRELIMINARIES

The Chairperson called the meeting to order at Ten minutes past Nine O'clock after prayers were said. He further welcome and introduced Members and other persons present in the meeting.

MIN. NO.16/2012:CONFIRMATION OF MINUTES

Confirmation of minutes of the 1st, 2nd and 3rd sittings was postponed to a later date

MIN. NO.17/2012: PRESENTATION BY THE MINISTER FOR ENVIRONMENT AND MINERAL RESOURCES HON. C. A. MWAKWERE ON ESTIMATES FOR 2012/2013 – FOR VOTE 121

The Minister informed the Committee that: -

✓ The Ministry is faced with the following challenges: -

- Degradation and protection of catchment areas
- Insufficient funds allocated to NEMA and Mines and Geology department
- Inadequate staffing
- Poor waste management
- Lack of adequate policies and legislation
- Lack of a benefit – sharing framework from Mineral and gemstones with communities
- Inadequate modern equipment for Kenya Mines Department

He presented written submissions of the ministry's observations on the budget estimates and observed that:-

- The proposed exchequer amount for 2012/2013 financial year is ksh.7,040,493,270 out of which ksh.2,696,365,900 is recurrent and ksh.4,344,127,370 is development.
 - The ministry needs funds for Geo-physical survey to establish availability of minerals and other resources in the country at an estimated cost of ksh.16 billion.
 - Meteorological department need to be uplifted through acquisition of modern equipment.
 - The ministry has huge task to undertake survey of natural resources across the country hence more allocations needed.
 - The ministry requires a total of ksh.19 billion to bridge the gap in the 2012/2013 financial year proposed allocations.
 - there is improved allocation from the previous year though not enough to implement earmarked projects.
 - The ministry has one state corporation, NEMA and three institutions created under environmental Management and co-ordination Act, 1999.
 - In 2012/2013 financial year NEMA has a proposed budget of ksh.736, 289,224 to finance its activities. In 2011/2012 it was allocated 624,814,250.
- ✓ Performance of the Ministry in 2010/2011 and current FY 2011/12
- In FY 2012/2013, Ministry requested Kshs.7,040,493,270 out of which Kshs.2,696,365,900 was recurrent and Kshs.4,344,127,370 for development
 - Compared to last financial year 2011/12, of which Kshs.5,919,067,686 were allocated, the above allocation shows an increase of Kshs.367,395,899 and Kshs.754,029,685 under recurrent and development expenditures respectively.
- ✓ The absorption capacity of the Ministry in FY 2011/12 was 75%. The low absorption capacity is attributed to delay in exchequer and donor releases.
- ✓ Projects left out of the estimates were: -
- a) Weather modification under the Kenya Meteorological Department at a cost of Kshs. 940 million
 - b) Urban climate monitoring system – Kshs. 60 million
 - c) Staffing and operations of NEMA at Kshs. 2.7 billion
 - d) Mines and geology department – Kshs.16.0 billion;

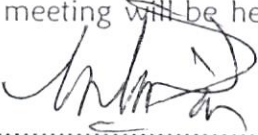
- e) Nairobi River project support to reduce effluent discharge and waste pollution – Kshs. 2 billion
- f) Depart,emt of remote sensing and resource survey = kshs.2.5 billion;
- ✓ Budget for State Corporation and desegregated budget
 - ✓ NEMA and its institution was allocated Kshs. 736,289,224 in FY 2012/13
 - ✓ In FY 2011/12, Kshs. 934, 979, 250 of which Kshs. 828, 979,250 went to actual activities of NEMA, Kshs. 23 million for NE Tribunal, Kshs. 33 million to Public Complainants Committee and NET Fund Kshs. 50 million

