Natural Resource Management Programme
2010-2016

Component 2
Medium-Term ASAL Programme

Phase 2
Kenya

May 2014
Support to Arid Lands Resource Management Component

Cover Page

Country: Kenya
Programme: Natural Resources Management Programme
Component: Medium Term ASAL Programme 2
National Agency: Ministry of Devolution and Planning
Implementation Agency: Directorate for Arid and Semi Arid Lands
Starting Date: 01 July 2014
Duration: Two years
Budget: DKK 60 million (Ksh 945 million)
Danida
EU SHARE: Euro 6 million (Ksh 675 million)

The development objective of the sector wide Natural Resources Management Programme support to the Ministry of Devolution and Planning (MDP), Directorate of Arid and Semi Arid Lands (DASAL), is to contribute to reduced poverty in the context of Kenya's Vision 2030, and of safeguarding the state of the environment and promoting sustainable management of natural resources. The MTAP component is harmonised with this sector wide programme, and has the immediate objective towards which it will contribute to: **empowerment, resilience and food security of ASAL citizens in drought-prone and marginalised counties increased.**

The MTAP component will, within the arid and semi-arid areas of Kenya, place emphasis on support to:

- Direct investments in water to improve production and livelihoods;
- County and community level planning and devolution for natural resources and economic development;
- Knowledge management related to natural resources and economic development opportunities;
- Private sector development and investments.

The support areas are inter-related and mutually supportive. Climate change adaptation measures, gender balance, good governance and rights issues will be mainstreamed into the activities. Outsourcing to service providers and sequencing of activities are used as key strategies of the component.
## Support to Arid Lands Resource Management Component

<table>
<thead>
<tr>
<th>Sub-Components</th>
<th>DKK million</th>
<th>K.Sh million</th>
<th>%</th>
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<tr>
<td>Component element 1a: County and inter-county planning and devolution</td>
<td>13.02</td>
<td>205</td>
<td>21.7</td>
<td>Improved planning and decision-making in relation to natural resources and economic development in and between ASAL counties</td>
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<td>Component element 1b: Community led planning and investments</td>
<td>17.16</td>
<td>270</td>
<td>28.6</td>
<td>Improved access to water and improved natural resources management in selected communities in ASAL areas</td>
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<td>Component element 2: ASAL Secretariat and knowledge management</td>
<td>20.82</td>
<td>328</td>
<td>34.7</td>
<td>Strengthened coordination, knowledge management and policy guidance to the benefit of devolved development efforts in the ASAL areas</td>
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<tr>
<td>Component element 3: Private sector and other partnerships</td>
<td>6.18</td>
<td>97</td>
<td>10.3</td>
<td>Private sector service provision and investments facilitated in ASAL areas, directly supported in selected counties, and backed up by policies</td>
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<td>Contingencies (5% of operation, development)</td>
<td>2.82</td>
<td>45</td>
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<td>Danida Total</td>
<td>60</td>
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<td></td>
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<td>Component 1.5 Water Investments</td>
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<td></td>
<td></td>
<td>Funded by EU SHARE, implemented through WSTF</td>
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<tr>
<td>Grand total</td>
<td>1,620</td>
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Date Ministry of Foreign Affairs of Denmark

Date Ministry of Devolution and Planning

Date The National Treasury

Natural Resource Management Programme (2010-2015)
Executive Summary

Introduction. This is a description of the Medium-Term ASAL Programme 2 (MTAP2). It is a 2 year programme starting July 1st 2014 and ending June 30th 2016. The programme will be implemented through the Directorate of Arid and Semi Arid Lands, Ministry of Devolution and Planning (MDP). It forms the Component 2 of the Danida-supported Natural Resources Management (NRM) Programme. MTAP2 is a continuation of the MTAP 1 that ran from October 2011 to June 2014.

Context and Rationale. The arid and semi-arid lands, home to over 14 million people, cover about 89% of Kenya. Over 70% of the population in these areas live below the poverty line. Despite the high incidence of poverty, there is a vast base of natural resources in the ASALs, much of which remains underutilised, but which also see an increasingly unsustainable utilisation of these resources in the areas with relatively good potential. The former Ministry of State for the Development of Northern Kenya and other Arid Lands (MDNKOAL) was created in 2008 based on the recognition that development in northern Kenya and other arid lands was lagging behind the rest of the country and with the mission ‘to provide policy direction and leadership in planning, implementation and coordination of development in northern Kenya and other arid lands’.

MTAP 1 supported MDNKOAL until it was absorbed into the Ministry of Devolution and Planning as the Directorate of Arid and Semi Arid Lands in April 2013.

Following the adoption of the new Constitution, new devolved governments at county level were established after the elections in 2013. There is a strong need for supporting the newly devolved county governments in the ASALs as they are clearly under-privileged and lacking capacity (both human and physical) to implement devolution effectively.

The process for strengthening the county governments to undertake their respective functions is ongoing. Consequently, the national government functions have been reorganized and are now charged with policy, formulation, development of standards and capacity building support to county governments.

After the 2013 general election, the Government of Kenya (GoK) created through an administrative order, the Directorate of Arid and Semi Arid Lands (DASAL) charged with ASAL policy development and realignment to facilitate fast-tracking of development of the ASAL region in order to reduce regional inequalities as envisioned in the Constitution.

The Mandate of DASAL is Northern Kenya and other Arid Lands Development Policy (MDP Strategic Plan 2013-2017). Its Vision is a secure, just and prosperous Northern Kenya and other Arid Lands. Its Mission is to provide policy direction and leadership for sustainable development of Northern Kenya and other Arid Lands.

The main objectives of the Directorate are:

- To develop policies to ensure accelerated sustainable development in the ASAL Region.
- To develop affirmative action strategies to address marginalisation of the ASAL region.
- To develop programmes aimed at enhancing resilience and quality of livelihoods of ASAL communities, including pastoralism.
Component Description (Final) Medium-Term ASAL Programme

Key Result Areas for the Directorate of Arid and Semi Arid Lands-

1. Management of Northern Kenya and other Arid Lands development policy
2. Establishment of ASAL Transformation structures.
3. Ending Drought Emergencies
4. Research and Knowledge management for policy planning and investment decisions.
5. Affirmative action for enhanced quality of life for communities in the ASALs

MTAP activities have been aligned with the new government structure and the MTAP design has adapted accordingly. The need for support to the ASALs counties that are clearly under-privileged and which would benefit significantly from facilitation support to prepare for devolution still remain relevant.

**MTAP 2 will build upon MTAP 1 by:**

1. **supporting capacity development in County Planning Units with a focus on NRM issues**
2. **Developing adaptations to the working practices of national initiatives so that they are more appropriate to fit ASAL conditions**
3. **helping Communities to plan and manage their Natural resources at local level through the preparation and implementation of local level plans including Sub Catchment Management Plans**
4. **providing oversight to euro 6 million water infrastructure investments for communities in 6 ASAL counties (funded through EU SHARE)**
5. **strengthening the voices of NSAs at national and county level through support to ASAL stakeholders fora**
6. **developing a Geographic Information System for the ASALs that can be used by both County Governments and NSAs**
7. **supporting an ASAL specific knowledge platform at DASAL**
8. **promoting private sector investment in ASALs**
9. **championing green growth issues at county and community level, including water investments and private sector investment opportunities.**
10. **linking with and develop synergies with other components in Danida’s NRM programme**
11. **commissioning studies that inform and fill knowledge gaps in the above activities**

MTAP2 outsources its activities to mandated National agencies where appropriate. The WSTF as an investment facility for public/private service provision in water is an opportunity only utilised to a very limited extent in the arid areas. Likewise the WRMA/WRUA system for management of water resources is only used at a very limited scale in the ASALs. Both systems are opportunities for the ASAL areas to benefit more from nationally recognised system. In MTAP 1 both WSTF and WRMA were supported. It was clear from this support that both organisations need to adapt to working in the ASALs where conditions for implementing water investments are very different from the more developed and ‘so-called’ high potential areas. While both WSTF and WRMA have adjusted their implementation approach to fit some aspects of ASALs, more support is required to improve their efficiency and provide value for money.

Public sector investments in the ASALs have been relatively limited and have in turn
impeded the expansion of private sector activity, particularly in the more remote and arid north. The region’s rudimentary transport network, low levels of literacy, periodic insecurity, and limited access to energy and information and communication technologies all combine to deter investment and innovation. Private sector investments in the ASALs can be further facilitated by overcoming some of the strategic bottlenecks for the private sector to operate in the ASALs.

**Objectives.** The development objective of MTAP2 is in line with the Programme Objective of Danida’s NRM Programme, and is: “Contribute to reduced poverty in the context of Kenya’s Vision 2030, and of safeguarding the state of the environment and promoting sustainable management of natural resources”. The immediate objective that MTAP2 will contribute towards: “Empowerment, resilience & food security of ASAL citizens in drought-prone and marginalised counties increased”, which is in line with immediate objective of the Component 2 as stated in the final NRM programme.

**Geographical focus.** MTAP 2 will support basic activities in terms of institutional capacity building in the 12 MDP-DASAL counties. MTAP2 will continue to focus its implementation activities in 6 priority counties (Isiolo, Garissa, Lamu, Marsabit, Wajir, Tana River), which have been selected on criteria of needs and opportunities for development planning along the envisaged transport corridor from Lamu to Sudan/Ethiopia (LAPSSET) as well as opportunities for learning lessons in terms of devolved development planning and private sector involvement.

**Implementation Strategy.** The overall strategy of MTAP2 is to provide medium-term support to implementation of key outputs and activities and pave the way for the longer-term implementation of such activities. The support is aligned with MDP-DASAL strategies and harmonised with other donor programmes. MTAP2 is supporting a range of different activities and uses outsourcing to service providers as a cornerstone in its implementation strategy. MTAP is linking with the EU funded Supporting Horn of Africa Resilience (EU-SHARE) programme to co-finance water investments worth approximately Euro 6 million in MTAP’s 6 priority Counties. MDP-DASAL will, through MTAP2, play a key facilitating role in the implementation of outsourced activities amongst others ensuring that outsourced activities are implemented in ways that are most relevant for the ASALs.

The MTAP2 strategy builds on supporting a number of interrelated component elements including investments in water, county and inter-county planning, national level ASAL coordination and information facilitation, as well as private sector facilitation.

The Danida support to MTAP2 will mainly be implemented through the GoK/MDP-DASAL structures. However, some of the MTAP2 activities will require direct funding and as such, Danida will channel part of the funds to the MTAP unit as A-in-A to finance the unit’s activities. The implementation strategy of MTAP2 builds on the principle of beneficiary contributions in all relevant activities. Water is a key driver for economic development in the ASALs and strongly requested by citizens of the ASALs. Water investments and water resource management will be supported in MTAP 2 using known and nationally recognised institutions and modalities while providing added support to ensure that strategies are adapted to the ASALs. MTAP2 will partner with the EU SHARE programme to coordinate and co-finance water investments in the 6 priority counties.
MTAP2 supports the following interrelated key strategic areas of intervention:
(1) Investments in water services and natural resources management as a key entry point ensuring direct impact and benefits to the ASAL citizens;
(2) Planning around water, natural resource management and associated economic development as a key entry point for supporting county planning processes including facilitation of integrated county planning processes and strong support to devolution.
(3) Facilitation of private sector investments in the ASALs and further support for value chains of ASALs products.
(4) Coordination of ASAL development efforts and knowledge management with information and advisory services in support of county planning and devolution processes and private sector development.

Component Elements/Outputs. MTAP2 will support selected activities in three component elements:
1: Demand driven development planning and investments;
2: ASAL Secretariat and Knowledge Management; and
3: Private sector and other partnerships.

In component element 1, support will be provided to the following outputs:
(1) County staff/offices have been capacitated and have prioritised and developed recommendations for systems to put in place in support of devolution;
(2) Six priority counties have used improved planning information in county planning, decision-making and in development of initial models for integrated and focused county planning;
(3) Counties are engaged in inter-county planning processes utilising information and spatial data; (4) Water Resource User Association (WRUA) development cycle adapted for ASAL areas and implemented in Sub Catchments of the 6 priority counties including support to Community Forest Associations and rehabilitation of the degraded rangelands;
(5) Water services delivery systems developed and implemented in 6 priority counties and contributing to alleviating bottlenecks to economic growth, reducing vulnerability, and sustaining the natural resource base.

In component element 2, support will be provided to the following outputs:
(1) ASAL Secretariat institutional functions in place, endorsed, and operating;
(2) DASAL GIS facility and regularly updated data for planning and monitoring linked to and informing the web-based GIS planning and monitoring interface in support of ASAL development;
(3) Planning and monitoring systems provide relevant data and analyses to planners and investment decision-makers.

In component element 3, support will be provided to the following outputs:
(1) Private sector support available to and across ASAL counties on a flexible and responsive basis.

Component elements and support activities. In component element 1 support will be provided to:
(1) Institutional development of the county;
(2) Development, testing and implementation of procedures and models related to integrated county and inter-county planning of natural resources management and economic development;
(3) Development and implementation of further WRUA sub-catchment management plans (target and their implementation together with linkage to county planning (outsourced to WSTF/WRMA);
(4) Investment in small-scale investments in water, and water-supply systems (outsourced to WSTF and funded through EU SHARE).
In component element 2, support will be provided to the following:

1. A fully functional DASAL/ASAL Secretariat delivering its core mandate;
2. DASAL GIS supporting unified web-based GIS platform for planning, monitoring and evaluation in ASALs (outsourced);
3. Evidence-based knowledge management informing policy, economic planning and investment decisions including information management in terms of macro-catchment planning through Water Resources Management Authority, analytical support in relation to LAPSSET, and support to State of the ASALs reporting (outsourced to service providers).

In component element 3, support will be provided to:

1. Facilitation of ASAL Secretariat to promote private sector involvement in the ASALs.
2. Support private sector investment windows in selected counties for facilitation of increased private sector involvement in ASAL areas.

