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**EXTRACTIVE INDUSTRIES FOR SUSTAINABLE HUMAN DEVELOPMENT PROJECT
(2014 - 2015)**

PROJECT NO: 00088616

END OF PROJECT REPORT

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ACRONYMS

AfDB	–	African Development Bank
ADR	–	Alternative Dispute Resolution
CIDP	–	County Integrated Development Plan
CPD	–	Country Programme Document
CSI	–	Corporate Social Investment
CSR	–	Corporate Social Responsibility
DGU	–	Democratic Governance Unit (UNDP)
DFID	–	UK Department for International Development
EECCU	–	UNDP Energy, Environment and Climate Change Unit
EI	–	Extractive Industries
GoK	–	Government of Kenya
ICES	–	Information Centre for the Extractive Sector in Kenya
IEG	–	Inclusive Economic Growth (UNDP)
KCM	–	Kenya Chamber of Mines
KOGA	–	Kenya Oil and Gas Association
MCK	–	Media Council of Kenya
MoDP	–	Ministry of Devolution and Planning
MoIED	–	Ministry of Industrialization and Enterprise Development
MoM	–	Ministry of Mining
MTPII	–	Medium Term Plan II
NEMA	–	National Environment Management Authority
PBCP	–	Peace Building and Conflict Prevention Unit (UNDP)
PSC	–	Project Steering Committee
TSC	–	Technical Steering Committee
UNDAF	–	United Nations Development Assistance Framework
UNDP	–	United Nations Development Programme

EXECUTIVE SUMMARY

The UK - Department for International Development (DFID) and United Nations Development Programme (UNDP) agreed to collaborate in the implementation of the Extractives Industries for Sustainable Development Project 2013 – 2015 as agreed and signed upon on November 2013 under project Number 00088616. DFID contributed \$600,000.00 as a grant to be administered by UNDP to exclusively implement activities under the Extractive Industries for Sustainable Human Development Project. These funds were only released in late February 2014 thereby affecting the implementation of activities.

The DFID grant and BCPR funds were to support the following key result areas of the programme as identified in the project document; capacity building for individuals and institutions supporting Extractives, policy and legal framework for management of EI, strengthen service delivery mechanisms and promote peaceful co-existence at National and County levels, and administration/management costs. The support was targeted to the Ministry of Mining as the lead Implementing Partner; details of all these are captured in the introduction and body of this report.

UNDP through this grant supported and to continue playing a very strategic role in facilitating enhancement of the implementation of sustainable human development through the EI project in the Ministry of Mining, responsible parties and community endowed with minerals and are engaging in Extractive activities through capacity building, dialoging and strengthening of the legal and policy frameworks.

Specifically the support contributed to implementation of several activities in particular, inter community dialogues for sustainable peace, capacity building through dialogued and trainings in communities and especially of journalists and editors to help capture the extractive industries activities and stories positively when highlighted in news coverage, several researches and reports on extractive activities and largely informing masses of extractive industries.

A major realistic process that through this project the Ministry of Mining would like to achieve is the realization of the domestication of the Africa Mining Vision. This is work in progress where the Ministry of Mining is taking lead with technical assistance from UNDP to spearhead the process with all relevant stakeholders in the extractives sector at National and County government levels.

INTRODUCTION

In 2013, under the auspices of the UNDP Global Programme for Extractive Industries and the UNDP Regional Africa Programme for Extractive Industries, UNDP Kenya developed the “Extractive Industries for Sustainable Human Development” project. The project aims to improve the lives of people living in areas endowed with natural resources by improving governance, economic empowerment, promoting peace and environmental sustainability.

The two-year project (2014-2015) was signed by the National Treasury in November 2013 and implementation began in January 2014. The project’s estimated budget is USD 2.8 Million for the two years. The first half of the year’s activities was fully funded with USD 1.35 Million provided by the UK Department for International Development (DFID) and UNDP. The contribution agreement was signed in November 2013 but DFID did not release the funds until late February 2014. It is worth noting that the DFID funds were for one year only (2014). UNDP through BCPR facilitated all projects implemented during the second half of the year 2015; July to December.