MIN. NO. 18/2012: COMMITTEE COMMENTS AND OBSERVATIONS

- The Ministry needs to maximize on the opportunities presented by the global carbon trades or carbon trading under the Climate change negotiations;
- The Ministry of finance should allocate funds on an annual basis for the carrying out aerial geophysical survey of Minerals;
- The total budget for the Ministry of Environment and Mineral Resources is Kshs. 7.626 billion of which Kshs. 3.205 billion is recurrent and Kshs. 4.422 billion is development.
- The total budget for this ministry has increased sharply since 2009/10 after a one year dips in 2008/09. The budget for the ministry has now reached Kshs. 7,626.31 billion from Kshs. 6,707.9 billion in 2011/12. The rise in the budget since 2009/10 is mainly driven by the steady rise in development expenditure. From a mere Kshs. 1 billion, the development spending has reached Kshs. 4.4 billion in the estimates for 2012/13.
- On the rate of absorption of the approved budget there is some evidence that the Ministry nearly exhausts its recurrent budget. For example, while the total approved recurrent budget for this ministry increased slightly from 2.164 billion in 2008/09 to 2. 453 billion in 2010/11 (13% increase). The actual expenditures rose from Kshs. 1.979 in 2008/09 to Ksh.2.424 in 2010/11, an increase of 20%.

MIN. NO.19/2012: ADJOURNMENT

There being no other business, the Chairperson adjourned the meeting at Twenty five minutes past One O'clock. The next meeting will be held on Tuesday, May 15, 2012 in VIP Lounge, KICC at 2.00p.m.


 SIGN:.....
 (HON. MUTAVA MUSYIMI, MP)

DATE:.....MAY 16, 2012.....

MINUTES OF THE FIFTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON TUESDAY, MAY 15, 2012 IN VIP LOUNGE, KICC AT 02.00 P.M.

PRESENT:

The Hon. Mutava Musyimi, M. P. - Chairman
The Hon. (Dr.) Erastus Mureithi, MBS, M. P.
The Hon. Benedict F. Gunda, M. P.
The Hon. Omar Zonga, M.P.
The Hon. Justus Kizito, M. P.
The Hon. Mohammed Affey, M. P

ABSENT WITH APOLOGY:

The Hon. Peris Simam, M. P. - Vice Chairperson
The Hon. Peter Gitau, M. P.
The Hon. Kiema Kilonzo, M. P.
The Hon. Silas M. Ruteere, M. P.
The Hon. Benjamin Washiali, M. P.

IN ATTENDANCE - MINISTRY OF WATER & IRRIGATION

Hon. Chairty Ngilu, EGH, MP - Minister
Eng. David Stower, OGW, CBS - Permanent Secretary
Mrs. M.N. Musoma - Chief Finance Officer, MWI
Eng. Jackline Musyoki - Chief Executive Officer, WSTF
Eng. Daniel Barasa - General Manager, NIB
Eng. Peter Mangiti - Director, Water Services and Land Reclamation
Eng. Robinson Gaita - Director, Water storage
Eng. P. Ogut - Managing Director, NWCPC

IN ATTENDANCE - NATIONAL ASSEMBLY:
Rana Tiampati - Second Clerk Assistant
Wasike Makhoha - Third Clerk Assistant

MIN. NO.20/2012: PRELIMINARIES

The Chairperson called the meeting to order at Five minutes past Two O'clock after prayers were said. He further welcome and introduced Members and other persons present in the meeting.

MIN. NO.21/2012:CONFIRMATION OF MINUTES

Confirmation of minutes of the 1st, 2nd, 3rd and 4th sittings was postponed to a later date.

MIN.NO.22/2012: PRESENTATION BY THE MINISTER FOR WATER AND IRRIGATION HON. CHARITY NGILU ON ESTIMATES FOR 2012/2013 – FOR VOTE 120

The Minister informed the Committee that:-

- i. The water sector is developed through financing of Five (5) programmes namely water policy and management; water supply and sewerage/ sanitation services; water resources management; water storage, development of irrigation and drainage infrastructure; and land reclamation
- ii. The Ministry is faced with the following challenges: -
 - Lack of adequate storage facilities worsened by climate change,
 - Destruction of water catchment areas,
 - Land and environmental degradation
 - High capital cost due to unplanned centralized villages or settlement schemes

COMPARISON OF THE PREVIUOS YEARS (Kshs. Millions)

- Ministry was allocated Kshs.18,188 million out of which Kshs.6,361 million is recurrent and Kshs.11,827 million for development while Kshs.25,361 million is for donor revenue
- Compared to last financial year 2011/12, the above allocation shows an decrease of Kshs.227 million and Kshs.1,190 million under recurrent and development expenditures respectively.
- The Ministry's absorption capacity is at 72% as Compared to the FY last financial year 2011/12 which stood at 82% (MILLIONS)