Inputs and budget. Financing of MTAP2 will be in the form of a grant. MTAP2 will provide inputs covering investments, technical assistance and selected operation costs. Funding from Danida does not include support to salaries, top-ups and other allowances for GoK and other staff not directly employed by the programme. GoK inputs will include recurrent GoK staff costs, office facilities and running costs. GoK input to the programme will be between 20-30% of the budget. The Danida funding to MTAP2 is DKK 60 million or approximately Ksh 945 million for the period of 2 years. The DKK 60 million is part of the DKK 140.1 million planned for the Component 2 under the NRM Programme.

The budget of MTAP 2 is as follows:

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<tr>
<th>Item</th>
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Technical assistance cost is drawn from each of the component elements and is DKK 7.2 million, equivalent to 12% of the total budget. Outsourced activities are around 70% of the budget. Any unspent funds from MTAP 1 would be carried over to MTAP 2. The following relative budget allocations of the total Danida funding was envisaged: County and inter-county planning and devolution 18%, Community led planning and investments 45%, ASAL Secretariat and knowledge management 24%, Private sector and other partnerships 9%.

Governance and management. MTAP 2 is closely aligned with the objectives and activities of MDP-DASAL. It is implemented by a specific MTAP2 Unit
consisting of MDP-DASAL staff and technical assistance staff. It is housed and operates as a unit attached to the ASAL Secretariat, and it is overseen by a MTAP 2 Steering Committee (MSC). The Steering Committee is formally under the MDP-DASAL, which will constitute the MSC Chair. The MSC will be lean with members from MDP-DASAL, MDP representatives from priority MTAP2 counties, and one member representing the Danish Embassy.

The MTAP2 Unit will, in close collaboration with the ASAL Secretariat, among others fulfil its responsibilities in respect of achieving the MTAP2 component objectives according to plans and expenditures, and monitoring and reporting of same. The MTAP2 Unit will be headed by a GoK-appointed MTAP2 Programme Manager. Technical Assistance will be attached to the MTAP2 Unit and will be based centrally with the ASAL Secretariat as well as in the priority ASAL counties where MTAP2 will be active. Although significant funds will pass through Treasury, the MTAP2 Unit will, in order to secure efficient implementation in an institutionally volatile context, itself incur and settle a significant part of the MTAP2 expenditures. The ASAL Secretariat may delegate duties to the MTAP2 Unit as it deems relevant.

At county level the existing County Steering Group and the County Development Committee will play an overall coordinating role. The NDMA County Drought Management Coordinator (CDMC) and the CDP will monitor and report the MTAP2 activities to the County Development Committee (CDC).

Outsourcing will be utilised as a key strategy for the implementation of MTAP2 in order to get things done and still keep the ASAL Secretariat and the role of MDP-DASAL as that of a coordinating and policy guiding ministry.

**Financial Management and Procurement.** Flow of funds will be as follows: The Treasury will establish a Special Paymaster General (SPMG) Account for MTAP2 revenue funds. (1) Danida Revenue funds will be disbursed from the Danish Embassy to the MDP-DASAL through the SPMG. All transfers to the SPMG Account must be supported by official requests from MDP-DASAL through the External Resources Department (ERD) at the Treasury; (2) Funds to Water Services Trust Fund/Water Resource Management Authority – will be based on official requests for transfers from recipients to MTAP. MTAP will transfer the requested amounts directly to dedicated bank accounts of the receiving institutions through the GoK revenue system; (3) From the Danish Embassy to the MTAP2 Unit - Danish Embassy will authorize the MTAP Unit to establish an AinA commercial bank account. The Danish Embassy will transfer AinA funds to the MTAP2 unit bank account, based on requests by the Unit to the Embassy. Such requests shall be according to the unit’s annual work plans and budgets.

**Monitoring, reporting and review.** All monitoring data will be made public available by uploading to the DASAL GIS platform. Whenever relevant, monitoring data will be geo-referenced. In addition to this public disclosure, MTAP2 will have a directly executed monitoring system focusing on monitoring MTAP2 implemented activities and outputs, as well as assumption and risks. Quarterly progress reports will be produced. MTAP2 will be reviewed as part of the annual sector review of the NRM Programme.
Assumptions. The major assumptions related to MTAP2 are the following:
(1) Process for transferring devolved functions to the 12 counties continues;
(2) County Governments will have adequate legal instruments and financial resources in relation to which relevant plans can be made for better service provision;
(3) WRMA and private sector technically capable of providing support to WRUAs in ASALs;
(4) Community Project Cycle and other Water Services Trust Fund steps and procedures are adapted to suit the ASALs and the procedures are followed;
(5) State corporations and Ministries will share necessary data at reasonable cost;
(6) Sufficient attractive private sector investment conditions exist or can be nurtured in the priority ASAL counties.

Risks. Key risks associated with MTAP2, which are being addressed with MTAP2 risk mitigation measures are:
(1) Serious lack of devolved government capacity;
(2) Central Government will ring-fence the resources and maintain centralized structures;
(3) Institutional barriers for data sharing will limit the relevance of the GIS facility;
(4) County and local structures will override transparent systems of resource allocation;
(5) Conditions for increased private sector involvement in the ASALs are too poor.
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Natural Resource Management Programme (2010-2016)
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ANNEX 9: Draft EU SHARE Project Document
### Abbreviations

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<tr>
<td>A-in-A</td>
<td>Appropriation-in-Aid</td>
</tr>
<tr>
<td>ABD</td>
<td>Agriculture Business Development</td>
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<td>AIE</td>
<td>Authority to Incur Expenditure</td>
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<td>ALRMP</td>
<td>Arid Lands Resource Management Project</td>
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<td>ASAL</td>
<td>Arid and Semi-Arid Lands</td>
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<td>ASC</td>
<td>ASAL Steering Committee</td>
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<td>CBO</td>
<td>Community-Based Organisations</td>
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<td>CDMC</td>
<td>County Drought Management Coordinator</td>
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<td>CPC</td>
<td>Community Project Cycle</td>
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<td>CPCC</td>
<td>Cooperative Partners Coordination Committee</td>
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<td>CSG</td>
<td>County Steering Group</td>
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<td>Danida</td>
<td>Danish International Development Assistance</td>
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<td>DASAL</td>
<td>Directorate of Arid and Semi Arid Lands</td>
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<td>DFID</td>
<td>Department for International Development</td>
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<td>DKK</td>
<td>Danish Kroner</td>
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<td>ERD</td>
<td>External Resources Department</td>
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<td>EU</td>
<td>European Union</td>
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<td>EU SHARE</td>
<td>EU Supporting Horn of Africa Resilience</td>
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<td>GoK</td>
<td>Government of Kenya</td>
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<td>ILRI</td>
<td>International Livestock Research Institute</td>
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<td>IUCN</td>
<td>International Union for the Conservation of Nature</td>
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<td>KACCAL</td>
<td>Kenya Adaptation to Climate Change in Arid and Semi-Arid Lands</td>
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<td>KJAS</td>
<td>Kenya Joint Assistance Strategy</td>
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<td>M&amp;E</td>
<td>Monitoring and Evaluation</td>
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<td>MDG</td>
<td>Millennium Development Goal</td>
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<td>MDP</td>
<td>Ministry of Devolution and Planning</td>
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<td>MDNKOAL</td>
<td>Ministry of State for Development of Northern Kenya and Other Arid Lands</td>
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<td>MoU</td>
<td>Memorandum of Understanding</td>
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<td>Medium-Term ASAL Programme</td>
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<td>MTEF</td>
<td>Medium Term Expenditure Framework</td>
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<td>National Drought Management Authority</td>
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<td>NGO</td>
<td>Non Governmental Organisation</td>
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<td>NRM</td>
<td>Natural Resource Management</td>
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<td>PAD</td>
<td>Project Appraisal Document</td>
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<td>PPP</td>
<td>Public/Private Partnership</td>
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<td>Private Sector</td>
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<td>RDE</td>
<td>Royal Danish Embassy</td>
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<td>RW-SC</td>
<td>WSTF Rural Water Steering Committee</td>
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<td>Sector Wide Approach</td>
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<tr>
<td>Abbreviation</td>
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<td>WB</td>
<td>World Bank</td>
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<td>WDC</td>
<td>WRUA Development Cycle</td>
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<td>WRMA</td>
<td>Water Resources Management Authority</td>
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<td>WRUA</td>
<td>Water Resource Users Association</td>
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<td>WSB</td>
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<td>WSTF</td>
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<td>WUA</td>
<td>Water Users Association</td>
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Map of Arid and Semi Arid Lands in Kenya
1. Introduction

This document is a description of the second phase of the Medium Term ASAL Programme (MTAP2) which forms Component 2 of the Danida-supported Natural Resources Management (NRM) Programme. It is to be implemented through the ASAL Secretariat within the Directorate of Arid and Semi Arid Lands (DASAL) of the Ministry of Devolution and Planning (MDP).

The design of MTAP 2 is in line with the previously developed Component 2 MTAP of the NRM Programme, already approved by the Danida Board in 2011. In addition the European Union Supporting Horn of Africa Resilience Programme (SHARE) is channelling Euro 6 million to the Water Service Trust Fund (WSTF) through Danida for water and sanitation investments in the six MTAP counties. MTAP staff will provide oversight for these investments and work with WSTF, the County Governments and communities to plan and implement these investments.

MTAP2 is designed to develop new ways to support the ASALs, ensure that ASALs development problems are addressed in a focused yet sufficiently integrated way, and to ensure investments directly benefitting the people of the ASALs. This document provides a detailed description of the approach to implementation of the planned activities. Outsourcing and phasing activities are key features of the MTAP component implementation strategy.

The design of MTAP 2 was undertaken between November 2013 and February 2014 and builds on the lessons learned from MTAP 1 as well as the current realities of devolved government at county level. The design process was undertaken in close consultation between the MDP-DASAL, MDP, NDMA, Water Services Trust Fund, Water Resource Management Authority, the Danish Embassy and the European Union as well as with other stakeholders.

2. Context and Rationale

Poverty, livelihoods and developments in the ASALs

The ASALs are the poorest areas in Kenya and poverty rates have been growing compared to the rest of Kenya. Of the 20 poorest constituencies in Kenya, 18 are in the ASALs in the north. Livelihoods are strongly pastoral, but an increasing percentage of people are no longer directly involved in pastoralism. Among those with no direct involvement in pastoralism, the poverty rates are the highest. Population growth is also higher in the arid lands than in the rest of Kenya. The recognition of the need for accelerated development in the ASALs is not yet matched by patterns of resource allocation. Out of the total development budget in 2010/11 20% can be traced as being allocated to ASAL counties. This is not even equivalent to their share of total population (38%), let alone allowing for affirmative action. MTAP2 is assisting in addressing some of the important constraints for development and poverty reduction in the ASALs.
Natural resources in Kenya and in ASALs

The Kenyan economy is dependent on its natural resources. However, poor natural resource management, unsettled resource governance structures and rapid population growth, have put great strains on these resources. Present critical issues include land degradation, land-use conflicts, lost opportunities for sustainable natural resource utilisation, depletion of water catchment areas, and a serious loss of biodiversity. The effects have been particularly adverse in the arid and semi-arid regions of the country, where the environment is threatened by increasingly unsustainable use of the areas with the highest potential for production during the dry season and which are seeing expanding agriculture, fuel-wood collection, charcoal burning, deforestation, and localised overgrazing – all exacerbated by the impacts of climate change.

The arid and semi-arid lands, home to over 14 million people, cover about 89% of Kenya. Over 70% of the population in these areas live below the poverty line. Despite the high incidence of poverty, there is a vast base of natural resources in the ASALs, much of which remains underutilised. The ASAL areas are increasingly being recognised as the ‘new frontier’, because of their potential to transform the country’s economic development and realization of Vision 2030. Government strategies recognise that, with the right political will and practical interventions, these resources can be better managed and the current poverty and low human development indicators can be reversed.

Ministry of State for Development of Northern Kenya and other Arid Lands (MDNKOAL)

MDNKOAL was created in April 2008 and based on the recognition that development in northern Kenya and other arid lands was lagging behind the rest of the country. A consequence is that, while absolute poverty levels have reduced in the rest of the country, they continue to rise in northern Kenya. MDNKOAL was therefore mandated to address the multiple and interrelated challenges facing the region.

In pursuit of its mission ‘to provide policy direction and leadership in planning, implementation and coordination of development in northern Kenya and other arid lands’ the MDNKOAL had four broad objectives:

a) Accelerate economic development in the region by creating an enabling environment for sustainable growth;
b) Enhance equity and poverty reduction to improve the welfare of the people of the region;
c) Improve the quality of governance in order to build and sustain peace and to enhance the efficiency and effectiveness of public service delivery;
d) Increase mutual understanding between the citizens of northern Kenya and those in the rest of the country.

Following the General Elections of March 2013 and a subsequent rationalisation of Government Ministries, the MDNKOAL became the DASAL within the Ministry of Devolution and Planning. MDP-DASAL remains the main coordinator of development activities in the ASALs, with responsibility for the oversight of programmes implemented in ASAL areas.
**Directorate of Arid and Semi-Arid Lands (DASAL), Ministry of Devolution and Planning (MDP)**

The Directorate of Arid and Semi Arid Lands is charged with ASAL policy development and realignment to facilitate fast-tracking of development of the ASAL region in order to reduce regional inequalities as envisioned in the Constitution. According to the MDP’s Strategic Plan 2013-2017:

**Its Vision is a** secure, just and prosperous Northern Kenya and other Arid Lands.

**Its Mission is to** provide policy direction and leadership for sustainable development of Northern Kenya and other Arid Lands

In pursuit of its mission to provide policy direction and leadership for sustainable development of Northern Kenya and other Arid Lands, the Ministry and Directorate of Arid and Semi-arid Lands have three broad objectives:

- To develop policies to ensure accelerated sustainable development in the ASAL Region.
- To develop affirmative action strategies to address marginalisation of the ASAL region.
- To develop programmes aimed at enhancing resilience and quality of livelihoods of ASAL communities, including pastoralism.