This report provides the status of activities carried out during the year 2015 between January 1, 2015 and December 31, 2015. It reports only on the activities that were planned for this period and assesses whether progress was realized. This report is meant to inform various stakeholders including Donors (both internal and external), the Government of Kenya and other relevant partners in the project implementation.

The overall expected outcome of this project is to ensure that the extractive sectors in Kenya are governed in a more participatory, equitable and sustainable way to ensure that they contribute to peace and sustainable human development. The outputs are:

1. Participatory decision making fora established to institute representation of communities in decisions on extractive industries and safeguard their rights and mitigate against growing tension between communities and investors.
2. Public institutions, the private sector and civil society have systems to ensure transparent, accountable and inclusive management of revenue from extractive industries.
3. Legal, policy framework and institutional capacity is in place to effectively support sustainable management of the extractive sector.

Country Context

The Government of Kenya (GoK), recognizing the importance of new discoveries and the economic potential of natural resources, has prioritized Oil and Other Minerals in its Vision 2030 and the Second Medium Term Plan (MTP II). The overall objective of the project is to support the priorities set in the Kenya Vision 2030 and the Second Medium Term Plan (MTP II, 2013-2018); specifically the Economic Pillar on “enhancing economic growth and reducing poverty”. Under the Economic Pillar in the MTP II, the seventh priority includes Oil and other Minerals and lists over 20 projects that the Government of Kenya will implement during the 2013-2017 MTP II timeframe. During the first half of the FY 2014/2015 the Government of Kenya focused its work on updating relevant legislation and policies.

The project contributes to the United Nation’s Development Assistance Framework (UNDAF) Strategic Result 3 on ECONOMY, which states “By 2030, Kenya is an industrialized middle income country with a modern, inclusive, diversified and 24-hour economy: growth is inclusive and achieves sustainable development; trade is modernized, balanced, competitive, and regionally integrated; and employment matches the demand, is stable, private sector and SME-driven, decent, equitably accessible particularly to youth, women and vulnerable groups, and human rights compliant”. Specifically, the project has been directly contributing to UNDAF Outcome 3.2 on Productive Sectors and Trade, which states that “By 2018, the Productive Sectors (agriculture, manufacturing, extractives industry, trade and their value chains are private and SME driven, sustainable, diversified, technologically innovative, commercially oriented and competitive on national, regional and global markets”. Emanating from the UNDAF, the UNDP Country Programme Document (CPD) for 2014-2018 has similarly prioritized activities to ensure sustainable human development for communities endowed with natural resources.

The extractive sector is complex by its own nature and includes a number of different stakeholders; including Development partners, Civil Society Organizations, the Private Sector, Kenya Oil and Gas Association, Kenya Chamber of Mines, think tanks, academic institutions and the media who are all involved in activities aimed at improving human development in the extractive sector.

The UNDP Kenya project began in January 2014 within this complex, yet potential-filled, environment. By achieving the project outcomes, the project hopes to improve livelihoods in affected communities that are endowed with natural resources and minerals.

Collaboration with the Government of Kenya

The project was signed by the National Treasury in November 2013, as per the guidelines set out by the Government of Kenya regarding development assistance. However, in March 2014 the National Treasury issued a letter to the Ministry of Mining requesting that it becomes the primary implementing partner for the project. According to UNDP rules and procedures, the implementing partner is entrusted with the implementation of all agreed upon project activities defined in the project document in consultation with UNDP and other key actors associated with the project.

While the Ministry of Mining (MoM) is the primary Implementing Partner (IP), several other government bodies are involved in the implementation of the project as responsible partners or collaborating parties. These include the Ministry of Energy and Petroleum (MoEP); the Ministry of Devolution and Planning (MoDP); the Ministry of Industrialization and Enterprise Development (MoIED); the Ministry of Interior and Coordination of National Government (MoICNG); the National Environmental Management Authority (NEMA) and the Office of the Attorney General. The project has also worked with County Governments of Kitui, Kwale, Taita Taveta and Turkana.

