

MEMORANDUM TO ENVIRONMENTAL PROTECTION, WATER AND NATURAL RESOURCES SECTOR WITH A FOCUS ON THE MINISTRY WATER, SANITATION & IRRIGATION.

Submitted on 13th January 2023

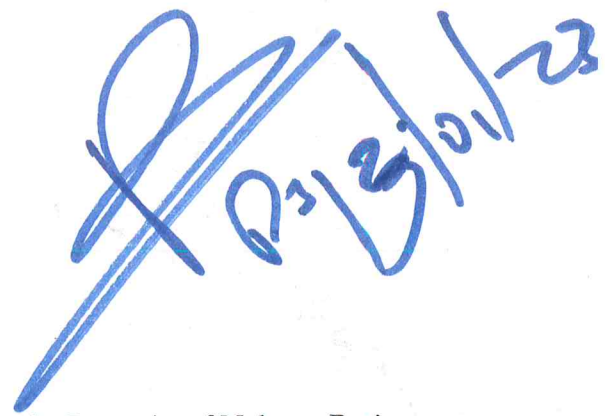
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Introduction

The Rift Valley Budget Hub brings together budget practitioners from the 7 counties of **Nakuru, Baringo, Elgeyo Marakwet, West Pokot, Kericho, Bomet** and **Nandi** as a platform to build synergy in the county, regional and national level budget engagements. The hub is also platform for peer-to-peer learning on best practices in the budget processes.

The hub builds the budget capacity of citizens, civil society organization and government officials to deliberate and make budget decision documents that are responsive to citizens' needs. Over the last 3 years, the hub has conducted budget analyses and monitoring with focus on the water sector with the objective of improving access to adequate, clean and safe water.

Why are we interested in the Water, Sanitation and Irrigation Ministry?

- Water is a key driver of sustainable growth and development and is quite literally a source of life and prosperity. There is a close link between water and economic growth of the country whereby, inadequate water is a barrier to sustainable socio-economic development.
- In the recent past the region has been rocked by a cycle of drought and related human conflicts and thus development of water resources would go a long way in promoting sustainable peace and development in the region.
- Government of Kenya through the Vision 2020 MTP III committed to increase the proportion of people with access to potable water from 60 % to 80 % by 2022, focusing on slums and ASAL areas. Even with this commitment, the Kenya National Bureau of Statistics through the 2019 Kenya Population and Housing Census¹ shows that majority of the counties especially in the Rift Valley Region. **Baringo, Samburu, Bomet, Nandi, Elgeyo Marakwet, West Pokot and Narok** fall in

¹ <https://www.knbs.or.ke/?wpdmpro=2019-kenya-population-and-housing-census-volume-iv-distribution-of-population-by-socio-economic-characteristics>

the bottom ten counties in Kenya with less than 50% of the households accessing to improved sources of water.

- The Ministry of Water and Irrigation has continually budgeted for several interventions to promote access to clean, safe and adequate water. Even then, systemic issues around budget implementation have slowed down realization of this right.

KEY ISSUES

1. **Slow Budget Implementation:** Ministry of Water, Sanitation and Irrigation budget absorption improved from 82% in 2019/20 to 95% in 2020/21 but dropped sharply to 42% in 2021/22.

| Water and Sanitation Sub Sector -Programmes Performance | | | | |
|---|-------------------|---------|---------|---------|
| Programmes | Budget Absorption | | | |
| FY | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| General Administration, Planning and Support Services | 97% | 98% | 99% | 75% |
| Water Resources Management | 95% | 78% | 100% | 31% |
| Water and Sewerage Infrastructure Development | 80% | 81% | 98% | 47% |
| Irrigation and Land Reclamation | 97% | 88% | 100% | 50% |
| Water Storage and Flood Control | 85% | 85% | 70% | 17% |
| Water Harvesting & Storage for irrigation | #DIV/0! | 100% | 100% | 84% |
| Total Expenditure Vote 1109 | 85% | 82% | 95% | 42% |