**Key Result Areas for the Directorate of Arid and Semi Arid Lands**

1. Management of Northern Kenya and other Arid Lands development policy
2. Establishment of ASAL Transformation structures.
3. Ending Drought Emergencies
4. Research and Knowledge management for policy planning and investment decisions.
5. Affirmative action for enhanced quality of life for communities in the ASALs

As the main coordinator of development activities in the ASALs, the MDP-DASAL is responsible for the oversight of programmes implemented in ASAL areas, such as the former Arid Lands Resource Management Project (ALRMP) now transformed into a National Drought Management Authority (NDMA).

**Climate change and gender in the ASALs**

Generally, Kenya has a low capacity to respond to climate change and is highly vulnerable to the effects of global warming. While economic growth and innovation could increase the ability to adapt to climatic changes, they also carry risks associated with environmental and climatic degradation. Sustainable development can only be achieved by adopting strategies that have a poverty-environment linkage.

Men and women both have profound relations with the environment that are impacted by changing climate. The role of women in natural resource management is widely recognised. They are the main natural resource users, through their daily contact with the environment. They should, therefore, be at the forefront when decisions are made about the use of these...
resources. This is particularly relevant in the ASALs where households are relatively more dependent on effective and sustainable use of natural resources.

**Devolution**

Following the adoption of the new Constitution, new devolved governments at county level were established at County level in June 2013. The structures and management of the new governments is still evolving. The MTAP2 design has been adapted to support these institutions with their new functions.


**Medium Term ASAL Programme linkages with Danida’s NRM Programme**

MTAP2 is part of the joint NRM Programme between Denmark and Kenya, which is focused on reduction of poverty through sustainable management of natural resources.

The overall objective is: “Contribute to reduced poverty in the context of Kenya’s Vision 2030 in safeguarding the state of the environment and promoting sustainable management of natural resources”. The immediate objectives are:

- Enabling policy and regulatory framework for environmental and natural resource management, including climate change, developed and implemented with a poverty orientation;
- Poverty reduction and enhanced food security, reduced livelihood vulnerability, and improved natural resource management systems in drought-prone and marginalised districts and communities;
- Civil society organisations – including local communities – and private sector service providers are capacitated to support and influence natural resource management, as a contribution towards poverty alleviation.

MTAP2 is designed specifically to contribute to the second immediate objective. The key strategic considerations of the NRM Programme are:

- Recognising NRM as a multi-sector intervention at national and local levels;
- Recognising natural resources as a source for pro-poor economic development and employment;
- Aligning with Government of Kenya procedures;
- Reducing transaction costs;
- Supporting structures for decentralised management of natural resources;
- Harmonising with other development partners;
- Adjusting to institutional instability;
- Focusing on arid and semi-arid lands;
- Supporting climate change adaptation strategies;
• Promotion of green growth;
• Supporting private sector involvement.

These are the same strategic considerations that are guiding the implementation of MTAP2.

Use of water and water resources service providers in the ASALs
The set up of WSTF as a public/private service provider in water is an opportunity only utilised to a very limited extent in the arid areas. With water and water resource management being a key driver for development in the ASALs and with the WRMA/WRUA set up being the national system for planning and investing in water resources, it is an important entry point for addressing water issues in the ASALs. However, the WRMA/WRUA activities and guidelines are not adapted to areas with no flowing permanent rivers/streams and not well represented in the arid areas. There is a real need for adapting the system to be relevant in the arid areas and for the communities living there.

Ensuring further coverage of WSTF and the WRMA/WRUA models in the ASALs will be a major step towards achieving more equal national development. Supporting WSTF, WRMA/WRUA in providing services to ASAL communities and providing training of support organisations/service providers to be able to deliver better services relevant to the ASALs is considered to be the most sustainable way of supporting water infrastructure development and water catchment management in the ASALs.

In MTAP1, funds for water infrastructure improvements were channelled through WSTF and WRMA. As a result of this collaboration, some progress has been made adapting the current WSTF and WRMA service delivery methodologies to fit ASAL conditions, but there remain challenges. The lessons learned during MTAP together with the new devolved systems of County Government provide great opportunities to develop more efficient and supportive ways of working in the ASALs.

EU SHARE and MTAP synergies
The European Union is embarking on a large regional programme “Supporting Horn of Africa Resilience” and has been allocated Euro 6 million for provision of water investments. The implementation of water investments has been delegated to Danida to manage.

The SHARE programme aims to strengthen food security and build disaster resilience in the region hence improving the transition from emergency assistance to long-term development aid. The second component of SHARE to which the delegated cooperation is based on will specifically focus on main elements of ASAL livelihood systems with expected results in SHARE Result Area 4 as follows:

Result 4. Increased availability of surface water all around the year
• Boreholes and pans rehabilitation and maintenance;
• To support existing schemes to enable complementarities with livestock production;
• To improve rain water harvesting techniques;
• Management system defined and implemented
Through EU SHARE, 36 critical sub-catchments will be targeted – 6 sub-catchments in each of the 6 counties where MTAP operates. MTAP will adopt an implementation approach where EU funds and DANIDA funds can co-finance improved Community based Natural Resources Management targeting sub-catchments improvements to complement EU SHARE funding. EU SHARE funds would be channelled through WSTF and fund water related investments. Danida MTAP funds would be used for community based NRM (other than water) and sub-catchment management activities.

The 6 Counties where MTAP operates will each identify 6 priority locations for NRM interventions.

The two funding sources will be used as follows elements

1. EU SHARE funds: The starting point in the 6 locations identified by each county is the Sub Catchment Management Plan (SCAMP), prepared with the help of WRMA and funded through WSTF. The SCAMP contains natural resources management related community priorities such as water and sanitation investments among others that can be packaged into a Community Based NRM framework. Approximately Euro 6 million EU SHARE funds will be invested in these interventions.

2. Danida /MTAP funds: In the same 36 critical sub-catchments, MTAP will be supporting community-identified activities relating to rehabilitation of degraded land, re-vegetating rangelands and supporting sustainable livelihoods. It is anticipated that approximately Euro 6 million Danida funds will be invested in natural resource management by MTAP.

The reason for this approach is to focus on activities in critical areas in a concentrated effort to improve environmental services and manage them in a sustainable way. MTAP staff (funded through Danida) will develop, mentor and coordinate investments (including water investments funded through EU SHARE). WSTF will approve and disburse EU SHARE funds, and provide monitoring and evaluation and reporting services.

Private sector and other partnerships in the ASALs
Since the colonial period, most investment and economic activity in Kenya has been concentrated along the line of rail – the corridor between the coast and the highlands around which most of the population live. This geographical bias, compounded by a public policy bias in favour of high-potential agriculture, left the livestock-dominated economies of the lowlands comparatively starved of public investment. Planning frameworks are especially lacking in the ASALs.

This neglect by the public sector impeded in turn the expansion of private sector activity, particularly in the more remote and arid north. The region’s rudimentary transport network, low levels of literacy, periodic insecurity, and limited access to energy and information and communication technologies all combine to deter investment and innovation. This also feeds
assumptions that the arid districts in particular are impoverished by nature, with little to offer in the way of economic returns.

On the contrary, the Government now believes that the ASALs have significant untapped potential. The region has abundant wealth, including renewable energy, minerals, natural resource-based products, livestock and wildlife. The better-watered semi-arid counties are already pursuing diverse production strategies. The north is the bridgehead to a regional economy of more than 100 million consumers; countries such as Ethiopia and Sudan need imports of manufactured goods and outlets for their products. The livestock trade is significantly under-capitalised; studies show that a relatively modest expansion of the sector could generate major gains in income and employment.

Supporting increased private sector involvement in the ASALs could foster a more sustainable development with a focus on economic growth, and promoting uptake of private sector service provision in policy decision-making will further facilitate this. By assessing and establishing value chain information specific to selected products in selected ASAL counties, it is possible to share information for increased private sector involvement in the ASALs. Promotion of county-based facilities to further linkages between investors and producers/communities and exchange of information on investment opportunities is believed to be an important vehicle for promoting better private sector investments and projects in the ASALs.

**Rationale behind selection of priority counties of MTAP2**

To implement MTAP2 successfully it is necessary to focus activities in selected counties. The number of counties must be restricted because of limited financial resources and the institutional state of affairs, both at national and local levels. There is also a need for testing different development planning models in more detail in as many counties as possible to capture differences in resource endowments and economic opportunities. Six counties appear to be an optimal number for which an intensive planning process and investment could be completed under the MTAP2.

Investments channelled through WSTF and WRMA, which both have established procedures, will be in all 6 counties of MTAP2.

The LAPSSET corridor is by far the most important infrastructure investment envisioned for the arid part of Kenya, and is likely to have considerable impact on several of the underprivileged northern counties. Planning in counties along the LAPSSET corridor and its associated growth areas represents therefore a possibility for proactive planning that takes better advantage of growth opportunities and mitigates negative impacts on land and resource access and on the environment. Selection of counties for MTAP activities was therefore associated with the LAPSSET.

In addition, transaction costs to run and manage MTAP2 and make investments were also taken into consideration. Furthermore, specific issues in adjoining parts of other counties could be investigated and possible private sector service provision to specific productive
sectors could be more effectively provided if such adjoining parts of other counties are also included.

Hence, the following criteria for selection of priority counties contribute to the county selection were:

1. Should be among the 12 priority counties of MDNKOAL/MDP-DASAL;
2. Should be significantly impacted by LAPSSET and include growth areas associated with the LAPSSET;
3. Should be contiguous to allow for inter county issues and planning and should share major natural resources features such as water and grazing resources;
4. Some should be predominantly pastoral and arid and others should be mixed pastoral and farming with some semi arid conditions (this will contribute to lessons learning across ASALs);
5. Some should have a significant number of diversified activities and others should be with limited number of diversified activities;
6. Potential to complement other MDNKOAL/MDP-DASAL initiatives (such as the work on climate change adaptation and planning in Isiolo). Again this promotes lessons learning under different conditions. Based on the above, a matrix for county selection is presented in the attached Annex 5.

The above and the matrix in Annex 5 called for the selection of the priority counties for support under MTAP2 of: Lamu, Tana River, Garissa, Isiolo, Marsabit, and Wajir.

**Scaling-up MTAP's support**

All 12 MDP-DASAL priority counties will be included in the more generalised support to develop stronger county institutions that operate more efficiently and effectively in a devolved government structure, as well as support with developing functioning county GIS for planning and monitoring purposes. These counties are: Lamu, Tana River, Garissa, Isiolo, Marsabit, Wajir, Turkana, Mandera, West Pokot, Samburu, Kajiado and Narok. In addition Baringo East sub County is also considered a priority.
### 3. Description of Component

#### 3.1. Summary Description of MTAP2

**Timing and modalities**
MTAP2 will run for two years starting July 1st 2014 and ending June 30th 2016. MTAP2 will be implemented by the MDP-DASAL with funding and technical assistance from Danida. The Danida support will be in two forms; part of the budget will be disbursed through the SPMG to the MDP-DASAL using revenue system structures. The other part of the budget will be direct funds to the MTAP unit as A-in-A.

**Geographical focus**
MTAP2 will support basic activities in terms of institutional capacity building in the 12 MDP-DASAL counties, while specific activities will be focused in 6 priority counties (Isiolo, Garissa, Lamu, Marsabit, Wajir, Tana River), which have been selected on criteria of needs and opportunities for development planning along the envisaged LAPSET transport corridor as well as opportunities for learning lessons in terms of devolved development planning and private sector involvement.

**Component elements and support activities**
MTAP2 will support selected activities in three component elements:
1: Demand driven development planning and investments;
2: ASAL Secretariat and Knowledge Management;
3: Private sector and other partnerships.

Hence in Component 1, support will be provided to:
(1) Institutional development of the county;
(2) Development and testing of procedures and models related to integrated county and inter-county planning of natural resources management and economic development;
(3) Development and implementation of WRUA sub-catchment management plans (outsourced to WSTF/WRMA);
(4) Investment in small-scale investments in water, and water-supply systems - outsourced to WSTF and funded through both Danida and European Union funded Supporting Horn of Africa Resilience programme (EU SHARE).

In component element 2, support will be provided to the following:
(1) A fully functional ASAL Secretariat delivering its core mandate;
(2) Further support to a unified web-based GIS platform for planning, monitoring and evaluation in ASALs within MDP-DASAL (outsourced);
(3) Evidence-based knowledge management informing policy, economic planning and investment decisions including information management in terms of macro-catchment planning through WRMA, State of the ASALs reporting, further analytical support in relation to LAPSET in Wajir and Garissa Counties(outsourced to service providers).
In component element 3, support will be provided to facilitation of ASAL Secretariat to promote private sector involvement in the ASALs and initial assessment and support to establishment of a private sector investment window in one county. Based on experiences and a strategy for the ASAL Secretariat for the promotion of private sector involvement a number of direct initiatives will be supported. They could include:

(1) Further support of private sector investment windows in selected counties (Lamu and Marsabit) for facilitation of increased private sector involvement in ASAL areas;

(2) Further support to value chains on a demand-driven basis and associated investments (outsourced).

3.2. Objectives

The development objective of MTAP2 is to contribute to reduced poverty in the context of Kenya's Vision 2030, and of safeguarding the state of the environment and promoting sustainable management of natural resources.

The immediate objective, towards which MTAP2 will contribute, is empowerment, resilience & food security of ASAL citizens in drought-prone and marginalised counties increased.

This programme objective is in line with the immediate objective of Danida’s NRM programme: “Poverty reduction and enhanced food security, reduced livelihood vulnerability, and improved natural resource management systems in drought-prone and marginalised districts and communities”. Poverty is most severe in the ASAL areas of Kenya and especially in the arid north of Kenya. These areas often suffer from climatic extremes such as drought and sometimes flooding, which place great strain on natural resources and lead to increased poverty levels.

MTAP2 is expected to have a positive impact on Kenya achieving a number of MDGs; especially MDG 1 (Reduce Extreme Poverty and Hunger) by contributing to economic growth and securing livelihoods in the ASALs. It will also have positive impact on cross-cutting issues such as MDG 3 (Promote Gender Equality and Empower Women) through mainstreaming of gender in the planning processes. MDG 7 (Ensure Environmental Sustainability) will be supported through the promotion of sound natural resource management.