FY	GOK RECURRENT	GOK DEVLOPMENT	DONOR DEV.	TOTAL
Approved 2009/10	3, 361.6	10, 730.6	12, 522.3	26, 614.5
Approved 2010/2011	3, 779.9	12, 016.2	20, 513.5	36, 309.6
Approved 2011/2012	6,134	12, 016.2	18,069	36,220
Approved 2012/2013	6,361	11,827	25,361	43,549

AREAS LEFT OUT OF THE BUDGET = Kshs.28, 144million

- a) Servicing Construction contracts at large dams
- b) Construction of Kiserian Sewerage
- c) Overhaul and replacement of drilling rigs
- d) New Dam construction

- e) dam equipment
- f) drilling of boreholes;
- g) Construction of rural water supply infrastructure
- h) Construction of urban water supply infrastructure
- i) Water supply subsidy;
- j) Smallholder irrigation development;

ALLOCATIONS TO NEW PROJECTS

- a) Theta Dam in Kiambu Kshs.300 million;
- b) Yatta Dam in Kitui – Kshs.2,373 million;
- c) Rare Dam – Kshs.80 million;
- d) Archers Post Dam, Samburu – Kshs.250 million;
- e) Watersecurity and climate change Resilience project – Kshs.234 million;
- f) Siyoi Dam in West Pokot Kshs.400 million
- g) Nzoia Dam in Lugari, Western Province Kshs.450 million

Priority areas/ Projects left out of the estimates

- k) Servicing Construction contracts at large dams
- l) Construction of medium size dams
- m) Construction of Kiserian Sewerage
- n) Overhaul and replacement of drilling rigs
- o) Dam construction equipment
- p) Construction of rural water supply infrastructure
- q) Water supply subsidy
- r) Delinking of Ministry staff to the water sector institutions
- s) Development of budget counterpart funding

MIN. NO.23/2012: COMMITTEE COMMENTS AND OBSERVATIONS

- The total budget for the Ministry is Kshs. 41,559.38 billion of which Kshs. 6.361 billion is recurrent and Kshs. 35.198 billion is development.
- The ministry's budget has risen rapidly over the last five years. For instance, the total budget for the Ministry of Water and Irrigation rose from Kshs. 24.07 billion in 2008/09 to Kshs. 38.61 billion in 2010/11: an increase of 37.6%. The budget estimates for 2012/13 are Kshs. 41.559 billion.
- During the period 2010/11, the Ministry's overall expenditures stood at 18.9 % for recurrent expenditures and 81.1% for development expenditures.
- The performance of the ministry in absorbing or using the approved resources is wanting. For example, while the ministry's budget rose from Kshs. 24.07 billion in 2008/09 to Kshs. 38.61 billion in 2010/11, the actual expenditures increased from

Kshs. 19.5 billion to Kshs. 28.6 billion. This indicates that the actual expenditures grew more slowly than the approved budget.

- The problem of absorption in the sector can easily be seen by comparing approved estimates and actual expenditures in the development vote. For example, overall in 2010/11 financial year the absorption rate was low as the actual expenditure were less than approved estimates by 607 million (24%). It may be noted that most of the funds in development were allocated to use of goods and services and acquisition of non-financial assets. Whereas the development budget of the ministry rose by 40.0% from Kshs 23.3 billion in 2009/10 to Kshs 32.8 billion in 2010/11. Actual expenditure was 70.8% of the approved development budget.
- A big component of resources to the ministry, particularly development resources, comes from development partners. Funding from development partners rose by 143.7 % from Kshs 8.5 billion in 2009/10 to Kshs 20.6 billion in 2010/11. This trend is likely to continue owing to the importance of the water and irrigation sector in the Vision 2030.
- List of programmes identified for implementation in the FY 2012/2013

Programme name	Programme output	Key performance indicators/targets (2012/13)
Water resources management and water storage	Water resource monitoring stations rehabilitated and operationalized	300 monitoring stations rehabilitated
	Large, small and medium sized dams	5 large dams constructed 22 medium sized dams constructed 100 small dams and water pans constructed
Water supply and sewerage	Medium size towns urban water supplies infrastructure expanded	26 urban water supplies infrastructure expanded
	New water and sanitation projects constructed	180 water and sanitation projects constructed
	New boreholes drilled and equipped	160 boreholes drilled and equipped
Water policy and management	Water management policies	Water management policies formulated
Irrigation infrastructure and land reclamation	Area developed for irrigation night storage pans constructed	50,000Ha developed 50 night storage pans constructed
	Water conservation and rain water harvesting structures constructed in ASALs and areas of land reclaimed	3,500 of water conservation and rain water harvesting structures constructed and 7,000Ha of land reclaimed

- The Ministry plans to expand smallholder irrigation schemes to develop 2000 Ha of irrigation in every constituency in the country. Thus, additional funding is required for

the National Irrigation Board. Under this plan, 50,000 Ha will be put under Irrigation which will exceed the 40,000 Ha target under the Medium Term Plan.

