



EfD Kenya Research Day - 26th February 2015

Welcome and Introduction

Environment for Development Kenya (EfD Kenya), in collaboration with the School of Economics (SoE), University of Nairobi (UoN) and the Kenya Institute for Public Policy Research and Analysis (KIPPRA) held the 2015 EfD Kenya Research Day on February 26, 2015 at the Hillpark Hotel, Nairobi. The objective of the workshop was to share ongoing research by the EfD Kenya and KIPPRA teams as well as discuss future policy research options.

Prof. Peter Kimuyu (School of Economics, University of Nairobi and Executive Committee Chair, EfD Kenya) opened with a warm welcome to the participants. The welcome was followed by a brief by Prof. Gunnar Köhlin (Associate Professor, Environmental Economics Unit, University of Gothenburg and Director, EfD) on the Environment for Development initiative's work. He touched on several points including EfD's focus on filling capacity, analysis and institution gaps in the countries they work in and the capacity building that EfD carries out through environmental economics courses. Gunnar also launched one of EfD's latest books 'Forest Tenure Reform in Asia and Africa'. Yonas Alem (Research Fellow, Department of Economics, University of Gothenburg and Research Director, EfD) then gave an overview of EfD's research process and activities in various EfD Centers. He further elaborated on the areas of EfD research focus and requirements for a successful proposal. He closed with a rundown of EfD's 2014 publication statistics for all the EfD centres.

Cost of Coping with Poor Water Supply in Rural Kenya – Peter Kimuyu (EfD Kenya)

Peter Kimuyu gave a snapshot of the ongoing rural water research at EfD Kenya. This study is building on previous research and explores the cost of coping with poor water supply using data collected in Kianjai in Meru County. His presentation focused on descriptive analysis and the ways in which the empirical analysis will delve further into the issue of water sourcing by focusing on coping costs. There was robust discussion on this presentation. Participants brought up issues such as missed water sources, analytical challenges posed by potential heterogeneities in the data and the gender aspect of the coping costs including time costs.

Navigating Kenya in Post–2015: Water and Sanitation Policy Agenda – Victor Mose (KIPPRA)

Next Victor Mose of KIPPRA took the floor to make the KIPPRA water research presentation. This research is focused on assessing Kenya's progress on water and sanitation over the MDG period and synthesizing Kenya's policy agenda on water and sanitation in the post-2015 period. He noted that consistent with observations made in the cost of coping presentation, the key problems facing the water sector include water scarcity, low access and shrinking renewable water sources. He further noted that low water access adversely affects health, education, productivity and leads to poverty. Discussions

after this presentation focused on several aspects of the water and sanitation issues in Kenya. This included the challenges of working with a Western approach and the need to have local solutions as well, the difficulty of implementing solutions with a rapidly increasing population and the need for extractive industries to be included in the policy agenda.

Resource Curse Hypothesis: Causes, Transmission and Potential Implications to Kenya – Richard Mulwa (EfD Kenya)

After brief break, Richard Mulwa (University of Nairobi and Senior Research Fellow, EfD Kenya) then presented a concept note on the resource curse hypothesis, demonstrating how a country rich in natural resources can nevertheless experiences slower growth rates than natural resource-poor countries. He focused on the factors that can contribute to this in Kenya including corruption, property rights security, increased conflicts over resource control between communities, national and regional governments, fractionalization, polarization, and investment. Discussion centred on - among other issues - a debate around the data for polarization and fractionalization - for which different sources have different statistics, the volatility of commodity prices, the lack of data for the extractive sector and the need for baseline surveys. It was concluded that the key issues with research on the extractive sector include data, identification issues and political economy aspects.