Indicators and assumptions related to the objectives of MTAP have been developed according to the indicators and assumptions in Danida’s NRM Programme.

3.3. Implementation Strategy

MTAP2 is supporting a range of different activities that are in line with MDP-DASAL’s strategic approach. It uses outsourcing to service providers as a cornerstone of its implementation strategy. The MTAP2 strategy builds on supporting a number of interrelated component elements including investments in water, natural resources management, county
and inter-county planning, national level ASAL coordination and information facilitation, as well as private sector facilitation.

**Private sector involvement and investments**
The facilitation of private sector involvement and investments in the ASALs are guided by the following strategic considerations:

- Current private sector involvement in the ASALs is limited, but could be increased so as to foster a more sustainable development with a focus on economic growth.
- With improved information exchange and interaction, private sector service providers will be better able work with communities, associations, interest groups and counties. This will be to the interest of both parties.
- Current uptake of private sector service provision in policy decision-making is far from satisfactory and much service provision is left to government bodies even in situations where private sector service provision would be more effective and sustainable.
- By identifying drivers/enablers of investments and employment creation opportunities in the ASALs and providing such information to private sector players, producer groups, policy makers and planners, more engagement of private sector service providers and investments are likely to be directed to the ASALs.
- By assessing and establishing value chain information specific to selected products in selected ASAL counties, it is possible to share information for increased private sector involvement and for targeting investments to overcome identified bottleneck in the value chain and thereby further facilitating private sector involvement in ASAL development. Through support to private sector organisations innovative and productive approaches in livestock, agriculture and natural resource production can be promoted. This includes conservation agriculture and rangeland management, which are considered appropriate for improving land productivity and climate resilience. Structures for such support are available and include such entities as Agricultural Business Development (ABD), which is currently supported by Danida.
- Currently, investment opportunities and linkages between investors and producer groups and between community groups and project proponents are not being facilitated sufficiently. County-based facilities to further such linkages and exchange of information on investment opportunities and investors in specific areas in specific counties do not exist, but is believed to be an important vehicle for promoting better private sector investments and projects.

**County and inter-county planning processes**
The development of county and inter-county investment planning processes and models will be incremental and will need to be pragmatic. The strategy to develop planning processes and models will be guided by the following strategic considerations:

- Focus on resource use competition and critical resource use (e.g., water, grazing, cropping) and important economic development issues (e.g., drivers for economic development such
as the LAPSSET corridor and growth centers) to increase the likelihood of successful plans and investments.

- Concentrate planning geographically within a county to ensure strong linkages with county institutions, to reduce transaction costs for planning and to ensure planning entities that are able in practice to plan together.

- Use water as an entry point for planning because it is and will continue to be the foundation for livelihoods and economic development.

- In the planning process, examine the linkages of water to natural resources management (e.g., grazing) and economic development (e.g., water investments that will be important for economic growth in a county or are highly relevant for livelihood improvements).

- Do not develop a top-down “theoretical plan” – use a learn by doing approach that is quickly followed up by investments. Over the full term of the programme, go through repeated cycles of planning, investments, and evaluation/assessment of progress.

- Work with individuals (e.g., CDC, County Executives) and institutions (e.g., CSG, WRUA, pastoral grazing association, customary institutions, and farmers group). MTAP will collaborate with offices and staff at district level that are most likely involved in future county planning processes. Engage all stakeholders (principle of harmonization).

- Use sub-catchments defined by WRMA as a starting point to delineate the resource boundary – but adjust this boundary as needed (e.g., reduce area if sub-catchment is too large to be assessed and managed by a group of water users) or extend analytical boundaries beyond sub-catchment if it attracts users from outside its borders (e.g., pastoralists requiring permanent water sources during the dry season).

- Use the WRUA Development Cycle, which includes an assessment of sub-catchment conditions followed by a sub-catchment management plan. The WRUA Development Cycle is Kenya’s most advanced devolved planning process with established national and regional institutions, a set of procedures, and a link to investment (Water Services Trust Fund). In addition, WRUAs are a promising way to establish local resource rights to water. The WRUA Development Cycle (WDC) needs to be further modified and adapted to conditions in ASAL counties.

- Focus inter-county planning and collaboration around shared resources and shared economic opportunities (e.g., aquifers, grazing areas, and areas that supply livestock markets, LAPSSET development opportunities).

- Support planning efforts with focused information related most directly to spatial planning in relation to natural resources and economic development opportunities.

**Water and water resource management**

MTAP2 investments in water and water resource management at community and inter-community level, ensures tangible improvement for people in the ASALs and are guided by the following strategic considerations:

- The set up of WSTF as an investor in public/private service provision of water is an opportunity only utilised to a very limited extent in the arid areas. With water and water resource management being a key driver for development in the ASALs and with the
WRMA/WRUA set-up being the national system for planning and investing in water resources, it is an important entry point for addressing water issues in the ASAL.

- By utilising an existing system for investments in water MTAP2 will be able to support tangible investments within the short period of time given.

- Supporting WSTF in providing services to ASAL communities and providing training of support organisations/service providers to be able to deliver better services relevant to the ASALs is considered to be the most sustainable way of supporting water infrastructure development and water catchment management in the ASALs.

- MDP-DASAL will, through outsourcing activities through WSTF/WRMA, be able to ensure that more activities of these organisations are directed towards the ASALs in implemented in ways that are relevant for the ASALs.

ASAL coordination and information management
The ASAL Secretariat under the MDP-DASAL is a key institution for promoting the interests of the ASAL areas and for coordinating development efforts in the ASALs. Provision of relevant information about ASAL conditions and to ASAL counties to promote development efforts is among the key functions under the ASAL Secretariat. The strategy for support is guided by the following strategic considerations:

- In order to promote ASAL development further it is necessary to have strengthened national institutions dedicated to safeguard ASAL interest;

- There is a clear need for data, maps, and analysis of these data and maps to improve ASAL decision-making processes at the devolved government level and for supporting the implementation of the broader ASAL policy;

- Much data exists and for improving knowledge-based decision making the challenge is partly to compile, analyze, interpret and provide data in formats that are relevant for the various levels of decision makers as well as to provide data infrastructure for easier access to data. A lot of relevant data collection and analyses for the ASAL are existing, however other data especially on water resources available for sustainable use in the counties will need to be further collected and analyzed;

- A range of service providers exists that is involved in GIS based information management and outsourcing a range of data management and data analysis functions is the most sustainable approach to ensure quality provision of information packages to decision makers;

- Integration of data from different sources and production of analysis, maps, indicators, and other products to inform planners, policymakers, investors, and other decision-makers within and outside government will promote development efforts in the ASALs;

- Ongoing review and evaluation of policies is needed to ensure these are keeping in tandem with the changing ASAL development scenario;

- Strategic research on issues such as the impacts of climate change, green growth and environmental management, as they relate to the MTAP2 components, will provide relevant guidance for ASAL development;
Web-based monitoring and public disclosure of information is a key tool for more transparent development efforts and more effective implementation of the development initiatives. This will also be linked to actual spatial data collection for monitoring purposes.

**Harmonisation and alignment**

The MTAP2 activities supported and the modalities used are designed as longer term development based on experiences and lessons learned through implementing MTAP1.

MTAP2 is aligned with the core strategic approaches of MDP. MTAP2 will be implemented through a mix of both Revenue and A-in-A support, with the aim to align with MDP-DASAL funding financial management procedures. MTAP2 also makes every effort to harmonise with other donor funding such at EU SHARE.

**Contribution and involvement**

The implementation strategy of MTAP2 builds on the principle of beneficiary contributions; this is a fundamental principle for WSTF and WRMA work and will therefore be a key feature in the investments supported by MTAP2. Supported institutions will provide inputs to the implementation in the form of co-financing and sharing of own facilities and resources. Likewise, technical assistance will be provided to support institutions and therefore technical advisers will work as counterparts to staff of the targeted institutions.

**Transparency, representation and devolution**

The MTAP2 will support good governance and increased transparency through its support to capacity building of county and county-level institutions, in particular to their planning systems. The same applies in respect of the private sector, whose involvement in the development of the ASALs is a key objective of the programme. A key feature of the strategy will be to employ pro-active measures to encourage broad representation in a unified, participatory, bottom-up planning process, and measures to ensure feedback to participants of decisions made at higher levels. As the system becomes established, this should also encourage more accountability of local leaders and public officers. Fundamental to MTAP2, is the support to county level devolution and in facilitating that county governments and decentralised structures at community level are better prepared and able to handle devolved decision-making in an effective and inclusive way.

**Natural resources and climate change**

MTAP2 focuses on improving the development opportunities of the ASALs, which are intrinsically linked to how the natural resources of the ASALs including water resources are being managed. Sound and sustainable management of the natural resources is therefore a core aspect of MTAP2. Likewise, MTAP2 implementation will support a sound approach to mainstreaming climate change adaptation through addressing water resource and planning at the local and county level. In this regard it will also liaise with the ongoing MDP-DASAL /DfID project on climate change adaptation and planning in Isiolo, Wajir and Garissa.
Recognising NRM as a multi-sector intervention at national and local levels

In line with the Vision 2030 and Medium Term Plan II, MTAP2 - as part of the NRM Programme - represents a sector concentration of Danish assistance. Danish assistance to the water sector and to the agriculture sectors has been phased out during the last few years. MTAP2 support will include water and related productive activities such as livestock and agricultural activities at field level. Recognising that farmers and pastoralists see their livelihood strategies in an integrated manner, MTAP2 will focus on a multi-sectoral approach for implementation of development initiatives.

MTAP’s role in promoting green activities and green growth:

MTAP2 will implement CBNRM activities in up to 6 sub-catchments in the 6 MTAP priority counties. There are five broad ways in which MTAP’s activities can promote green growth within its proposed CBNRM activities:

1. **Green energy:**
   a) For community use: solar pumps, wind energy for water supplies, biogas for schools, rainwater harvesting, solar fridges and freezers at health centres etc. MTAP2 proposes to pilot a biogas plant in a toilet at a school and investigate opportunities for provision of solar energy for lighting and recharging laptops in schools. If there is a demand technicians can be trained to maintain and repair these renewable energy items. All MTAP supported CPCs should use renewable energy driven pumps where possible.
   b) For commercial use: wind farms, solar arrays, maybe possible in Marsabit but may not be a feasible option in all counties. MTAP could link the County to Private Sector investors or through investment windows etc.

2. **Green livelihoods:**

   MTAP will promote sustainable utilization of Natural Resources and products such as: gums and resins, fisheries, bee keeping, promotion of tree nurseries and dryland/riverine afforestation programs along the catchments. MTAP can look at limiting factors – production, marketing, processing etc. as well as adding value to by-products like skins and hides. MTAP can contribute with studies where information is missing, subsidized equipment, training, feasibility studies etc.

3. **Promoting the greening of current practices:**

   MTAP2 can promote greening of value chains through reduced use of pesticides, promotion of composting, improved water management etc. as well as improved fodder conservation and range management. These activities may be implemented in partnership with the Micro-Enterprise Support Trust (MESPT) which receives support from the wider NRM Programme.

4. **Green enterprises:**

   There are opportunities to encourage development of enterprises that support ‘green growth’ inputs – for example neem oil for bio-pesticides, grass and forage seed production, tree nurseries etc. by CBOs/individuals in WRUAs. MTAP can link improved techniques to CBOs, individuals and extension agents.
5. **Green buildings**:  
There are implications on resource use associated with construction. How can resource use be minimized? Use of local materials and innovative designs that can be climate change proofed. MTAP can review the latest ideas and disseminate to partners.

**NOTE:**
- In addition, a Human Rights based approach to planning and implementation will be centre-stage; ensuring the principles of transparency, accountability and participation are enshrined in project activities.
- Greening the approaches of our implementation partners such as WSTF, WRMA, CBOs etc. will be important outcomes.

**Opportunities for MTAP2 to support the County Planning Process**
Already there is much information collected for the CIDPs. There have been good attempts to bring together all sectors into one document, but there is not much evidence of integrating the various sectors. For example, roads that link to new structures, electricity supply linking to new slaughter house etc. These limitations in the CIDPs can be overcome by strengthening the spatial planning dimension within the CIDP. It is envisaged that the ASALGIS can provide the spatial analysis and visualization of these plans.

- **Irrigation** – This is the main agricultural thrust in Wajir (from the CIDP) - and hydro geological data is needed for further borehole drilling. Is the data available? Using the lessons learned from the Study on Water Resources in Isiolo County under MTAP1, a similar study for Wajir and Garissa seems an important activity for MTAP2. Such a study from WRMA would help planning, including the advisability of borehole use for irrigation - is the aquifer fossil water or recharged?? What are the long term sustainable options? Water availability will be a more important factor for siting an irrigation development rather than soil type.

- **Diversification of livelihoods** - Various ‘potentials’ have been identified (including gums and resins, wind and solar power). It is important to find out if these are real options and what has been tried and tested to date. Further studies will be required before further investment can be made with confidence. MTAP can help this process with its funding for links to PPP and value chain studies as well as filling any gaps in our understanding.

- **Water, Sanitation and Health** - The investments listed in the CIDP cover donor and GoK initiatives, but developments funded by NGOs need to be considered as well. The County should be collecting data on what is where in order to guide and coordinate NGOs to implement in priority areas. Maintaining a database and linking to the ASALGIS could ensure better ‘value for money’ from NGO inputs.

- **Environment** - Priority areas for reafforestation should be linked to investments in WRUAs, which in turn have Community-Based NRM plans for pollution control, disposal of waste and control and improving water sources. The approaches allow other environmental considerations such as biodiversity, eco tourism and pasture management.
to be incorporated through community mobilization and planning. In this case identification of critical watersheds for SCAMPs would be a priority, rather than implementing where people express an interest to form a WRUA. Could prioritisation come from the CEAP or DEAP? Also need to add protected areas, gazetted forests and other ‘designated’ land, especially in Tana River, irrigation schemes, reserves etc.