These institutions were identified on the basis of their constitutional mandates and specialized skills in extractive industries. During the first year of project implementation, the planned activities were to be effected in four Counties selected according to human development criteria, geographical and natural resource diversity.

The Ministry of Mining shall coordinate all the government stakeholders for implementation of the project. This is to be done through the Extractive Industry-National Project Steering Committee (EI-SC) and the Extractive Industries National Technical Committee (EI-TC). The EI-SC is comprised of Principal Secretaries from the Ministry of Petroleum and Energy; the State Department of Environment; the State Department of Water and Natural Resources and UNDP. The EI-SC is the highest-level, decision-making and strategic group for the project. These Ministries were identified by the Ministry of Mining as the most proximate actors in the project. The EI-TC will comprise representatives from the Ministries of Mining; Petroleum and Energy; Environment; Water and Natural Resources; Industrialization; Devolution and Planning; Interior; as well as the above mentioned County Governments.

Progress into the implementation of the Extractives Industries Project January – December 2015

The impact this programme was to contribute to poverty reduction in Kenya through involvement in inclusive and sustainable economic development activities in the extractives sector, with reduced risks of negative social, political and environmental impacts.

Mining activities are mostly undertaken in the poorest regions of Kenya and this calls for deliberate efforts to benefit the local communities and therefore interventions are planned in a participatory, transparent and accountable manner to enhance the socio-economic wellbeing of Kenyans who live in these areas.

The outcomes in this project aimed to achieve better governance and inclusive approaches to human resources and domestic service provision in Kenya.

- (i) **a) *Participatory decision-making fora established to institutionalize participation and inclusion of communities in decisions on extractive industries, to safeguard rights and promote collaborative engagement between communities, government and private sector.***

The project aimed at developing capacities through the implementation of the following activities:

- Supporting the development of capacities of communities by raising awareness and enhancing either participation in EI projects.
- Developing information dissemination mechanisms through training of media personnel.
- Supporting the capacity development of regulation of artisanal and small scale mining
- Conducting collaborative leadership training for leaders on conflict sensitive approaches to EI.

- b) *Dispute Resolution Mechanisms in Extractive Industry established through:***

Supporting the establishment of dispute resolution mechanisms to address conflicts between communities and private companies or within communities over extraction activities.

The programme achieved results in targeted areas during the period as is illustrated below

Activity 1: The project held the first joint National level Consultative Meeting. This meeting created a forum which aimed for experience sharing, consultation and joint advocacy, and provide a data bank of CSO's, FBO's, and CBO's working in targeted area. The meeting brought together various stakeholders in the Extractive Industry (EI), including the National and County Governments, International Development Agencies, local

development organizations, academia, members of the Civil Society, investors, and community members.

The aim of the meeting was to not only create awareness of the EI but also acted as a baseline for engaging participants in dialogue on current and emerging issues, with a view to seeking sustainable solutions to facilitate the industry's contribution to national development.

The dialogue brought out succinct lessons as follows ; Diversity in the community issues; the land problem was key and compensation thereof; discussions on the country's economy now with extractives contribution, the potential disruptive effects of EI on other sectors of the economy (in terms of labor, income and other factors of production) and the need for careful planning; whether absence of violence is peace; several models that could be followed in utilization of resources and the need to respect systems in organizations and how to strengthen knowledge on the gains of the community (infrastructure and social benefits).

The key lessons were:

The need for clear policies and laws for the mining Industry;

The importance of transparency and accountability in the extractive sector;

The embedment of conflict in the sector and its challenges which include its management;

There is need for clear engagement framework for communities and other stakeholders for effective management of conflict;

There is need for stakeholders to continually engage in discussions on how benefits accrued from EI should be shared and by whom.

Need for clear engagement between the national government and county government and whose mandate it is to lead the extractive sector.

Civil Society organizations mapping and profiling to inform the EI sector which organization engages in extractive process was achieved and this led to a consultative dialogue workshop on natural resource management for sustainable development in Kenya and (Kitui) in particular. This forum brought together the National government, Country government and the media were also represented and given space to engage in emerging issues concerning extractive activities in Kitui County.