Environmental and Social Effects of Minerals, Oils and Gas Discovery in Kenya: The Case of Kwale Mineral Mining - Joshua Laichena (KIPPRA)

Joshua Laichena then presented KIPPRA's ongoing study on the environmental and social effects of mining activities in Kwale. He narrated both the positive and negative effects of mining, especially for the communities based on and around the land on which the mining is taking place. He also detailed the challenges faced by the industry in Kenya-these include capacity constraints, resettlement issues, information asymmetry between the three main parties (community, company and county governments), and sector linkages and value addition. The discussion on this presentation highlighted the marginalisation of local communities especially in the case of resettlement which is poorly done and in gaining jobs at the site which is difficult due to capacity gaps and corruption among other factors. It was also mentioned that the gaps in the legal framework lead to lower benefits for the community and for the country as a whole, this is seen when the sector is experiencing growth yet the sector contribution towards GDP is unchanging.

Adaptation to Climate Change and its Implications on Farming Households Nutrition in Kenya – Jane Mariara (EfD Kenya)

Jane Mariara then took the floor to discuss adaptation to climate change and its impact on farming households' nutrition. She gave a rundown of the motivation, methods used in the research and the results of the study. She clarified that this study departs from previous studies on adaptation to climate change in Kenya in that it focuses on the effects on production of nutrition, while as traditional studies have concentrated on farm revenues and agricultural productivity. The study found that farmers who do not adapt to climate change get lower Kilo calories per hectare, and that increased pesticide use positively affects production of food nutrition. Discussion was centred on sources of climate data. The study used the European Centre for Medium-Range Weather Forecasts and several participants discussed the fact that Kenya Meteorological Department has daily data for most areas in Kenya, but at

better resolution. It was concluded that the challenge with Meteorological data is that it has lots of missing gaps and therefore may not be most appropriate.

Discussion with Environment Secretary: Alice Kaudia

The Environment Secretary did not make a formal presentation, but she commented on climate change related issues and also had a meeting with the Gunnar and the EfD Kenya executive committee. On climate change, she indicated that she is excited that there is so much interest in issues on adaptation to and mitigation against climate change. She lauded EfD Kenya for focusing on effects of adaption on nutrition, noting that this is the way to go if research on adaptation to climate change is to have the desired impact. She noted that EfD Kenya has a good opportunity to contribute towards the IPCC Working Group 2 vision and asked the team to look at IPCC 2013 report on adaptation to climate change. She further advised that it is time for researchers to think about a climate change adaptation action plan, as adaptation measures are not guided at present, but instead farmers do what they think best. She emphasized on the need for a strong link between academia and the Ministry of Environment, Water and Natural Resources (MEWNR).

Issues of discussion with the EfD team revolved around three key issues: (i) The Green Growth platform. This was discussed in the context of the very active thrust for a climate resilient green economy in Ethiopia (that is being backstopped by EfD initiative with a knowledge hub at the EfD Centre in Addis), and the potential interest in a similar initiative in Kenya; (ii) capacity building in environmental economics, including the planned global MSc program in Climate Economics, and the need for a capacity inventory to identify the current and future demand for such capacity within the Kenyan government departments; (iii) The current activities at the Environment for Development Center at University of Nairobi (in collaboration with KIPPRA) and the possibility of a strong working relationship between EfD Kenya – KIPPRA and MEWNR.

It was agreed that the Environment Secretary would work closely with EfD Kenya to carry out an assessment of the need for environmental economists/climate change economists in the policy arena, more-so in the relevant ministries.

PANEL: Priority Issues in the Environmental Sector

For the panel, three experts in the water, extractive industry and climate change sectors were invited to guide EfD Kenya on future research by highlighting priority issues in their sector. The three professionals were Eng. Peter Njaggah (WASREB), Monica Gichuhi (Quadz Consulting) and Dr. Anne Omambia (NEMA). Dr. Moses Ikiara (KenInvest and EfD Kenya) chaired the session.