- Under the Water Resource Management and Water Storage, NWCPC requires Kshs 1.9 Billion for Chemsusu Dam to be completed next financial year, Kshs. 7.5 Billion for new large dams such as Nzoia, Siyoi, Bunyunyu, Archers Post and Rare dams in 2012/2013 Financial Year. The amounts allocated for the outer years are: Kshs 8.5 Billion and Kshs 5.5 Billion for Financial years 2013/14 and 2014/15 respectively.
- The Corporation also intends to strengthen Flood control works in Nyando, Nzoia, Njoro Kubwa, Yatta, Daula and Garsen Town at a total cost of Ksh.505 Million in 2012/13 Financial Year and Kshs. 700 Million and Ksh.820 Million in 2013/14 and 2014/15, respectively.
- The Ministry also planned to drill 160 boreholes at Kshs. 960 Million during 2012/13 Financial Year and 1.0 Billion each in subsequent Financial Years.
- Construction of Small pans and small dams will cost Kshs. 660 Million during 2012/13 and 700 Million in 2013/14. The additional funding in the water Resources sub programme will be required to rehabilitate 300 existing hydro meteorological stations and install additional 100 regional gauging stations to enhance water resources data collection and management.
- Under the Water supplies and sewerage program, the Ministry planned to do rural water supplies rehabilitation, expansion and development of 180 rural and community water supplies schemes. It will also be used in urban water supplies in Nairobi, Mombasa, Kisumu, Nzoia and 26 medium size towns in MTP programmes.
- Of the Kshs.6.361 billion in recurrent estimates, Kshs.1.967 billion is AIA. Thus, the net recurrent expenditure for the Ministry is Kshs. 4.393 billion. The projected spending for this component remains fairly the same in the medium term. The recurrent budget for the ministry is therefore funded through government revenues amounting to Kshs.4.393 billion and AIA amounting to Kshs.1.967.
- The main sources of recurrent AIA for most vote heads are receipts from sales of non-market establishments in institutions such as: the Water Resources Management Authority, Kenya Water Institute, National Irrigation Board, and Water Services boards across the country.
- Allocations to water services boards amounts to Kshs.1.633 billion, of which Kshs.1.477 is AIA, while allocations to irrigation and land reclamation is Kshs.248.777 million. Kshs.635.887 million is allocated to the National Irrigation Board, and Kshs. 300 million to National Water Conservation and Pipeline Corporation.
- The development budget for the Ministry is Kshs. 35.198 billion in 2012/13, of which Kshs. 19.150 billion is AIA. Thus, the net development expenditure for the Ministry is Kshs. 16.047 billion. This is for capital expenditure for irrigation schemes, National Water Conservation And Pipeline Corporation and National Irrigation Board.
- Most of the development budget goes to water services boards (Head 0005), which are expected to receive Kshs. 18.990 billion, water conservation and dam construction (vote head 0031), which gets Kshs. 4.554 billion, national irrigation board (vote head 0027) with Kshs. 2.743 billion and Headquarters and professional services (vote head 0006), Kshs. 2.649 billion, and water services trust fund (vote head 0004).
- The Kshs. 18.99 billion to water services boards is distributed among various water services boards across the country among them: Athi Water Services Board (which

gets Kshs. 3.223 billion, where Kshs. 2.773 billion is AIA most of it sourced as direct foreign borrowing), Lake Victoria South Water Services Board (Kshs. 2.39 billion, with Kshs. 1.5 billion of the Kshs. 1.77 billion AIA sourced as direct foreign borrowing), Lake Victoria North Water Services Board (Kshs. 819 million), Coastal Water Services Board (Kshs. 1.5 billion AIA sourced as direct foreign borrowing), Tana Water Services Board (Kshs. 3.34 billion, with Kshs. 2.225 billion of the AIA sourced as direct foreign borrowing), Northern Water Services (Kshs. 2.311 billion, with Kshs. 1.598 billion of the Kshs. 1.678 billion AIA sourced as direct foreign borrowing), Tanathi Water Services Board, (Kshs. 3.333 billion, with an AIA of Kshs. 2.850 billion, where the bulk of AIA is from direct foreign borrowing amounting to Kshs. 2.5 billion, against 350 million grants from foreign governments).