The broad objective of the workshop was to bring together the key stakeholder groups namely CSOs, Communities, Government and the private sector including small and medium enterprises (SMEs) in the extractive industry from Kitui County to discuss significant issues pertaining to the extractive industry in Kitui County such as sustainable development of the natural resources in Kitui County; the role of the key stakeholders; local content; benefit sharing; human rights issues; and labour issues.

The workshop achieved its specific objectives i.e. (i) consultation among the key stakeholders on expectations of each stakeholder group; transparency and accountability issues; inclusiveness especially for women and youth as they were well represented; community development including skills development; employment and business opportunities for the locals; (ii) stakeholders were trained to enhance their understanding of extractive industries including human rights issues, current legislation gaps and other issues; and (iii) participants came up with action points and timelines which would be tracked and discussed in future engagements.

400 participants gathered in Turkana County through support from UNDP for the first Oil and Gas. This forum brought together major stakeholders in Oil and Gas exploration, key Government Ministries as well as the County Government of Turkana to discuss major issues that will affect and have an effect on communities living around the exploration areas and other major development activities.

The County through their Governor suggested for the conference to be an annual activity in their next fiscal year and they wanted it to be held between the 2nd and 3rd quarters of the year 2016.

Activity 2: Development of information dissemination mechanisms to population on extractive industries. The project initiated work with the private sector and the Media Council of Kenya to develop a training programme for journalists in the extractive sector. These included development of materials and conducting trainings. The activity organized three county level trainings for local journalists on the extractive sector and also involved the training of editors in Nairobi to ensure those reporting on Extractive Industries understand the extractive process and can accurately report on issues concerning communities and human development.

Key results include:

190 journalists knowledge on emerging issues on extractives has been enhanced through trainings held and hence positive human development story highlights on the media. The journalists were from the following regions Kwale, Kitui, Lodwar, Naivasha, Kakamega and Kisii where 25 – 35 per region represented all media houses and sections (print, radio and TV). Communication officers from the selected counties also took part in the training with representation and participation from relevant ministries from the county governments to ensure wholesome implementation of the intended benefit.

Instant impact resulting from the trainings as the journalists have been able to generate stories on the extractive industry in different local media platforms. Stories were published in the Daily Nation, the Standard, the Star and KNA covering extractives. NTV committed to produce and screen a high level extractive industry feature and conduct an exclusive interview with the Minister for Energy and Petroleum on Oil and gas.

The Business Daily newspaper offered space for a weekly opinion on the extractive industry in Kenya which Dr. Odote one of UNDP extractive industries training facilitator has made regular contributions to this column.

“Lenses on the Mines” report was published by the Media Council of Kenya highlighting the media coverage of the extractive industry in Kenya; exploring the coverage, challenges, effects and lessons for newsroom reflection.

After the completion of the training, extractive industry players committed to making information readily available to both local and national journalists to reduce the existing information gap. The trained journalists committed to upholding ethical principles in reporting on extractive industry.

(ii) *Public institutions, the private sector and civil society have systems to ensure transparent, accountable and inclusive management of extractive industries.*

Activity 1 Public, private dialogue and trainings fostered the building of supply linkages with small and middle-sized enterprises in promotion of corporate social investment while enhancing the capacities of institutions, companies and civil society organization in the management of extractive industries and building partnerships that are being maintained through and by organizing of private-public-dialogue for extractive industry activities.

Key Results include:

A Supply Chain analysis study was undertaken that provided assessment of the supply of inputs line for the extractives industry in Kwale and Kitui Counties. It informed the development of Micro, Small- and Medium-Size Enterprises (MSMEs) as suppliers to the extractive industry, drew on lessons from countries with more mature extractive sectors. It as well assed the opportunities, challenges and risks of MSMEs and their capacity as suppliers to the extractives industry in Kenya, having a national outlook, but also specifically it focused on Kitui and Kwale Counties. The findings draw on literature review and interviews carried out with Kitui and Kwale County governments officials (trade, budget, mining and statistical departments), MSMEs owners and Mining companies’ management, procurement and Corporate Social Responsibility departments staff.

All these activities fostered and enhanced continued partnerships and institutional continued dialoging under the extractives as well as easy access to engaging in activities in the communities.