We observe that majority of the capital projects in the Ministry of Water, Sanitation and Irrigation are far behind their implementation schedules with delays running between 1 to 5 years mainly due to **contractual issues** and **low disbursement of external funding**. We have also observed a worrisome trend where subsequent Sector Reports are **shifting the project implementation timelines without providing justifications**. Examples include:

Table 1: Analysis of completion rates of sample water projects in the Rift Valley Region

| Project | Project start date | Status & Completion Timeline in Sector Report 2020 | Status & Completion Timeline in 2021 Sector Report | Status & Completion Timeline in the Sector Report 2022 | Observations at the project site |
|----------------------------------|--------------------|--|--|--|--|
| Kirandich Phase II | Feb 2017 | 15% Dec. 2019 | 15% Dec. 2023 | 15% Dec. 2025 | No activities at the project site |
| Chemususu Dam | July 2016 | 70% June 2020 | 89% Dec. 2023 | 94% Dec. 2024 | Project approaching completion; Baringo County Government is already implementing the last mile water connectivity |
| Siyoi-Muruny | March 2015 | 61% March 2022 | 69% March 2023 | 75% March 2023 | Project ongoing but at a very slow pace. |
| Itare Dam | April 2017 | 27% June 2020 | 27% Dec. 2024 | 27% Dec. 2026 | No activities at the project site. The completed works are 'rusting away' |
| Rehabilitation of Water Supplies | Nov. 2017 | 5% June 2023 | 15% June 2023 | 26% June 2023 | No details have been provided about the individual projects under this programme hence it is difficult to assess it. |

According to Sector Report 2022, there was **4.5% increase** in the number of people accessing clean and safe water between 2020/21 and 2021/22 against a total expenditure of Ksh. **32. 38 Billion** by the Water and Sanitation Sub Sector. Previous sector reports noted there was only **3% increase** between FY 2018/19 and 2020/21. This **slow change in water access** is occasioned mainly by slow implementation of water infrastructure projects and **spreading thin**.

- Cash flow Challenges:** The Ministry of Water, Sanitation and Irrigation experiences cash flow challenges arising from over-reliance on external funding for development budget. For the last 3 years, over 50% of the development budget has been pegged on loans and grants. Subsequent Budget Policy Statements and Sector Reports have cited late or non-disbursement of loans and grants as one of the reasons for low budget absorption and slow implementation.

3. **Weak interventions to address inequalities:** We are concerned that the Sector Report boasts of having increased access to improved water services from 65% in 2020/21 to 70% in 2021/22 in total disregard of the existing inequalities. Generally, there is still poor access to water in the ASAL regions. For instance, according to the KNBS Census 2019 Report, most of the Counties in the North Rift Region have less than 50% of households accessing improved sources of water, compared to the national average of 65%. **West Pokot County has 31%, Narok 30%, Baringo 35%, Mandera 36%, Samburu 37%, Bomet 39% and Elgeyo Marakwet 43%** This is also way lower than counties such as **Kiambu, Nyeri, Bungoma and Nairobi** where over 80% of households access clean, safe and adequate water.

More inequality manifestations on water are visible as we move to sub-counties and wards. For example, in Tiaty sub-county in Baringo County only 11% of the households have access to improved sources of water and within the sub-county there are wards such as **Silale and Tirioko** where less than 5% of the residents access clean water. Residents of **Rongena Ward** in Bomet County, **Malewa West Ward** in Nakuru County, **Endo Ward** in Elgeyo Marakwet, **Soliat Ward** in Kericho County and **Masol Ward** in West Pokot Counties experience similar challenges.