- The other large allocation on development budget is the Headquarters and Professional Services which get Kshs. 2.249 billion.
- The Kazi Kwa Vijana programme in the ministry (subhead 02 under Vote Head 0006-Head Quarters and Professional Services) gets Kshs. 400 million, with Kshs. 300 million for "other operating expenses" and the rest for wages for temporary employees.
- Allocations to irrigation programmes are as follows: Irrigation and Land Reclamation Head-0023 gets Kshs. 718 million; and the National Irrigation Board is allocated Kshs. 2.743 billion.
- Construction of Rural Water Supplies (devolved function) is allocated Kshs. 1.405 billion.
- Finally, Water Conservation and Dam Construction will get Kshs.4.544 billion as development spending.
- The development budget for the ministry is funded through government revenues amounting to Kshs. 16.047 billion and AIA amounting to Kshs. 19.150 billion. The composition of AIA is Kshs. 3.778 billion in grants and Kshs. 15.373 billion in loans. Part of this comes in as external revenue, with Kshs. 988 million as grants and Kshs. 3.063 billion as loans.
- It appears that most of the ministry's development budget is financed from foreign loans and development aid. This presents various risks including possible absorption problems if the projections are too ambitious, and also increased national debts. It is proposed that the ministry should ensure that the planned projects are delivered and there is value for money.
- Large 2014/15 figure for rehabilitation of civil works amounting to Ksh. 4.5 billion relative to Ksh. 620 million in 2012/13 under the vote head headquarters and professional services needs to be justified.
- The Ministry should put in place monitoring measures to ensure that fund allocated to Service Boards are utilized properly and for the intended purpose;
- That there is need to provide funds for the construction of large for water security
- Funds meant for National Irrigation Board be released as transfers/grants to government agency by the Treasury;
- The sector is overrelying on donor revenue and loans rather than self sustaining;
- Water services boards be manage to be self sustaining;
- The absorption capacity of the above Ministries and government department has been affected by delays in exchequer and donor releases. The Committee therefore

recommends that the Ministry of Finance expedite exchequer releases to Ministries and department to enable completion of approved programmes.

MIN.NO.24/2012: ADJOURNMENT

There being no other business, the Chairperson adjourned the meeting at Twenty Six minutes past Four O'clock. The next meeting will be held on Wednesday, May 16, 2012 in Members' Lounge, Main Parliament Buildings at 10.00a.m.



SIGN:.....
(HON. MUTAVA MUSYIMI, MP)

DATE:.....MAY 16, 2012.....

MINUTES OF THE SIXTH SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS AND NATURAL RESOURCES HELD ON WEDNESDAY, MAY 16, 2012 ON MEMBERS LOUNGE, MAIN PARLIAMENT BUILDINGS AT 10.00A.M.

PRESENT:

Hon. Mutava Musyimi, MP- Chairperson
Hon. (Dr.) Erastus Mureithi, MBS, HSC, M.P.
Hon. Benedict Fondo Gunda, MP
Hon. Justus M. Kizito, M. P.
Hon. Omar M. Zonga, MP
Hon. Mohammed Affey, MP

ABSENT WITH APOLOGY:

Hon. Peris C. Simam, MP - Vice chairperson
Hon. Silas M. Ruteere, MP
Hon. Peter Gitau, M.P
Hon. Kiema Kilonzo, M. P
Hon. Benjamin J. Washiali, M.P

IN ATTENDANCE - NATIONAL ASSEMBLY

Rana Tiampati Clerk Assistant II

MIN.NO.25/2012: PRELIMINARIES

The Chairperson called the meeting to order at Ten minutes past Ten O'clock after prayers were said. He further welcomed and introduced the Members and other persons present in the meeting.