- **Inter-county planning** – MTAP CDPs meet together regularly and can ensure exchange of information on planning developments in their respective counties. For example the abattoir at Wajir will have very significant impact of livestock keepers in surrounding counties. Many counties use the water from the Tana River etc.

- **Innovations and best practice** – some interventions will work well in some counties, these successes should be shared with a view to replication in other counties. MTAP CDPs are well placed to facilitate such exchanges.

- **One stop shop** – originally designed for stimulating private public partnerships, the one stop shop can also be a window to ‘sell’ the county plan or aspects of the county plans to potential donor partners. Preparing well thought out concepts and documents could be used to attract the donor and does not need to be a large well staffed office. It does need links to and strong buy in from the county. Consequently Marsabit County will be targeted for initial support, because interest is high from the County Government and there are significant investment opportunities in green energy.

- **LAPSSET** – MTAP will build upon the study it conducted in Isiolo, by outsourcing the preparation of integrated land use plans to be used for economic development in the LAPSSET growth nodes. This input will link with and inform the CIDP. It will be used to manage and control development, and will incorporate an Environmental Impact Assessment.

### 3.4. Component Elements/Outputs Activities and Implementation Approach

**Component 1 Demand driven development planning and investments.**

The MTAP1 experience.

1. County Governments: The elections and formation of new devolved county governments were much later than anticipated in the project document. The elections took place in April 2013, and governments started functioning from July 2013. In Lamu and Wajir the election results were disputed and only solved in December 2013. This meant that the structures that MTAP was to support were not in place and uncertainty over how the new institutions might look like and how functions would be devolved were not conducive conditions for project implementation.

2. County planning: The Ministry of Devolution and Planning and the Transitional Authority provided clear guidelines and funding for a clearly laid out process for the preparation of CIDPs – including many training programmes, workshops and other support. This left the CDPs rather redundant, but they were able to fill in some gaps on
a county by county basis and currently MTAP in the process of procuring equipment for the County Planning Units. Procurement has been delayed to avoid duplication.

3. The process for the development of proposals for WRUAs to funding the WRUAs has been unacceptably slow. As of February only two WRUAs have received funds – proposals for these two WRUAS were already prepared before MTAP started. The process of SO preparing a proposal for WRMA to approve and forward to WSTF for further approval and funding takes at least one year.

4. The appointment of private companies to manage the water and sanitation component resulted in lack of county ownership, as the private companies sought to cut corners in the absence of a full time MTAP presence at County level.

**Output 1.1:** 36 county staff and 6 offices in 6 priority counties have been trained have prioritised and developed recommendations for their respective CIDPs and scaled up to a further 6 adjoining counties.

The output will contribute to the result of “Improved institutional capacity of 12 county governments to manage and coordinate development and investment.” These 12 counties have been identified as being especially disadvantaged, requiring focused support. The six priority counties of MTAP2 are the focus of project activities while a further 6 will be linked and the lessons learned from the priority 6 counties will be disseminated to them.

**Activity 1.1.1:** Support to 6 counties including support to staff/offices to become functioning and effective County Planning Units (ASAL Secretariat implementation) including specialist equipment GPS, GIS etc.

**Approach:** The activity will promote skills and improve conditions for effective implementation the County Planning Unit which are considered to be central in a successful process of devolution. It is a generalised support to develop stronger county institutions that operate more efficiently and effectively in a devolved government structure, and it will address specific needs in specific counties.

It will be implemented as a demand driven facility under the MDP-DASAL /ASAL Secretariat that will invest in county institutional development by providing training, basic equipment, and related support in various subjects needed to prepare each county for devolved government (e.g., procurement, financial systems, planning and monitoring and evaluation etc.). The ASAL Secretariat will identify the technical assistance resources that will match the needs of the counties. Individual technical assistance inputs will be between a few weeks up to twelve weeks. Staff and offices of the County Planning Units are specifically targeted, as capacity for county development planning will be particularly needed under the devolved governments.

During MTAP the County planning support was limited because the Ministry of Planning and the Transitional Authority MTAPI was providing support and clear direct to the County.
The approach as described above carries over from MTAP1 to MTAP2 and remains an important area of support. Activities remain county specific and will continue to be demand driven – filling gaps that support improved institutional capacity to ensure management of Natural Resources are adequately addressed in the planning process.

This activity will be carried out in collaboration with the PSM Directorate of MDP which coordinates the national capacity building framework for counties.

**Activity 1.1.2: Activity 1.3.2:** Train staff from the County Planning unit and CDPs in data collection analysis and use for improved planning M&E and GIS.

County Integrated Development Plans (CIDPs) were prepared with a deadline of 30 September 2013 in order to trigger fund transfer from National Treasury to County Government. The process was well supported by the Transitional Authority and the Ministry of Devolution and Planning. However these plans need expanding upon and need to be further developed to better inform the monitoring and evaluation process. The provision of equipment and training together with a link to the DASAL GIS should go a long way to supporting this process.

**Activity 1.1.3** Good practice and lessons learned disseminated to at least 6 more contiguous arid counties (2016).

Realistically MTAP can only support the six priority counties (that cover 41% of the land area of Kenya). However, the lessons learned and best practices will be documented and shared with adjoining counties that have similar agro-ecological conditions. This scaling out process will take place in 2016, and targeted at a further 6 counties. The DASAL GIS will be relevant for planning in the adjoining counties and, where possible, MTAP2 will include representatives from the 12 counties when conducting GIS and other capacity building training.

**Output 1.2:** Six priority counties have used improved planning information in county planning and decision-making in the preparation and updating of CIDPs together with effective Monitoring and Evaluation of these investments.

The output will contribute to the result of “Devolved governments in 6 counties develop, test, and monitor County Integrated Development Plans in a demand-driven, inclusive, and accountable manner, informed by key risks and opportunities.”

County planning is an integrated process that MTAP2 will support. The focus of this output therefore is to support the county decision makers in respect to their roles and responsibilities in utilising information, analysed and adapted to address demand based planning and investment needs. County stakeholders will, with MTAP2 support, engage in a process of defining information requirements, considering how such information should be analysed and presented in order to support their management and investment decision-making. MTAP2 will support the County’s capacity to use information and engage in holistic and integrated planning processes and support in the articulation of County information needs and in outsourcing the provision of relevant information to the County. Counties will be supported in developing the processes that are leading to further refinement and updating of County Integrated Development Plans.
Development Plans (CIDPs). The processes include integration of Sub Catchment Management Plans (SCAMPS) into the county planning processes. County co-financing of water investments (predominantly externally funded) will be piloted. Indicator: “Planning criteria and resource allocation plans reflect use of process tools and spatial information and provided in 3 key sectors.”

This activity will be carried out in collaboration with the Directorate of Economic Planning at National and County level.

Activity 1.2.1 Support the institutional functioning and performance at county level to undertake integrated planning that incorporates water, natural resources, peace & economic development activities and develop recommendations for CIDPs, including provision of Technical Assistance.

Approach: The counties have prepared CIDPs in order to justify a budget for central government funding. The CIDPs have been produced in a much prescribed manner for example the approach and chapter layout has been given and the Counties required to fill in what will happen where. However the process was not well understood and was rushed. As a result many for the development activities being tendered by the counties do not appear in the CIDP Planning for water and natural resources in the Sub Catchment Management Plans (SCAMPS) described under output 1.4 is part of the process and such planning is an entry point for making the planning process focused and tangible. Investment in integrated planning processes at county level is aimed at increasing capacity for devolved governance at the county level. MTAP2 will through this activity provide the counties with better opportunities for preparing integrated plan and to invest according to such plans. MTAP2 CDPs will support the Counties in their multi-sectoral planning process with emphasis on technical contributions related to NRM and associated economic development. The development of each of the counties is very much dependent on good NRM planning as well as regulation and equitable access to resources. MTAP’s will also support the improved quality of information provision within the counties’ planning process.

The MTAP2 CDP will support the articulation of information needs and provide linkages in the fulfilment of spatial planning information demands. The activities referred to under 1.4/1.5 and 2.3 will be closely linked and supportive of this process. MTAP will support the collation and management of information collected/owned by districts/counties on specific biophysical, socio-economic & livelihood conditions for coordinated planning. The knowledge management function under the ASAL Secretariat will support through linking the Counties with numerous spatial information sources including inter-county, watershed base, national and international information sources, ensuring the provision of this material, often in spatial format, analysed in relation to decision making needs. The ASAL Secretariat will provide tools in support of this integrated planning process including guidelines and training manuals.

The preparation of a CIDP is an ambitious undertaking. All six counties now have CIDPs on which budgets from Central Government are based. They have been drawn up following a
template provided by MDP. CIDP preparation is similar in many respects to the WRUA’s preparation of their Sub Catchment Management Plans (SCAMPs); only these related to a smaller area and are catchment based. The preparation and implementation of the SCAMPs is seen as an informant to the CIDP preparation process. SCAMPs are a starting point for the CIDPs. CIDPs are planning documents and it is anticipated that the Counties will be revising the CIDPs to encourage investments in line with these planning document. MTAP will support further the CIDP processes and the county involvement in these processes and lessons learnt will be documented. The CIDPs are living documents which should be considered as guiding information to implement development at County level in a sustainable and coordinated manner.

The existing County Peace Committees will be supported. Activities will, where relevant, be closely linked with sub-catchment management planning and investment activities, and in addressing conflict issues in the selected counties. The linking of such activities with peace/conflict resolution forums such as provided in WRUAs allows the implementation of practical solutions in relation to access to limited finite resources.

The activity will be implemented at the sub counties/county level with facilitation support by MTAP. MTAP will through CDPs and national level TA provide technical assistance in support of the planning processes, outsourcing will be used in terms of information provision to counties, specifically to the Sub-county/County Planning Unit and to service providers. MTAP2 will provide funding support to costs associated directly with the process.

Activity 1.2.2: Participate in the development and testing of mechanisms for financing, accountability and decision-making between the county/communities linking state corporations such as WSTF and WRMA in relation to the development of the water services and sub-catchment plans and investments.

Approach: This activity is closely linked to the implementation of activities described in Outputs 1.4 and 1.5. While WRMA and WSTF will facilitate and fund these outputs, County stakeholders play a critical role with MTAP2 Unit providing oversight ensuring multi-sectoral integration.

Under MTAP1 it was envisaged that the county would be fully involved with MTAP water investments, by partnering with WSTF to provide priority areas for support and even co-financing. Using existing WSTF modalities, activities were sub-contracted to private sector companies that started work before MTAP had a presence at County level. In order to maximise their profits they minimised their engagement with the counties and worked independently. As a result there is no ownership from the Counties and the investments are seen as coming from outside. The reality faced by the CDPs at county level is lack of trained staff and in most cases no feeling of partnership.

Now that MTAP has full time CDPs in each county further investments through new MOUs can be effectively linked to Counties and the involvement of County institutions in the planning and execution of this work will be undertaken as originally planned.
The activity will be implemented by respective community groups, CBOs and/or WRUAs. The Counties will be facilitated in resource allocation by MTAP2 staff in conjunction with the technical and financial support to be provided by the WSTF/WRMA and private sector service providers which may include reputable and well established NGOs working in the counties.

**Output 1.3**: Counties are engaging in inter-county planning processes utilising information and spatial data sourced locally and from regional and national information sources

The output will contribute to the result of “Inter-county collaboration brings economies of scale, promotes peer support, and builds peace.”

Inter-county coordination and cooperation will be enhanced allowing for identification and activities relating to inter-county challenges and solutions. The Output reflects the activities that an individual county will be involved in, requiring inter-county engagement. This output is closely linked to support from Output 2.3, where the role and supportive contributions related to knowledge management is described in more detail. It builds upon and augments Output 1.2, which predominantly focuses on intra-county planning needs. No one county will stand as an “island”, there will be areas where inter-county cooperation will provide synergies in terms of economies of scale, combined negotiating positions or lobbying at the national level, specialised service provision and/or the use of shared service providers. This output will contribute to inter-county dialogue and the identification of inter-county working groups to address inter-county opportunities/constraints. Indicator: “Inter-county task groups established and joint agreement made in respect to 3 key natural resource issues/conflicts.”

**Activity 1.3.1**: Support the counties in utilising inter-county information for investment planning, decision-making processes, and identifying opportunities for joint planning and shared service provision

**Approach:**
Inter-county needs will build upon the outcomes of the County planning process addressed under Output 1.2, and other planning activities (Example LAPSSET) from which identified issues to be addressed through inter county cooperation will emerge. Water resources management is a clear area requiring inter-county cooperation and appreciation of respective county responsibilities. MTAP2 will support the identification of inter-county cooperation needs in relation to specific and/or sector groupings. Establishment of inter-county sector specific or sector grouped committees will be supported and terms of reference prepared. Inter-county dialogue will contribute to inter-county plans for specific cooperation areas requiring inter-county agreements in support of joint initiatives. The inter-county agreements will articulate the roles and responsibilities with respect to the expectations of each partner, the sources of financing and the joint means and actions, being endorsed by the decision makers in each county represented within the agreement.

The role and supportive contributions of MTAP2 will support this process through the TA provided to the individual counties and through the knowledge management function in the
ASAL Secretariat and from WRMA that will respond to the information needs of the respective inter-county committees as they plan in relation to the specific challenges being addressed by that committees. Related provisions are addressed in Output 2.4.

SCAMPS reflecting inter-county boundaries should be provided and contribute to planning process in those counties covered. This was piloted in MTAP1 in WRUAs of Garissa and Tana River counties that lie on either side of the Tana River. Coordination and cooperation will be enhanced allowing for identification and activities relating to inter-county challenges and solutions. The LAPSSET transport corridor will have a significant impact upon the County plans, counties need to incorporate some of the excellent information generated into their plans. Inter-county dialogue and joint planning support will be provided in analysing potential synergies in terms of economies of scale, combined negotiating positions or lobbying at the national level, joint climate change adaptation strategies and/or joint recognition of specialised service provision and/or the use of shared service providers. In MTAP1 consultants produced reports on the likely impacts, opportunities and threats of LAPSSET, this work needs building upon in MTAP2, ensuring that CIDPs are streamlined with LAPSSET plans as they emerge.