A Value Chain Analysis was conducted of the Extractive Industry in Kwale County, with a special focus on Silica Sands and the Duruma (Mazeras) Slates; and it addressed the constraints and how to create better livelihoods for the enterprises, women and men living in the County through several interventions such as - strengthening and streamlining the value chain in order to address issues of increasing poverty levels in the extractive industry in Kwale County that would in turn help reduce unemployment. It also looked at how to strengthen the enabling environment for the value chain to stimulate economic development in the extractive industry and addressed the issue of imbalance in resource distribution among the gender in the extractive industry.

This study was carried out in a participatory manner that helped generate 5 areas of intervention which could assist in the next phase of the EI project; within the counties and among communities and entrepreneurs.

A 7 member steering committee was formed to spearhead engagement with mining companies within Kwale County. These members were drawn from the Civil Society Organizations, Community leaders and County government officials.

Capacity building workshops were held for Civil Society Organizations, community members/representatives and County Government officials for Kwale where 122 members participated. Through these engagement, these groups in Kwale county are now actively engaged in extractive activities to ensure sustainable community development, peacebuilding and social responsibility and more dialogue

Lessons learnt and recommendations

It is difficult to implement interventions while managing expectations in the extractive industry without a buy in from National Government, County government, business associations, local suppliers, communities and EI Companies.

There is need for continued dialogue and negotiations on extractives revenue collection and allocation, project location and scale, environmental regulations and potential benefits for the communities with all stakeholders.

Need for continued support especially for the dialogues with communities to stimulate growth and development particularly in the rural areas; with enterprises located in rural areas, the extractives sector has a high potential for contributing to rural development.

All final studies should be shared with stakeholders for verification and familiarization of the findings for further action in terms of actively engaging in economic activities under the extractives industry as well as those of existing laws.

- (iii) ***Legal, policy frameworks and institutional capacity is in place to effectively support sustainable management of the extractive sector.***

Due to limited capacity, legal, and policy frameworks for sustainable management of the extractive sector, the Government of Kenya seeks to ensure that appropriate institutions and legal frameworks and policies are in place in order to translate the vision for sustainable management of extractive industries development into concrete actions. UNDP supported informed decision making and development of legal and policy frameworks by conducting or commissioning a number of studies and assessments – in the process, also supporting the capacity of national institutions. This support was in exchanging knowledge globally and regionally to identify best practices and potential impacts of the extractive sector on human development, drawing on the global expertise sourced through the Global Initiative on Extractive Industries for Sustainable Development.

UNDP also contributed to the implementation of these policies and legislation by supporting the capacity of relevant government institutions, such as ministries and government agencies at the national level and corresponding institutions and departments at the county level. Ministry of Mining was supported in development of the following policies: (i) Extractive Policy; (ii) Mine Health, Safety and Environment Guidelines/Policy; (iii) Explosive Policy; (iv) Policy on Management of Quarrying, Rocks and Industrial Minerals and (v) Finalization of National Remote Sensing Policy (for Department of Resource Survey and Remote Sensing). All the support was to ensure that capacity, legal and policy frameworks are enhanced for sustainable management of extractive sectors.

A research study to examine the existing and proposed laws in the extractive industry, for the purpose of making recommendations on the adequacy or inadequacy of the laws on specific issues was conducted. Issues covered included (i) interests of the local community; (ii) rights of women, youth, the vulnerable and marginalized groups; (iii) inclusion of county governments; and (iv) environmental sustainability. This was to measure adequacy of the laws in addressing issues is a concern of stakeholders in the development agenda of every nation and by reviewing the same countries ensure

The project also facilitated conflict risk analyses to identify drivers of conflict, peace capacities, traditional and non-traditional dispute resolution mechanisms to inform pre-extraction decisions of government and companies as well as linkages between the extractive industry and marginalized groups (i.e. women, specific ethnic groups, communities etc.)