MIN.NO.26/2012: CONFIRMATION OF MINUTES OF PREVIOUS SITTINGS

Minutes of the 1st, 2nd, 3rd, 4th, 5th and 6th sittings were Confirmed by Members Present as true record of the Committee Deliberations and signed by the Chair.

MIN.NO.27/2012: COMMITTEE COMMENTS, OBSERVATION AND ADOPTION OF REPORT

MINISTRY OF WATER & IRRIGATION

- The total budget for the Ministry is Kshs. 41,559.38 billion of which Kshs. 6.361 billion is recurrent and Kshs. 35.198 billion is development.
- The ministry's budget has risen rapidly over the last five years. For instance, the total budget for the Ministry of Water and Irrigation rose from Kshs. 24.07 billion in 2008/09 to Kshs. 38.61 billion in 2010/11: an increase of 37.6%. The budget estimates for 2012/13 are Kshs. 41.559 billion.
- During the period 2010/11, the Ministry's overall expenditures stood at 18.9 % for recurrent expenditures and 81.1% for development expenditures.
- The performance of the ministry in absorbing or using the approved resources is wanting. For example, while the ministry's budget rose from Kshs. 24.07 billion in

2008/09 to Kshs. 38.61 billion in 2010/11, the actual expenditures increased from Kshs. 19.5 billion to Kshs. 28.6 billion. This indicates that the actual expenditures grew more slowly than the approved budget.

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- A big component of resources to the ministry, particularly development resources, comes from development partners. Funding from development partners rose by 143.7 % from Kshs 8.5 billion in 2009/10 to Kshs 20.6 billion in 2010/11. This trend is likely to continue owing to the importance of the water and irrigation sector in the Vision 2030.
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the National Irrigation Board. Under this plan, 50,000 Ha will be put under Irrigation which will exceed the 40,000 Ha target under the Medium Term Plan.

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MINISTRY OF ENVIRONMENT & MINERAL RESOURCES

- The Ministry needs to maximize on the opportunities presented by the global carbon trades or carbon trading under the Climate change negotiations;
- The Ministry of finance should allocate funds on an annual basis for the carrying out aerial geophysical survey of Minerals;

- The total budget for the Ministry of Environment and Mineral Resources is Kshs. 7.626 billion of which Kshs. 3.205 billion is recurrent and Kshs. 4.422 billion is development.
- The total budget for this ministry has increased sharply since 2009/10 after a one year dip in 2008/09. The budget for the ministry has now reached Kshs. 7,626.31 billion from Kshs. 6,707.9 billion in 2011/12. The rise in the budget since 2009/10 is mainly driven by the steady rise in development expenditure. From a mere Kshs. 1 billion, the development spending has reached Kshs. 4.4 billion in the estimates for 2012/13.
- On the rate of absorption of the approved budget there is some evidence that the Ministry nearly exhausts its recurrent budget. For example, while the total approved recurrent budget for this ministry increased slightly from 2.164 billion in 2008/09 to 2.453 billion in 2010/11 (13% increase). The actual expenditures rose from Kshs. 1.979 in 2008/09 to Ksh.2.424 in 2010/11, an increase of 20%.

MINISTRY OF LANDS

- The total budget for the Ministry of Lands is Kshs. 5.058 billion of which Kshs. 2.508 billion is recurrent and Kshs. 2.5496 billion is development.
- The Ministry of Lands total budget has fluctuated over the last five years. The budget was at its lowest between 2008/09 and 2009/10, but rose thereafter to reach Kshs. 4.559 billion in 2010/11 from Kshs. 2.543 billion the previous year. The budget declined in the financial year 2011/12 to Kshs. 3.505 billion, but the 2012/13 estimates show that the ministry's budget will reach Kshs. 5.057 billion.
- With regard to absorption or use of resources, between 2008/09 financial year to 2010/11 financial year, there was notable differences between original budget and the actual budget. This reflects changes in the supplementary budget or non-adherence to the budget plans. This deviation is largest for development, for which there was a Kshs. 1.135 billion increase in development spending in 2009/10.
- Some of the key activities of the ministry in 2010/11 include the following:
 - preparation of various bills related to land including the one to form the land commission which has already been signed into law (such as the Land Bill);
 - development of national land use policy,
 - development of national spatial plan,
 - Development of land information systems.
 - development of physical plans and plans for resort cities such as Kilifi resort city,
 - deeds registration,
 - collection of revenue (which reached Kshs. 7.855 billion),
 - Resettlements, land dispute resolution among others.
- The Ministry should be allocated funds for land acquisition for settlement of landless poor, Internally displaced persons and creation of land bank;
- The Ministry should be funded to survey and monument various categories of national boundaries such constituencies, counties and district boundaries;
- Funds be allocated to the Ministry to implemente the new land laws and Sessional paper No.3 of 2009 on National Land Policy;