MTAP will build upon the study it conducted in Isiolo, by outsourcing the preparation of integrated land use plans to be used for economic development in the LAPSSET growth nodes. This input will link with and inform the CIDP. It will be used to manage and control development, and will incorporate an Environmental Impact Assessment.

MTAP2 will support and facilitate the articulation of lessons learnt in respect to the process of planning; this will include responding to feedback the support information provisions and “customer satisfaction” as reflected by the views of the Counties in terms of the suitability of the information provided and its usefulness. It will also provide feedback on the in respect to the planning process/model embraced by the County as described in Output 1.2.

The above activities will be facilitated by the MTAP CDPs and supported by the knowledge management function at the ASAL Secretariat. MTAP2, where necessary, will outsource support in facilitation for the identification of benchmark indicators, development of planning tools, documentation of lessons learnt, customer satisfaction surveys and feedback on data provided.

**Activity 1.3.2:** Support to County level ASAL Stakeholder meetings for Non State Actors (NSA).

MTAP support to the ASAL secretariat through activity 2.1.3 should lead to a vibrant national ASAL stakeholder’s forum. To feed into this national level forum MTAP proposes to support individual County ASAL stakeholder’s fora in each of the six counties. MTAP support will take the form of funding meetings and publications as well as providing information and promoting networking between county fora, their members and the National ASAL Stakeholders Forum. The activity is budgeted under Component 1 Support to Counties, whereas costs for the National Forum are channelled centrally through the ASAL Secretariat.
Activity 1.3.3: Assess inter-county biophysical and socio-economic opportunities between selected counties in relation to water, range, peace and selected economic development opportunities and provide information to stakeholders at county, inter-county and macro-catchment level (Outsourced)

This activity will be outsourced to knowledge management service providers and will focus on the supply of information to support the planning process. Together with county planners and decision makers, the MTAP Unit will propose data collection and analysis to assess inter-county biophysical and socio-economic constraints and opportunities between selected counties in relation to water, range, peace, and selected economic development opportunities. MTAP knowledge management support will provide the necessary information to enhance the inter-county planning efforts identified which could, for example, focus on a few SCAMPs crossing county boundaries, selected CIDPs of adjoining counties.

Based on a local consultation processes the MTAP Unit will commission a private sector service provider to produce the required data, indicators, maps, and analyses. In addition, the MTAP Unit will involve the ASAL secretariat for additional knowledge management support.

Output 1.4: Water Resource User Association (WRUA) development cycle adapted for ASAL areas and implemented in Sub Catchments in the 6 priority counties.

The output will contribute to the result of “Community institutions and citizens able to articulate demands, and plan and prioritise investments, in a participatory, accountable & inclusive manner, which consider opportunities and risk” and to the result of “Communities and citizens identify, implement and sustain priority productive investments that alleviate bottlenecks to economic growth, reduce vulnerability, and sustain the natural resource base.”

The support to Water Resources Users Associations (WRUAs) will be, facilitated by the Water Resources Management Authority (WRMA) through a well established “bottom up” planning system, known as the WRUA Development Cycle (WDC). The WDC is based on the preparation of a Sub Catchment Management Plan for a specific sub or micro catchment, the outcome of which feeds into the planning process as described in Output 1.2. The WDC is designed to provide a transparent funding mechanism engaging local participation in catchment and related natural and water resources management activities. The MTAP output and all activities will be achieved through an MOU between the ASAL Secretariat/Danida and WRMA. Oversight will be by the MTAP2 Unit under MDP-DASAL and the MDP-DASAL/MTAP2 Unit will play an important facilitating role in bringing the ASAL experience to the implementation of WRUAs in the ASALs. An assessment and mapping of local water and natural resource management related institutions in the ASALs, including traditional institutions has helped improve understanding of the functionality of these institutions in typical arid lands conditions and the ‘fit’ between them and the WRUA model.

The future prosperity of the ASAL Counties and all water users is largely dependent upon good water resources management planning, water storage and water use. A WRUA is a registered legal entity recognised by WRMA, operating within the framework of the WDC structure. A
WRUA promotes controlled and legal multi-water use activities and the promotion of good management practices to make efficient and sustainable use of catchments. It provides an open forum to address issues in a participatory manner concerning equitable water access and conflicts resulting from competing interests in relation to a limited resource. The WRUAs promote natural resource and water conservation practices in ensuring sufficient and equitable access to water reserves that meet the demands of the environment, the wildlife, livestock and all the communities and other users, who rely on the water resource. Their activities require multi-sector support and the inclusion of all related service agencies (both public and private) and include promotion of catchment protection, protecting water quality, improved rangeland management, and support to livelihood development. WRUAs have historically been established for the principle function of reducing conflicts (peace promotion) through ensuring equitable access to a limited and finite natural resource. WRUAs whilst recognised by WRMA and empowered to enact by-laws related to the management of the catchment are independent institutions capacitated to utilise line agency support from all relevant line agencies in forestry, agriculture, livestock etc. as well as funding and support from any other relevant source. Indicator: “15 SCAMPs prepared under MTAP1 are in implementation and 15 new SCAMPs prepared under EU SHARE are in implementation.”

Activity 1.4.1. Support the identification, development, strengthening and implementation of Water Resource User Associations inclusive of existing and customary community based water and range user institutions, through use of and support to service providers.

Approach: The activity will be outsourced to WRMA and implemented in close collaboration with county-based technical assistance. Through MTAP2, WRMA will be supported to develop its capacity to address water resource management issues specifically adjusted to ASAL conditions including water use by pastoral communities. MTAP2 Unit will provide oversight of the implementation, and will play an important facilitating role in bringing the ASAL experience to the implementation of WRUAs in the ASALs.

In MTAP1 WRMA in consultation with Counties, supported by MTAP, selected 18 WRUA. The prioritisation criteria for selection of WRUAs were provided for within the WDC. The intention within the WDC is to give priority to the sub-catchments with serious water stress levels. Further support will be provided to some of these WRUAs where they have been successful and where further investments are needed. MTAP2 will also support new priority WRUAs, and link them through EU-SHARE for water infrastructure investments.

Development of SCAMPs: WRMA will, within the framework of the WDC, support the WRUA in the development and implementation of SCAMPs. The WRUAs will develop their constitution with related bye-laws; sign an MOU with WRMA defining respective roles and responsibilities.
It is envisaged that the SCAMPs produced will provide tangible inputs into the County planning process as described under Output 1.2. MTAP2 will support the development of WRUAs, local stakeholder based institutions able, with support, to prepare, access financing for, and implement their Sub Catchment Management Plans. The WSTF provides one source of funding however access to alternative sources will also be encouraged building self-reliance and sustainability. The SCAMPs further provide a forum allowing for the contributions of line agency staff to a development process managed by devolved institutions.

**WRUA and community institutions:** The establishment of the WRUA’s management structure with clearly delineated rules and responsibilities of sub committees has been found to be important in aiding transparency and good governance. The WRUA receives training in the roles and functions of each sub-committee. Training is outsourced by WRMA to Service Providers (SPs).

**WRUA activities:** The activities to be facilitated by WRMA and financed through the WSTF (within MTAP) in support of SCAMPs are defined in detail in the MOU between the WSTF and WRMA and further elaborated within the WDC Operations Manual. They are summarised (but not limited to) the following:

1. Mobilisation, organisation and training of water resource users in relation to WRM activities, including compliance in line with WRM Rules (e.g. metering of water abstraction from aquifers);
2. The development and implementation of water allocation plans recognizing the dynamics of grazing patterns and dry season grazing areas; this will also serve to mitigate water use conflicts;
3. Water storage development, including pans, dams, rain water harvesting from roofs and into ground tanks, to cater for pastoralist transhumant needs;
4. Catchment protection, including the costs of river bank protection, soil conservation structures (terraces, check dams, etc.), drought resistant seedlings and afforestation activities, as well as soil and infiltration improvement (e.g. holistic grazing and farming management practices);
5. Provision of small livelihood development grants in support of pastoral friendly livelihood activities as well as demonstrating improved water use efficient technologies.

**Adaptation of WDC:** In building and strengthening of the WRUAs, there will be made a specific effort to design the support so that pastoral institutions are centrally involved in the WRUA structure. MTAP1 supported the activities of WRMA and the WSTF to align the WDC process to better fit ASAL conditions and in anticipation and recognition of the Counties. However further adaption will be most significant in terms of: (1) Mutually agreed selection criteria for WRUA financing and support, (2) The development and piloting of co-financing arrangements where the County Governments, with support of MTAP2, will partner with the WRUAs, the WRMA and the WSTF in piloting co-financing arrangements, (3) the need to link natural resources inventory and mapping to land evaluation and utilisation to a resources investment framework, which in turn should link to MTAP’s support to private sector investments.
It should be noted that the output is that “the development cycle will be adapted for ASAL areas”. This has proved to be a huge task – far greater than anything envisaged in MTAP1. Originally it was conceived that the ASALs were populated by pastoralist who were mobile, so adapt the development guidelines to fit mobile communities and implementation can proceed effectively. The ASALs are far more complicated. They have their own traditional forms of governance, low levels of literacy, settlements are widely scattered, telephone and road links are poor. As a result the support needed to develop a WRUA was grossly underestimated by WRMA and support organisation. Basic questions such as “there is no permanent river how can we set up a WRUA?” needed to be addressed by MTAP to the service providers. MTAP 1 was a learning process for developing WRUAs in ASAL areas.

WRUAs in ASAL areas.
The whole WDC approach has been developed around water abstraction from a perennial water source – usually a flowing river with many abstraction points, and multiple users. Abstract and pollution can occur anywhere on its length. In ASAL areas water is usually abstracted from a point source – a spring, a borehole or a pan. (but with the exception of users of the Tana River and the Ewaso N’jero). Communities congregate at these points. These water point sources already have ownership and management system in place – unlike a stretch of river that is often seen as a common property resource. Many of this water points have been established or improved with external funding – both government and donor. Often in kind contributions are required by the funders, to ensure that there is ‘ownership’ from community members. In many ways this ownership is at odds with WRMA’s mandate of collecting abstraction fees. (why do these people want money from the water from my borehole??)

The formation of a WRUA needs to be conducted with care to avoid conflicts between the managers of the (point) source. It is important to recognize that if water management systems are in place that any new committees or structures linking into these existing systems.

While WRMA and WSTF have recognized the issues of weak community capacity (seen as weak because “capacity” is assessed against use of WRMA/WSTF’s tools such as account books, minuted meetings etc.) and difficult logistics (lack of mobile phone coverage, poor transport links, scattered banking facilities), there is not enough recognition of traditional governance arrangements. In short the approach that both WRMA and WSTF are adopting towards community management of natural resources have become too prescriptive, and not sufficiently participatory.

SCAMP Implementation: On the basis of the SCAMP and its prioritized activities, the WRUA makes a funding application to WRMA and the County. A contract is made between the WRUA and WRMA. Funds are provided by the WRMA to the bank account of the WRUA. Fund use falls within the framework of the Contract/Financial Management Guidelines provided for within the WDC, as does the scope of the activities that can and cannot be financed.
**Management and Financing:** WRMA facilitates the process and monitors progress undertaking spot checks in reviewing the books of accounts and implementation quality. MTAP CDPs will provide oversight monitoring spot check visits. WRMA appoints an auditor in accordance with terms of reference approved by MTAP. Of the funds transferred to the WRUA the WRMA retains 15% as management fee within which the costs of its operations are covered in relation to facilitation, oversight monitoring and audit. The funds transferred to the WRUA include provisions for the engagement of Support Organisation (SO). The WRUA opens a designated bank account for receipt of WRMA funding.

Cost sharing arrangement will be piloted in support of linkages between county and external investments in SCAMP development and implementation. Of the external financing being provided to the WRUA 10% will in future be provided by MTAP to the county for project coordination, monitoring and evaluation (see activity 1.2.2). The WRUA contribution will continue to represent 15% of all funds received. It is important that these local level planning and investment initiatives are captured in the CIDPs and are planned, coordinated and monitored through County management systems. These plans provide important information for refining CIDPs and allow communities to have a say in the planning and management of their natural resources.

The MTAP2 output and all activities will be achieved through a new MOU between the ASAL Secretariat/Danida, and WRMA that will elaborate the roles, responsibilities and respective financing arrangements.

**Output 1.5:** Water services delivery systems developed and implemented in 6 priority counties and contributing to alleviating bottlenecks to economic growth, reducing vulnerability, and sustaining the natural resource base.

It is anticipated that this activity will be jointly funded by Danida and EU SHARE in the 6 MTAP priority counties. The European Union will provide Euro 6 million to Danida who will then contract WSTF to implement the programme. Oversight provided by MTAP CDPs who will ensure that the shortcomings noted from MTAP1 do not take place again. Details appear in the EU SHARE / WSTF project document.

The output will be realised through outsourcing water services delivery to WSTF, which have established procedures for support to water services. Oversight will be by the MTAP2 Unit in MDP-DASAL. MTAP2 will support WSTF to deliver water services with a focus on ASALs and ASAL conditions. Activities will include support to the new counties in the planning of water service investments (including storage) in rural areas. Given the priority attached to improved water access, efforts will be directed to ensuring improved access within MTAP2. Where eligible, communities through their Community Based Organisations (CBOs) will be able to apply for Community Water Grants. MTAP2 will be able to support immediately a process of selection, SWG provision, implementation, and monitoring, providing immediate tangible benefits.
Due to slow uptake in ASAL areas, the CPC methodology will be further adapted to better suit the needs and prevailing logistical constraints as found in ASAL areas, and will be combined with wider Natural Resources Management issues and planned according to recognised sub-catchments.

WSTF will liaise with National Youth Service to ensure synergies and collaboration with implementation of water investments.

**Activity 1.5.1:** Support to community/citizens prioritized investments in water within 36 sub-catchments that are adapted to ASAL areas and improve productivity and resilience and are linked to sustainable use of natural resources. Implementation activities outsourced through EU SHARE – MTAP CDPs provide oversight.