County Governments' attempts to redress these inequalities have been hampered by **inadequate financial and technical capacities.**

4. **Duplication of Functions:** We note that the sector has 27 autonomous agencies and Semi-Autonomous Government Agencies. There are cases of duplication of functions between County and National Government in Water Infrastructure Development stemming largely from weaknesses in intergovernmental coordination mechanisms. A case in point is in Mogotio Sub-County, Kisanana Ward, where both the County Government of Baringo and the Central Rift Valley Water Works Development Agency drilled 2 boreholes less than 500 metres apart. This has been identified as a challenge in the sector report but solutions have not been proffered.
5. **Opaque Budget Lines:** Our budget analysis show that some budget-lines, especially those implemented by the Semi-autonomous Government Agencies (SAGAs) lack sufficient details such as names of specific projects, project locations, and amounts allocated to each project and criteria for selection. This makes it difficult for citizens to monitor their implementation. For example, subsequent PBBs have allocated substantially to a budget-line which has been dubbed **'Rehabilitation of Rural Water Supply Projects by the Central Rift Valley Water Works Development Agency'** e.g. In 2022/23, the budget has been allocated **Ksh. 50 M to rehabilitate 15 rural water projects but no further details have been provided about where these projects are, how were they identified and the unit cost.**

Our attempt to get details of the projects, through review of the CRWWDA official website and submission of Access to Information Requests, have not been successful.

6. **Public Debt:** Subsequent sector reports, including the EWN Sector Report 2022, as well as the auditor general reports reveal that the Ministry of Water, Sanitation and Irrigation is struggling to pay back loans spent on mega water infrastructure projects due to non-remittance of cost-recovery funds by Water Service Companies in the counties.

The office of auditor general report for FY 2020/21 showed that National Treasury defaulted payment of the principal and interest for Aror Dam, Itare Dam and Kimwarer Dam to a tune of Ksh. 5.1 Billion. It is more disturbing to note that these projects are yet to benefit the citizens.

Our interactions with the Water Services Companies show that they lack adequate capacity to manage water service delivery in the ever expanding population/ jurisdictions in a sustainable manner.

7. **Climate Change Mitigation and Adaptation:** The effects of climate change and extreme weather conditions continue to threaten sustainable development and impacts negatively on the sector. Floods and droughts affect food production, water supply, housing access, livestock production, mineral exploration and the general livelihoods of the people especially in the ASAL region. Cyclic floods and drought with devastating results are commonplace in the North Rift Region.

RECOMMENDATIONS

1. The Ministry of Water, Sanitation and Irrigation should prioritize **completion of phased water projects** and strengthen internal funding.
2. The Sector should adhere to **Programme-Based Budgeting** requirements and provide a detailed budget to facilitate oversight by legislature and citizens. The Semi-Autonomous Agencies (SAGA) should disclose their programmes and projects for public oversight and to avoid duplication with County Government and other non-state actors.
3. There is need for affirmative action programmes **for water scarce locations** to promote equity in water access. This should be based on publicly available data on water access from one County to another and even go lower to the inequalities within counties.
4. There is need to strengthen Intergovernmental coordination for efficient budget prioritization and implementation, observing functional boundaries. **Semi-Autonomous Government Agencies (SAGAs) should be restructured to align with the devolved system of governance.**
5. With completion of Mega Water Project (Dams), the county governments' responsibility of Water Supply is increasing and thus **more of the Water Sector Budgets and Technical personnel should be devolved to counties.**
6. The Ministry of Water, Sanitation and Irrigation should strengthen the capacity of **Water Service Providers/ Companies.**
7. The Ministry of Water, Sanitation and Irrigation should mainstream climate change sensitivity in all development projects. Such issues as conservation of watersheds, catchment areas and river-lines should be given more attention in feasibility studies and implementation.



Conclusion:

Submission of this memorandum to you is in good faith and in the best interest of the people of Kenya. It is therefore our prayer that you deem it necessary to incorporate our recommendations in formulating and implementing the Budget for FY 2023/24 and beyond.

Most important, beyond bidding for additional resources the Sector should keep asking the question, *Are we on the right path to have ALL Kenyans access clean, safe and adequate water?*

We shall continue to inform the Environmental Protection, Water and Natural Resources Sector's budget decisions through Civic Education, dissemination of budget information and analysis of the Budget Documents and proffering of feedback.