MINISTRY OF FORESTRY & WILDLIFE

- The Ministry's expenditure, including the recurrent and development components have been rising steadily since 2007/08. Even though the budget for development is

lower than that of recurrent, all the components of past expenditure including the 2012/13 estimates appear to follow the same trend;

- The Ministry's total budget rose from Kshs. 5.412 billion in 2008/09 to Kshs. 7.668 billion by 2010/11. The Ministry's budget is expected to rise by 36%, or by Kshs. 3 billion from 2011/12 to 2012/13.
- Another striking issue about the ministry is that its recurrent actual budget always exceeds the approved budget since 2008/09. With regard to development; the average deviation is negative.

Recurrent	2008/09	2009/10	2010/11
original budget	3,439	3,770	4,795
actual	3,697	4,264	5,148
deviation	258	494	353
Development			
original budget	1,883	1,698	2,874
actual	1,650	2,125	1,948
deviation	-233	427	-926

- The Ministry plans to undertake the following activities:
 - Gazettement of 25500 ha of additional forests ,
 - management of 4,000 ha Masaita forest training blocks,
 - rehabilitate 100,000 ha of degraded natural Forest,
 - enrichment planting of 12,500 ha of indigenous forest,
 - establishment of 15,000 ha industrial forest,
 - protection and rehabilitation of 300,000 ha of dry land forest, rehabilitation 1500 km of forest roads,
 - construct KFS headquarters,
 - construct County Forest managers offices,
 - Recruit 525 rangers among others.
- The Ministry had requested Kshs. 13.804 billion for 2012/13 but was allocated Kshs 5.395 billion in the BPS. The shortfall is Kshs. 8.409 billion;
- Analysis by economic classification reveals that 55% of all 2012/13 estimates, or Kshs. 6.5 billion, will go to transfers. These transfers are to SAGAs under the ministry. The next bigger component is acquisition of capital that takes 24% and use of goods and services that takes 20%.
- transfers to SAGAs are as follows:
 - Wildlife Clubs of Kenya - Kshs. 30 million;
 - Kenya Wildlife Service - Kshs. 937.3 million;
 - Forestry Research Institute, receives Kshs. 952.98 million, part of which Kshs. 4.5 million AIA is received from the sale of certified seeds and breeding stock;
 - The Kenya forest Service receives - Kshs. 4.065 billion, of which AIA includes Kshs. 2.298 billion from sale of certified seeds and breeding stock.
- The total transfers to the SAGAs are Kshs. 5.985 billion.
- In the new FY 2011/2012, KWS had requested for funding of Kshs.1.3billion but was allocated Kshs.937million. Due to this shortfall the regulatory, research and response to Human-Wildlife conflict functions will not be adequately addressed.
- The absorption capacity of the above Ministries and government department has been affected by delays in exchequer and donor releases. The Committee therefore

recommends that the Ministry of Finance expedite exchequer releases to Ministries and department to enable completion of approved programmes.

MIN.NO.28/2012: RECOMMENDATIONS

The Committee recommends, that :-

Ministry of Water and Irrigation

- a) The Ministry should put in place monitoring and evaluation measures to ensure the sustainability of Water Service Boards, that fund allocated to the Boards are utilized properly and for the intended purpose;
- b) The Ministry of finance should provide funds for the completion of the construction of large dams;
- c) The Ministry of Water & Irrigation expedite in conjunction with the judiciary the resolution of the disputes arising from the construction of Umaa Dam, either in court out of court or through arbitration, in the public interest, and
- d) The Ministry of Water & Irrigation should expedite water tariff review to ensure that water access is affordable;