Monica Gichuhi spoke first. She highlighted the fact that the gap of an overarching policy framework is obvious within the industry. There are several issues (e.g. communities, forests, water etc) that need to be defined in one policy framework. As it is, the industry has to contend with the different sector bills. She also mentioned the fact that the extractive industries are looked at in the three parameters of community, company and government. However the community are not invited as equal players to the table, and they are not well-represented. The industry needs a structure to minimise conflict by adequately compensating local communities. The lack of capacity and skills for the communities around extractive industry sites is also a problem as they do not get opportunities. She noted that governance

and accountability are important and that the government must ensure that schedule 5 of the Constitution of Kenya is adhered to. Lastly, she stated that the lack of data in the industry is a significant problem as it means the government will rely on information from investors who have their own interests. Other countries have done airborne studies and have their own information; Kenya needs to do the same and audit the information to be sure it is accurate.

Eng. Peter Njaggah then spoke about priority policy issues in the water sector. Water pollution is a large and growing problem, due to the increasing population. Lack of sewerage in urban areas means that most waste ends up in rivers. Eutrophication is also a problem as it makes the cleaning of water more expensive. There is also the issue of financing (of additional sewerage) within the water sector. There is a large gap, and a need to cut costs e.g. by finding cheaper technologies. The general thinking is that conventional sewage is the way out but it is very expensive. Financially sustainable and environmentally friendly solutions are important for the water sector.

Dr. Anne Omambia from the Climate Change Unit in the Ministry of Environment, Water and Natural Resources gave some background on the unit and on climate change policy in Kenya. She noted that there are several climate change policy documents including the National Climate Change Response Strategy of 2010 and the National Climate Change Action Plan 2013-2017 which was developed through a multi-stakeholder approach. All policy documents are pegged to Vision 2030. The gaps in climate change in Kenya are related to lack of data, and a need to develop accurate adaptation and mitigation measures. She further noted that the Kenya Meteorological Department recently acquired digital recording technology; this data along with indigenous knowledge is vital when researching accurate adaptation and mitigation measures.

There was a lively discussion following the panellists' talks. It was noted that sensitization and mobilisation of the population on environmental issues is key. Policy gaps need to be filled and in the case of extractive industry, an all-encompassing policy framework is vital. The problem of coordination between different government bodies was also brought up. Finally, participants and panellists alike agreed that sharing of information is vital for research and to guide policy. It was recommended that EfD Kenya and KIPPRA should seriously consider holding quarterly breakfast meetings to share on activities, research, policy findings and also to brainstorm on areas where they need to jointly contribute citing an example of the need to contribute to a memorandum on the Environmental Management Coordination Act (EMCA) which was open on the National Assembly website.

Wrap-up and close of event by Jane Mariara

Prof. Mariara closed the session by highlighting key points from each of the presentations. She thanked the panellists for their contributions and the attendants for participating and for engaging with EfD Kenya at the Research Day.

Issues suggested by the participants for EfD Kenya to look at include: focus on generation of more water for the increasing demand (population); issues on water tariffs and inter-generational concerns; water service provision/infrastructure development financing gaps highlighted in Vision 2030 blueprint (focus on how to fill the financing gaps); and giving inputs into the Water Act amendment Bill 2014. Prof. Kimuyu then took the floor for a vote of thanks. He again thanked everyone for coming and for engaging with EfD Kenya at the Policy Day. He urged for more cooperation in order to boost policy research on environmental issues in Kenya.

Appendix I – Key Information and useful sites

- EfD Kenya
- KIPPRA
- Information Centre for the Extractives Sector
- Why Kwale Locals Are Not Reaping From Titanium
- National Climate Change Response Strategy
- National Climate Change Action Plan

Appendix II – List of Participating Organisations

Athi Water Services Board

Environment for Development Initiative

Environment for Development Kenya (EfD-K)

Geological Society of Kenya

Kenya Chamber of Mines

Kenya Climate Change Working Group

Kenya Institution of Public Policy and Research and Analysis (KIPPRA)

Kenya Investment Authority

Ministry of Environment, Water and Natural Resources

Nairobi City Water and Sewerage Company Limited

National Irrigation Board

National Environment Management Authority (NEMA)

Quadz Consulting Ltd

University of Gothenburg

University of Nairobi

Water Services Regulatory Board