



Ken/013/505

12 February, 2015

*Empowered lives.
Resilient nations.*

Dear Degol,

Subject: Update on the Implementation of activities under the Extractives Industries for Sustainable Development in Kenya

In 2013, under the support of the UNDP Global Programme for Extractive Industries and UNDP Regional Africa Programme for extractive Industries, UNDP Kenya developed the above mentioned project. The Project seeks 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.

Following the implementation of the project in 2014, the following is a summary of the main achievements realized so far under the above mentioned project.

- i. National consultations on extractive industries held in November 2014 which brought together key government representatives, private sector, development partners, CSOs and other stakeholders to interrogate emerging pertinent issues/challenges around extractive industries and the emerging way forward.
- ii. One training events for key media house editors and three training events for journalists reporting on the extractives sector to ensure that those reporting on extractive industries can accurately do so especially highlighting issues concerning communities and human development. Feedback indicates there has been noted improvement in reporting on mining issues in media. This has reduced misinformation and incitement which has led to a better working relationship between the communities and the private sector.
- iii. Training and public-private dialogue workshops held to capacity build on building of supply linkages with small and middle sized enterprises in the promotion of Corporate Social Investment (CSI) in Kwale. Community leaders, Private Investors and Government officials were engaged in the discussions on community development, peacebuilding and Corporate Social responsibility (CSR).

**Degol Hailu,
Senior Policy Adviser and Team Leader on Economic,
Governance and Globalization, UNDP
Addis Ababa
Ethiopia**

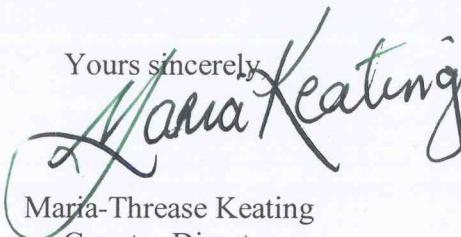
- iv. Several studies (see below) were conducted awaiting a stakeholder's workshop for the findings to be presented to the key stakeholders. These will provide a chance for discussion of the recommendations and findings which would lead to agreement by the stakeholder on way forward. The studies are:
- a. Artisanal and small scale mining in Taita Taveta. This was to identify the risks, challenges and opportunities of men, women and youth in Artisanal and small scale Mining.
 - b. Supply Chain Analysis at national level and in Kwale and Kitui counties to inform the development of small and medium size enterprises drawing lessons from countries with more mature extractive sectors.
 - c. A Value Chain Analysis of the extractives industry in Kwale County, with a special focus on Silica sands and the Duruma (Mazeras) slates.
 - d. The legal and policy framework for management of the extractive sector. This report will also be presented during the validation workshop in 2015.
 - e. The incidence of conflict in the extractive industries conducted to analyze and identify driver of conflict, peace capacities, and traditional dispute resolution mechanism. This was to inform pre-extraction decisions of Government and companies as well as linkages between the extractive industries and marginalized groups.

It is therefore noted that significant progress has been registered towards the realization of results set out at the beginning of the project. In 2015 some of the activities identified for implementation include:

- i. Institutional Capacity Building for the Ministry (This includes support to the setting up of the Community Liaison Division within the Ministry and recruitment of a Mineral Economist)
- ii. Legal, policy and institutional capacity development;
- iii. Establishing dispute resolution mechanisms between communities over the extractives; conduct review of experiences with community Investment Funds;
- iv. Community engagement to ensure participatory decision making, collaborative engagement between communities, government and private sector;
- v. 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

UNDP is in the process of finalizing the 2015 work plan with the Ministry of Mining and once this is done we shall share the same. Attached please find the draft reports from the studies conducted and The Progress report on Implementation of 2014 activities. We look forward to continued collaboration with your office.

Yours sincerely,


Maria-Threase Keating
Country Director