**Approach:** The activity will be outsourced to WSTF and implemented by community organisations supported through WSTF financing of service providers. As part of the support through WSTF there will be specific allocation for strengthening WSTF operation in ASALs, where so far WSTF has been rather weakly represented. Oversight will be provided by the MTAP2 Unit.

It supports a process of quickly realising small water investments in the ASALs. The means used for determining investment decisions in relation to water services will be part of the strengthening the planning process of the Counties for improved devolved investment decision making in a key sector. The investments under this activity will ensure that MTAP2 within a short time will provide tangible benefits to the people of the ASALs. The investments will be targeted to those areas most in need as prioritised by county institutions and will be linked to Sub Catchment Management Plans and investments. Planning and selection of critical intervention areas will be based upon county priorities and previous MTAP work in critical catchments where SCAMPs have been prepared under MTAP1.

**Activity 1.5.2:** Support water harvesting and sanitation services in 72 Schools and Health Facilities (SHF) within the 36 prioritised sub-catchments. Implementation activities outsourced through EU SHARE – MTAP CDPs provide oversight.

The above output and its associated activities will be financed through an MOU funded by EU SHARE. The WSTF will sign an MOU with the Danida/ and MTAP CDPs will be responsible oversight of the county level monitoring and reporting of achievements. The County will support the WSTF in regard to its information and reporting requirements to the ASAL Secretariat/Danida. The full involvement of the County Government and its technical staff will be a feature of this work, ensuring that targeted areas are part of the CIDP and longer term support and management of the investments is streamlined in County plans through full county involvement and ownership of the process.
Component Description (Final)  Medium-Term ASAL Programme

Component Element 2. Support to ASAL Secretariat and Knowledge Management – Outputs

Output 2.1: ASAL Secretariat institutional functions in place, endorsed, and operating

The output will support the functioning of the ASAL Secretariat and promote that it is delivering of its core mandate. A functioning ASAL Secretariat will facilitate more effective coordination, more supportive policies, and more efficient use of enhanced resources for ASAL development. The ASAL Secretariat consist of different units of which some are supported by MTAP2. The indicator for the output is: “ASAL Secretariat perform expected institutional functions.”

The ASAL Secretariat and associated national institutions will use a significant degree of outsourcing to provide the relevant data and analyses to the planners and decision makers at the county and other relevant levels. It will include the following five types of analytical support:

1. data, analysis, and other information products, derived from the data holdings in the MTAP GIS and monitoring facility, all driven by the demand from the planning efforts in the six MTAP2 counties and associated sub-catchments;
2. a more specialised assessment of surface water and groundwater resources (requiring different data and technical skills) in Wajir and Garissa counties to demonstrate how such an assessment can support CIDPs. County planning requirements include: consideration of present and future groundwater surface water needs within a multi-sectoral environment, impacting upon future water storage requirements, providing information for sound water resource investment and allocation decisions;
3. building upon the MTAP commissioned study conducted in Isiolo, by outsourcing the preparation of integrated land use plans to be used for economic development in the LAPSSET strategy node in Isiolo County. This input will link with and inform the CIDP. It will be used to manage and control development, and will incorporate an Environmental Impact Assessment. This pilot study should help other ASAL counties in the LAPSSET corridor with improved planning methodologies designed to mitigate negative impacts of the LAPSSET corridor;
4. further data collection and analysis, and other information products, derived from the data holdings in the MTAP GIS and monitoring facility, all driven by the demand from the selected inter-county planning efforts in the six MTAP counties;
5. Annual State of the ASAL reports developed for policy support and information on ASAL development.

Activity 2.1.1: Facilitate the functioning of ASAL secretariat through TA, outsourcing arrangements, and core support

Approach: The activity will support the ASAL Secretariat with core funding and with technical assistance. Funding will support functions identified in the functional analysis of the Secretariat. Funds for the Secretariat will supplement existing GoK resources. As specified in the outputs related to knowledge management and the private sector partnerships, specific support will be
provided to these functions. The MTAP Unit will work directly with, and under, the ASAL Secretariat. The main functions of the Secretariat will be:

1. Knowledge management that informs policy, practice and investment (through research, analysis, budget tracking, and data management);
2. Advocacy, networking and relationship building; and
3. Managing externally funded projects.

The Secretariat is expected to articulate the region’s needs and its governance, programmes and policies. The ASAL Secretariat remains under the MDP-DASAL. Activities under the ASAL Secretariat will, in addition to the activities described under the knowledge management and the private sector efforts, include:

1. Development and implementation of a communication strategy;
2. Oversight and application of accountability and transparency procedures;
3. Support to ASAL transformation structures within Government; and
4. Programme and project tracking at county level

**Activity 2.1.2:** Support the further development of a Knowledge Management Centre.

**Activity 2.1.3** Engage NSAs through the National ASAL Stakeholder Forum to strengthen cross-sectoral and cross-agency coordination of development policy and practice in the ASALs.

**Activity 2.1.4:** Develop State of the ASALs reports.

**Approach:** The first State of the ASALs (SOA) Report was funded through MTAP (being commissioned in February 2014). It is hoped the SOA report can become a leader to inform county development planning and thematic annual reporting that attracts investors, tracks and highlights performance of the MDP-DASAL. The SOA Report communicates progress made on implementation of ASAL policy. The activity will include further support to the following steps: Develop editorial board; Agree and define purpose of report; Agree on process of producing report; Produce outline of report; Commission selected chapters; Produce draft of report; Internal and external review; Revise report based on comments from review; Final edit and proofing; Design, layout, and printing; The SOA will be presented at the ASAL Stakeholders’ Forum and other suitable fora. The MTAP Unit will outsource this activity to a qualified service provider with experience in producing such reports within Kenya and internationally.

**Output 2.2:** GIS for planning and monitoring in support of ASAL development in place at ASAL secretariat and providing County Planning Unit with a web based planning and monitoring facility

This output will result in “Evidence-based knowledge management informing policy, planning, and investment decisions”. The ASAL Secretariat and MTAP2 staff will work with associated national and county institutions and subcontract a private sector service provider who will set...
up an operational information system and monitoring facility within the DASAL. In addition the web-based GIS interface already produced during MTAP will be used to access the DASAL GIS. The DASAL GIS will be the server and also provide for the actual collection of spatial and geo-referenced data related to monitoring and management of the MTAP2. The information system and monitoring facility will provide data and analysis (as outlined in Output 2.3) to address the planning needs of the new emerging counties and the MTAP2 activities under Component Element 1, Demand driven development planning and investments. Indicator: “DASAL GIS operational and regularly updated, supporting web-based GIS used by CDPs and County planning Units is operational, and is used to provide data and analyses as outlined in Output 2.3.”

**Activity 2.2.1**: Facilitate development and implementation of GIS within ASAL Secretariat for planning, analysis, monitoring, and reporting in relation to ASALs and MTAP.

**Approach**: The activity will be outsourced. There is need for a Geographic Information System (GIS) to support planning, analysis, monitoring, and reporting. This system will require baseline data. A GIS with such baseline data will simplify planning, analysis, monitoring, and reporting. A system that allows web-access can be used by MTAP staff at national and at county level. It can also be used to communicate MTAP investments and progress to the public and allow for public review and input. To permit multiple uses and applications, this system needs to be flexible and able to operate on various platforms that support both: sophisticated analysis and map making using proprietary GIS software and also open source, intuitive online mapping. The facility will be web-based and also provide for the actual collection of spatial and geo-referenced data related to monitoring and management of the MTAP2. Links will be established between appropriate organisations such as NDMA, FAO, NGOs and also the Ministry of Devolution and Planning to avoid duplication and to build synergies. Close collaboration on consultation with the 6 counties will also be required to ensure that the outputs meet the end user’s expectations.

MTAP1 commissioned a private sector service provider to set up the GIS, however the data capture has proved difficult. It is now clear that the DASAL needs to run and manage its own GIS facility that can provide the necessary information for the web based system developed in MTAP1 and to undertake on demand analyses of data layers and to provide information to support sub-catchment and county planning and investments. The ASAL Secretariat, MTAP Unit, and county planners will have access to the web based online GIS that will be maintained, and further developed to allow querying data, producing simple maps, and uploading data and other feedback from the sub-catchment and county planning efforts and water investment efforts.

The ASAL Secretariat will be provided with financial and technical assistance support through MTAP as reflected in the agreement between Danida and MDP-DASAL. The ASAL Secretariat and MTAP2 Unit will be provided with the fiscal means to train DASAL staff to manage this customised GIS for wider use by DASAL.
Activity 2.2.2: Maintain and update web based GIS interface allowing County Planning Units to access and use information for their own planning and monitoring purposes including system maintenance and data upgrading (outsourced).

This activity started in MTAP 1 with the design and commissioning of the ASALGIS, but further work is required to provide a full complement of data for planning and monitoring purposes covering all ASAL Counties.

Output 2.3: Planning and monitoring systems provide relevant data and analyses to planners and investment decision-makers with communication and sharing of experiences to identify and meet users’ needs.

The output will contribute to the result of “Evidence-based knowledge management informing policy, planning and investment decisions.” The activities described within this output are based on national facilitation of county level “Demand driven development planning and investments”. The ASAL Secretariat and associated national institutions themselves are seen as service providers in respect to addressing the planning needs of the new emerging counties.

The knowledge management support will make the following contributions to development planning and investments decisions:
(1) Ensure that information support is geared towards ASAL county decision-makers and practitioners;
(2) Guide and contribute to this county process and, where necessary, provide capacity building support and training;
(3) Support the planning process in assisting to harmonize planning indicators and planning processes;
(4) Promote inclusion, free access to information and transparency of information use within the planning and decision making process; and
(5) Support political “buy in” in relation to information access and the use of open and transparent planning procedures and ensure effective regulatory standards at all levels.

Indicators: “Six county and 30 sub-catchment planning processes have incorporated data and analytical results produced from the knowledge management support” and “Information on ASALs provided by MTAP2 utilised in policy decision making processes”.

Activity 2.3.1: Support collection and undertake analysis of data layers and provide information to support sub-catchment and county planning and decision-making in relation to future investments.

Approach: This activity has been outsourced and is focused on the provision of information to support the planning process described in Output 1.2. It is designed to collate and collection information to develop the DASAL GIS database, and in turn the web based portal that the CDPs and County Planners will use to access this data. It is a spill over activity from MTAP1 to MTAP2.
The MTAP Unit will in consultation with the county planning process identify determining factors for the analysis of data to facilitate its provision in a format that contributes to management and investment decisions. The criteria for the prioritization of investments will directly influence sector and intra-sector data analysis. Based on these consultation processes, MTAP2 expects to commission a private sector service provider to produce the required data, indicators, maps, and analyses, but the TORs cannot be defined until the current consultancy is completed and evaluated. Updating data and collection of new data, need to be budgeted for post MTAP as is the commissioning of new studies as emerging issues become apparent.

The ASAL Secretariat will be provided with financial and technical assistance support through MTAP as reflected in the agreement between Danida and MDP-DASAL. The ASAL Secretariat and MTAP will jointly select service providers.

**Activity 2.3.2:** Surface and groundwater assessment piloted for decision-making in Wajir and Garissa counties and incorporating inter-county requirements. (Outsourced).

**Approach:** WRM planning for improved storage, regulation and water use is key to the future development of all counties. Support in providing information for improved planning in water resources management is the mandate of WRMA. The WRM planning information needs will closely linked to Activity 2.3.1, and will investigate water regulation and provide additional information for the county planning process.

To provide more comprehensive planning information in respect to present and future water use in County, WRMA will be required to address particularly 1) WRM abstraction and regulation issues 2) Water abstraction management and use of the strategically important aquifer resources.

This activity is directed towards supporting WRMA’s orientation in support of the new county needs. The activities are described in greater detail as annexes to the MOU to be made between MTAP and WRMA and will include the following products:
(1) County and inter-county storage investment scenarios, client driven information in support of its efforts to address declining surface water resource availability and declining dry season flows and the imminent need for improving abstraction regulation;
(2) County and inter-county needs in respect of groundwater use focused on the development of Groundwater Management Plans

The spatial and temporal information required in addressing the above are considerable. To assess present water availability for planning requires support in respect to abstraction surveys and significant achievements in terms of regulating water use. To accomplish the above requires determination and legal establishment of protected catchment and groundwater areas. It is to be understood that these activities start as a process that will not be completed during the MTAP2 lifespan however MTAP2 will require WRMA to provide clear products reflecting important milestones in relation to managing and protecting water resources of strategic importance to present and long term water needs.
MTAP2 will provide support to WRMA in addressing the above. WRMA will contribute to the knowledge management undertaken by the ASAL Secretariat and liaise closely with the MTAP Unit. WRMA will focus in this activity on Wajir and Garissa Counties as its client in terms of servicing them with relevant WRM information in support of their planning decisions. It will build up the lessons learned in a similar study conducted by WRMA in Isiolo County during MTAP1. A draft MOU between the MDP-DASAL Danida-WRMA is found in Annex 3 providing a detailed framework in relation to the support anticipated and WRMA’s product requirements. International and national TA support is included within the provisions of the MOU to be recruited by WRMA. Oversight will be by the MTAP Unit.

**Activity 2.3.3:** Provide analytical support to spatial planning requirements for LAPSSET growth nodes. (Outsourced)

**Approach:** The LAPSSET transport corridor, even if only implemented partially, will be the biggest transformative investment in ASAL counties. LAPSSET, as a central government driven project, potentially creates significant opportunities but also carries a high risk in relation to its potential consequences such as: degradation of customary production systems and adapted life-styles; loss of access to land and resources and increased conflicts; risk of pollution (including surface water and ground water pollution); and limited benefits accrued at local level. MDP-DASAL’s mandate is to optimize investments and safeguard the interest of its ASAL constituency. MTAP will support the Ministry in its effort to promote an open and transparent LAPSSET decision-making process. MTAP’s analytical and communication support will increase county decision makers’ experience with a planning approach focused on the major driver of change that will impact all other ASAL plans such as water resource plans and CIDPs.