Activity 2: Environmental governance is key to extractive industries NEMA and UNDP collaborated to enhance monitoring and enforcing of environmental standards, laws and regulations within the EIs. For the sector to maintain a sustainable environment after extractive activities; the National Environmental Management Authority (NEMA) managed to collect, collate views from Western & Nyanza, Central (Nyeri) and Eastern (Embu) regions; these views would be then fed into the draft Environmental Management and Coordination (Deposit Bonds) Regulations of 2015 to operationalize section 28 of the Environment Management and Coordination Act, 1999.

This process brought together about 180 stakeholders to contribute to the process. They included exploration and exploitation of oil and gas companies, industrial plants, breweries, distilleries, still mills, tanneries, agricultural activities, infrastructure projects including geothermal power plants , thermal power plants, waste/garbage collection companies, hospitals among others. These in the future would create a register for easy management when the Deposit Bonds will be implemented.

Key Results

This process brought about the creation and completion of the following documents by NEMA

- a) The Environmental Management Coordination (Deposit Bonds) Regulations 2015
- b) Regulatory Impact Statement
- c) Explanatory Memorandum to the Environmental Management and Coordination (Deposit Bonds) Regulations, 2015

Activity 3: Domestication of the Africa Mining Vision

The Ministry of Mining is in the process of holding consultations, supported by UNDP aiming at soliciting for maximum input and feedback from major stakeholder in the extractive sector (Key Government Ministries, County Governments, Development Partners, NGOs, CSOs, community representatives and the Private Sector); to provide a space for dialogue in improvement of the content and substance that would go into formulating the Kenya Country Mining Vision.

Key Result

There is buy in from stakeholders as 2 stakeholder meeting have already been held and discussions have been around mobilizing and sensitizing all stakeholders on their role in the design and implementation of the Kenya Country Mining Vision.

Key Lessons learnt

Conflicts common to the four Counties were: the unclear benefit sharing agreement on the extracted resources, unclear policies/law, environmental (biodiversity) degradation, perishing cultures/traditions and poor compensation of communities' displaced from land.

Declining grazing and fishing grounds were conflicts specific to Turkana County while tax/levy and issuance of export permit conflicts were unique to Kwale County.

The causes of conflicts were also common across the Counties. These included misinformation or lack of information on issues such as benefit sharing, lack of land title deeds, little involvement of the community in projects; poor policies and divisive politics.

The suggested conflict interventions mechanism were comprised enhanced community sensitization, setting better CSR and MOU, increasing clarity / community participation (empowerment), providing title deeds, enhancing the social livelihoods and undertaking environmental restoration.

All these interventions can be undertaken via mediation and negotiation initiatives between the conflicting parties. Given that the extractive industry in Kenya is still in its infancy stages, it was recommended that:

- A National sovereign fund to be established that will anchor Kenyans against vagaries of future conflicts

- Thorough environmental impact assessment be done and after the project begins, the evaluation and audits should be closely monitored under prescribed environmental management plans

- The current policy frameworks and laws on mining and oil industry should be hastened so as to be at pace with the quickly evolving Kenyan extractive industry

- These laws be clearly sensitized to the communities particular in the regions under oil and mineral exploitation

Project Management Systems Established for Effective Project Implementation

Risk Management

There are a number of potential risks that are identified as challenges during the implementation of the project. The table below identifies some of the challenges and the suggested mitigation.

Risk / Challenge	Mitigation
Slow buy-in by the Ministry of Mining as a result of it not being involved in the initial stages of implementation. This was because at the beginning of the implementation the Ministry had not been formed.	Several meetings held between the Ministry of Mining and UNDP to review the activities to be implemented and align them to the identified priorities and also to ensure that the Ministry is involved in implementation of all activities. Future, need more time for programme implementation – the time given to implement such a budget was too short.
Changes at the Ministry of Mining in early 2015 – the PS was suspended, a new acting one in place.	This has slowed down work, but there are plans to ensure the acting PS signs the new AWP for 2015/2016. UNDP has escalated the issue to the CS.
Scanty and inadequate access to information by journalists on extractives in Kenya and lack of specialized knowledge in extractive industry by journalists in Kenya	Training conducted under this project for media personnel gave rise to provision of space in the print media for experts to be writing on Extractive Industries. An Information Centre for the Extractive Sector (ICES) was set up by UNDP and AfDB.
Inadequate funding for the project to carry out dissemination of extractive Industries information through print and electronic media	Continued resource mobilization is being carried out by UNDP
Lack of a centralized location/resource Centre on extractives in Kenya.	The UNDP and AfDB have set up an Information Centre for the Extractive Sector (ICES), UNDP recruited an ICES coordinator who then resigned after four (4) months when he was appointed to diplomatic services.
Scanty documented information about artisanal mining in the Taita Taveta County.	The consultant hired for the artisanal mining study shall collect secondary data / information from the fieldwork to boost information. The study is already conducted awaiting a validation workshop.
Political interference in the gemstones industry	All stakeholders are being engaged in all forums to ensure equitable participation in decision making.