Ministry of Environment and Mineral Resources

- a) The Ministry of Finance should allocate funds,
 - i. Kshs.16.04 billion, to the Department of Mines and Geology for the purchase of airborne geophysical equipment and survey and others equipments;
 - ii. Kshs.954 million, to the Kenya Meteorological Department for weather modification, recruitment of staff, purchase of satellite distribution System and establishment of the national framework of climate services;
 - iii. Kshs.2.79 billion to National Environment Management Authority for establishment of waste management fund, recruitment of staff and establishment of county offices;
 - iv. Kshs.2.5 billion to department of Remote Sensing and Resource Survey for the development of ground receiving Station for remote sensing data

Ministry of Lands

- a) The Ministry of finance should allocate adequate resources to the Ministry of Lands to able it undertake the process of land adjudication and registrations in the country for people to assert their rights over land.
- b) Having undertaken computerization and improved service delivery, leading to increased revenue collections in the last 3 financial years from Kshs. 800 million to Kshs 8.4 billion in FY 2011/2012, the Ministry should be allowed to retain Kshs.2 billion of the revenue it collects annually to be able to implement projects/programmes partially and or left out in the Financial Year 2012/2013 and beyond;
- c) The Ministry should be allocated funds for land acquisition for settlement of landless poor, Internally displaced persons and creation of land bank;
- d) The Ministry should be funded to survey and monument various categories of national boundaries such constituencies, counties and district boundaries;
- e) Funds be allocated to the Ministry to implement the new land laws and Sessional paper No.3 of 2009 on National Land Policy;

- f) The Ministry of Lands should fast-track the implementation of the recently passed land laws and the Community Land Bill, 2012 for enactment.

Ministry of forestry and Wildlife

- a) The Ministry should fast-track the enactment of the Wildlife Bill, Forest Bill and relevant policies. The Bill proposes among other things, the setting up of a KWS Fund. The fund is expected to raise US \$ 100million over 10 years and will provide an avenue to ensure that Wildlife and its habitats in Kenya continue to be conserved for posterity. The funds shall be raised from Government, development partners and individuals locally and abroad hence the Kenya Wildlife Service will realize its potential and be self sustaining.
- b) In the new FY 2012/2013, KWS had requested for funding of Kshs.4.5 billion but was allocated Kshs.937million from government funding. the funding appear to be constant even into the midterm. The Committee recommends that the government funding to Kenya Wildlife Service be increasing to cater for the shortfall in the regulatory, research and response to Human-Wildlife conflict functions.

Exchequer Releases

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

And from the above,

The Committee is agreeable to the proposals by the Ministers for Water and Irrigation, Environment and Mineral Resources, Lands, Forestry and Wildlife and recommends that a sum of: -

1. Kshs.4,136,401,450 be allocated to the Ministry of Water and Irrigation – Vote 20 for Recurrent expenditure and Kshs.19,771,482,986 for Development expenditure, proposed in the Heads under Vote 20 and that the Ministry be allowed to raise Appropriation In Aid amounting to Kshs.1,923,722,596 under recurrent and Kshs.17,159,980,958 from Development partners, to finance its operations;
2. Kshs.2,398,769,150 be allocated to the Ministry of Environment and Mineral Resources – vote 21 for Recurrent and Kshs.3,951,867,685 for Development expenditure, proposed in the Heads under Vote 21 and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs. 203,400,000 under recurrent and Kshs.153,882,847 from Development partners, to finance its operations;
3. Kshs.2,200,974,430 be allocated to the Ministry of Lands – Vote 36 - for Recurrent and Kshs.1,172,944,125 for Development expenditure proposed in the Heads under Vote 36; and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.131,226,100 to finance its operations;


4. Kshs.4,083,111,210 be allocated to the Forestry and Wildlife – Vote 55 - for Recurrent and Kshs.3,004,912,000 for Development expenditure, proposed in the Heads under Vote 55; and that the Ministry be allowed to raise Appropriation-in-Aid amounting to Kshs.1,091,120,000 under recurrent and Kshs.484,000,000 from Development partners, to finance its operations;

MIN. NO.29/2012: ADOPTION OF THE REPORT

The Committee adopted the report on the scrutiny of annual estimates for FY 2012/13 for Votes 120, 121, 136 and 155 unanimously and requested that the Chair tables the report.

MIN. NO.30/2012: ADJOURNMENT

There being no other business, the Chairperson adjourned the meeting at Twenty five minutes past One O'clock. The next meeting will be called on notice.

SIGN:..........
(HON. MUTAVA MUSYIMI, MP)

DATE:.....MAY 16, 2012.....