<p>Heated debate on the New Mining Laws and Regulations</p>	<p>Some controversial clauses including the Benefits Sharing Agreements (BSA) between Counties, the National Government and local communities; issues of land and compensation for compulsorily acquired land and the powers granted to the Commissioner of Mines identified and discussions underway on reviewing the Mining Act.</p>
<p>Scanty documented information about ADR mechanism in the Country.</p>	<p>Part of the Judicial Transformation Framework has ADR as part of judicial reforms. There will be close working relationship with the Judiciary on the issue of ADR in the Extractive Industries.</p>
<p>Slow consultative processes among the institutional stakeholders.</p>	<p>The project initiates meetings with the key stakeholders and also tries to bring them together for engagement and discussions on issues of extractive.</p>
<p>Reluctance by some mining companies to engage with other stakeholders and public opinion is mostly against the mining companies hence poor relations</p>	<p>All stakeholders are being engaged in all forums to ensure equitable participation in decision making.</p> <p>In Kwale County, a 7-member steering committee made up of community leaders (2), CSOs (2) and Government (3) has been formed to engage mining companies in a more organized and participatory way.</p>
<p>The Ministry of Mining is a new Ministry and some capacity gaps exist.</p>	<p>UNDP is seeking to address this by offering support to capacity building in order to ensure effective and efficient delivery of their mandate. This in turn will ensure successful implementation of the EI project.</p>

Lessons Learned and Way Forward

During this phase of the project a number of lessons have been learnt, namely:

- Internally to UNDP, since the project is being implemented by several different teams, it is important that the Project Coordinator regularly inform the teams of the various activities being undertaken. This calls for a more integrated approach during the implementation from all the stakeholders who include other UN agencies such as UN women; other Ministries such as Ministry of Energy and Petroleum; NEMA; Judiciary; Attorney General's Office; Media Council of Kenya (MCK), Kenya Chambers of Mines among others.
- Implementation of the activities was slow because of slow buy in from the Ministry of Mining coupled with changes and high staff turnover in key department of the Ministry. Measures have been put in place to ensure the Ministry and all the other stakeholders are now effectively involved to ensure faster progress in implementation.
- The Work Plan was revised severally to ensure that the identified activities are in line with the Ministry of Mining priorities since it is the key implementer.

Way Forward

- Implementation of the activities is ongoing and the Ministry of Mining is on board. A new work plan was been developed for 2016 in collaboration between UNDP and the Ministry of Mining; which includes continuous institutional Capacity Building for the Ministry
- Legal, policy and institutional capacity development- Support the sensitization of the Mining Bill (Summarized Version);
- Establishing dispute resolution mechanisms between communities over the extractives; conduct review of experiences with Community Investment Funds – Conduct an all-inclusive stakeholder forum to report on SME survey done in Kitui, engage all stakeholders in discussing the proposed coal mining in Kitui County
- Facilitate more community engagement to ensure participatory decision making, collaborative engagement between communities, government and private sector through supporting workshops and forums between stakeholders to discuss emerging issues in the extractives and agree on a way forward;
- Providing capacity building to the Ministry of Mining and National Environment Management Authority (NEMA) to in monitoring and enforcement of environmental standards (including environmental depository Bonds) and developing policy and frameworks for decommissioning mines
- Continue supporting the Ministry of Mining in the domestication of the Africa Mining Vision.