MTAP1 supported the former MDNKOAL to lead a participatory assessment of risks and opportunities arising from the LAPSSET transport corridor. MTAP2 will build upon the study it conducted, by outsourcing the preparation of integrated land use plans to be used for economic development in the LAPSSET growth nodes. This input will link with and inform the relevant CIDPs. It will be used to manage and control development, and will incorporate an Environmental Impact Assessment.

**Component Element 3. Private sector and other partnerships – outputs**

**Output 3.1:** Private sector support available to and across ASAL counties on a flexible and responsive basis, including green growth opportunities.

The component element 3 is on Private sector and other partnerships. It will leverage partnerships with the private sector to enhance resilience, productivity, and economic growth in the ASALs. A significant part of the output will be outsourced to private sector service providers and activities to support the output will be sequenced and will follow on from the progress made in MTAP1. Based on this, a number of initiatives will be promoted in accordance with the identified niche and strategy.
The private sector is singled out as a key area of partnership given the programme’s focus on local economic development, and given the potential contribution of the ASALs to the growth of the national economy. The work under this component element of MTAP2 will be centred on facilitation of private sector involvement in some of the MTAP2 priority counties and in some of the adjoining counties to the extent that value chains and service provision is linked. Steps to increase private sector engagement in the development of the ASALs will be taken, while being cognisant of the need to promote equitable growth, and to ensure that both public and private investment take account of the particular social, cultural, and environmental conditions of the ASALs.

To meet the output, MDP-DASAL and the ASAL Secretariat will be supported to take a proactive role in furthering private sector involvement in the ASALs. Based on an ASAL Secretariat strategy of how to promote private sector involvement in the ASALs, a number of different entry points will be used to promote private sector involvement. Studies of drivers and bottlenecks for economic development, as well as value chain analysis and investments, Export promotion zones, and private sector investment windows in the 6 priority counties were all completed under MTAP1. The actual support to several initiatives supporting the ASAL private sector strategy will depend on the outcome of the strategy. In order to facilitate strategy development and to ensure actual implementation during the two years of MTAP2, the support to private sector investment windows will be initiated in the early part of MTAP2 implementation with one window in Marsabit County, followed by one in Lamu. The output will in itself strengthen the role of the private sector in the development of the ASALs and will furthermore contribute to lessons learned on successful investments and initiatives to promote investments. The indicator for the output is: “Supported investment windows and value chains can document their impact on increased private sector involvement in selected ASAL counties.”

Activity 3.1.1: Facilitate ASAL Secretariat to promote private sector involvement in the ASALs, including embedding of PS service provision in policy decision making. (Miscellaneous outsourced studies)

Approach: The major part of assessments carried out in MTAP 1, included the analysis and the direct work with drivers and enablers of private sector development in ASALs, value chains, Export promotion zones and investment windows was outsourced and successfully completed. These studies will be consolidated and brought together to form a clear ASAL strategy for Private Sector engagement. The ASAL private sector strategy will start with the start up of MTAP2. The ASAL Secretariat will dedicate one private sector qualified full-time staff member to further develop the implementation of these findings. Technical assistance and core funding of some of the costs associated with the unit will be provided by MTAP.

Activity 3.1.2: Support the preparation of a Private Sector investment strategy for the ASALs including PPP investments to promote production, employment creation, innovation and uptake of technologies in the ASALs (outsourced).
**Approach:** This activity has contributed to identifying what are the drivers and enablers of investments and how and what PPP arrangements are important to invest in to promote investments and to create employment, innovation and uptake of technologies. The results were disseminated to the counties, and other interested parties. Information will specifically be provided to the county private sector investment windows described under activity 3.1.3.

**Activity 3.1.3:** Support the establishment of County PS investment windows in Marsabit and Lamu.

**Approach:** The assessment of private sector investment windows was supported as part of the implementation of the ASAL Secretariat private sector strategy. The consultants looked at Lamu, Garissa and Isiolo Counties. They concluded that since similar efforts to develop Investment windows were already in place in Isiolo (the ALRMP funded Marifa Centre in Merti) and Garissa (the Garissa business centre funded through the Ministry of Trade) Lamu would be a suitable location for an investment window. Consequently, MTAP2 may consider support to Lamu County for the establishment of an investment window. However, support to such a window is long term if any success is to be achieved, it also requires support from the County Government and the fact that LAPSSET has established an office and intends providing substantial investments in Lamu County has raised questioned about the relevance and usefulness of MTAP2 getting involved in such support in Lamu County.

However, the concept of a scaled down version of the investment window has been warmly welcomed in Marsabit County where there is strong support from the County Government initially through a partnership between the ASAL Secretariat and the county. It is recognised that currently, investment opportunities and linkages between investors and producers are not sufficiently being facilitated in the ASALs. Economic growth and livelihoods improvement in the ASALs need to be further promoted. Opportunities to establish county private sector investment windows are still only partially known in Kenya, therefore it should be assessed further if such windows should be established and if so how MTAP could support such windows.

Under MTAP2 a model for an investment window will be prepared and piloted in Marsabit County and subject to further discussion and endorsement from Lamu further work on establishing an investment window may go ahead. In Marsabit there are renewable energy investment opportunities as well as possible investments associated with the recent discovery of large groundwater reserves in Northern Kenya (including both Turkana and Marsabit counties).

Relevant County Chambers of Commerce will be consulted, and involved where appropriate, in the establishment of private sector investment windows.

**Activity 3.1.4:** Commission review of value chains information for Tana River and Marsabit Counties (outsourced)
**Approach:** Value chain studies were supported as part of the implementation of the ASAL Secretariat private sector strategy. In order to know more about existing value chain information relevant to ASALs, MTAP1 supported an assessment of what information is there, what is relevant for ASALs and what needs to be known more in terms of value chains for the ASALs and specifically for the 6 selected priority counties. It is clear that there is a wealth of information on value chains, much of it derived from ASAL counties. Lack of value chain information from the ASALs is not a limiting factor, but collating it and synthesising it into a useable form is needed. Further work will be carried out on Value Chains in Tana River and Marsabit Counties.

It is recommended that MTAP2 looks at specific livelihood opportunities and their associated value chains within the priority sub catchments through community-identified livelihood options.

The value chain information from MTAP 1 will be disseminated to the MTAP counties and more generally to the private sector and other relevant stakeholders.

### 3.5. Cross-cutting Issues

The following cross-cutting issues are central to MTAP. MTAP requires that all its service providers report against these cross cutting issues in their reports.

**Environment.** MTAP2 is directly supporting improved natural resource management. This is the cornerstone of improving environmental management in the ASALs and in promoting environmental mainstreaming. This also includes sound principles of climate change adaptation.

**Private sector.** Promoting private sector involvement in the ASALs is a core element of MTAP2. It is directly supported as a key approach of outsourcing implementation to the private sector whenever this is relevant in order to facilitate impact and effectiveness. MTAP actively encourages and promotes private sector investment in ASAL counties but increasing awareness of potential enterprises and opportunities.

**Gender.** Gender is mainstreamed in the activities of MTAP with a focus on participation of women in planning and decision-making procedures at local and county level. WSTF and WRMA have strong policies and procedures for balanced gender representation. Gender representation will be reported on in MTAP reports.

**Marginalised groups, indigenous peoples.** Pastoralists are considered indigenous peoples in large parts of the ASAL areas. In the new Constitution of Kenya they to a large extent recognised as minorities or marginalised groups. MTAP2 is focused on promoting the interests of the people of the ASALs and specifically in ASAL counties with a large number of pastoralists. Planning processes and investments are developed so as to ensure that they are adapted to pastoral conditions. Customary institutions are strongly involved.
**Human rights and good governance.** MTAP2 will promote participation, accountability and transparency in decision-making, which are key factors in good governance. With water being considered a basic right, the promotion of better access to water is a contribution to improvement of basic rights of the ASAL population.

### 4. Inputs and Budget

#### 4.1. Inputs

Financing of MTAP will be in the form of a grant. MTAP will provide inputs according to the following:

- Selected funds to the ASAL Secretariat to supplement GoK funding
- Funds for outsourced analysis/knowledge institution(s) GIS data-management functions in support of ASAL relevant knowledge management
- Funds on an outsourced basis to the WSTF/WRMA to expand their approach of WRUA development more to ASAL areas
- Funds on an outsourced basis to WSTF to investments in water in ASAL counties
- Funds as an outsourced contract to WRMA for catchment assessment and information provision
- Funds to test, pilot, and implement new development planning and devolved investment modalities
- Performance based funds for institutional development to 12 counties
- Funds to private sector involvement in value chains and county based private sector investment windows

The MTAP Unit is housed by the MDP-DASAL. MTAP2 will provide funds for the following technical assistance inputs:

- Placement of 1 international TA Team Leader (TA-TL) in the MTAP Unit, to support the MTAP Programme Manager
- The contracts of staff placements in MTAP1 will be extended into the implementation of MTAP2 to ensure continuity and institutional memory of the programme.
- Short-term TA as required in relation to private sector development, planning, knowledge management, and water & water resource management in WRMA and WSTF.

Danish development policy does not include support to salaries, top-ups and other allowances for GoK and other non programme staff. The implementing institutions will cover these expenses.

The GoK inputs to the programme will cover:

- Recurrent personnel costs such as salaries and other emoluments of GoK staff working with MTAP Office facilities and running costs; Duties and taxes on imported equipment
and vehicles and tax relief for international personnel and their imported personal belongings; VAT incurred on purchase of equipment or services procured.

The 60 million DKK is part of the 140.1 million DKK planned for the Component 2 under the NRM Programme. In addition the EU SHAREn will contribute Euro 6 million (Ksh 675 million approx.)

### 4.2 Budget

MTAP2 will provide funding of DKK 60million (KSH 945 million) for a period of 2 years. MTAP2 will prepare an annual work plans and budgets for the grant. These work plans and budgets shall be approved by the MTAP Steering Committee and included in the GoK printed estimates accordingly. Contingencies provided in the grant shall not be included in these work plans and budgets. The contingencies can only be used with the approval of the Danish Embassy. The MTAP2 budget is as follows:

<table>
<thead>
<tr>
<th>Component 2: Medium-Term ASAL Programme – Danida funds</th>
<th>DKK Year 1</th>
<th>DKK Year 2</th>
<th>Overall Indicative Budget</th>
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<tr>
<td>Output 1.1: Support to devolution</td>
<td>1,109,841</td>
<td>1,302,857</td>
<td>2,412,698 DKK 38,000,000 KSH 4.02</td>
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<td>Output 1.2: Development of models for integrated county planning</td>
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<td>Output 1.3: Use of spatial data for inter-county planning</td>
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<td>Output 1.4: Adaptation of WRUA development cycle</td>
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<td>Output 1.5: Water services delivery systems developed and implemented</td>
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<tr>
<td>Output 3.1: Private Sector support</td>
<td>2,833,016</td>
<td>3,325,714</td>
<td>6,158,730 DKK 97,000,000 KSH 10.26</td>
</tr>
<tr>
<td>Contingencies</td>
<td>0</td>
<td>2,857,144</td>
<td>2,857,144 DKK 45,000,000 KSH 4.76</td>
</tr>
<tr>
<td>Totals</td>
<td>26,285,711</td>
<td>33,714,289</td>
<td>60,000,000 DKK 945,000,000 KSH 100.00</td>
</tr>
</tbody>
</table>

Danida Exchange Rates per 31 January 2014: DKK 100 = K.Sh 1, 5750

*In addition Ksh 675 million for activity 1.5 will come from EU SHARE*
Component Description (Final)  Medium-Term ASAL Programme

Technical assistance cost is drawn from each of the component elements and is DKK 7.2 million, equivalent to 12% of the total budget, ref also the main budget in Annex 6. Outsourced activities constitute around 70% of the budget, but is subject to adjustment...

The budget allocation to the MTAP 2 will be DKK 60 million plus possible unspent funds from MTAP1. Within this budget the intention is to provide funding into the same component areas as in MTAP. The following relative budget allocations of the total Danida funding available are envisaged: County and inter-county planning and devolution 18%, Community led planning and investments 45%, ASAL Secretariat and knowledge management 24%, Private sector and other partnerships 9%.

5. Governance and Management

5.1. The MTAP Structure

The MTAP2 is closely aligned with the objectives and activities of MDP-DASAL. It will be housed and operate within and is an integral part of the MDP-DASAL, and will be overseen by a Steering Committee.

The MTAP2 Unit consists of a Programme Manager/National Development Planner, a Technical Assistance Team Leader (TA-TL), (DP-TA), a Financial Manager & Administrator (FMA), an accountant, a cashier and 1 Support Staff. The TA-TL will be the counterpart to the MTAP Programme Manager. TORs for the TA staff are attached in Annex 4. The MTAP Programme Manager will lead the Programme and be supported by the TA staff. All decisions in the MTAP Unit will be endorsed by the MTAP Programme Manager and will be taken jointly with the TA-TL. Decisions related to financing needs endorsement by the TA-TL as well.

MTAP1 TA and staff contracts will be extended into MTAP2, subject to appraisal. The MTAP2 Unit, in close collaboration with ASAL Secretariat, will among others fulfil its responsibilities in respect of achieving the MTAP2 component objectives according to plans and expenditures, and monitoring and reporting of same.

The MTAP Unit will prepare ToRs for outsourcing, for assessments and analyses, and for short-term technical assistance inputs. It will manage and supervise service providers including the supervision of MOUs signed with WRMA and WSTF. It will provide support and back-up to the county/sub-counties in initiating MTAP2 activities, preparing work plans for MTAP2 activities and outputs, oversee the implementation of the work plans, monitor programme activities, and coordinate the activities of different stakeholders. It will consolidate work plans and progress reports from the different activities and stakeholders undertaking such activities. It will ensure that cross-cutting issues in respect to all MTAP2 activities are addressed and will ensure that lessons learned are documented and shared, contribute to national policy development in consideration of the requirements of ASAL areas and to policy development in sector specific areas as relevant to achievement of MDP-DASAL’s goals. It will also act as the Secretariat to the MTAP2 Steering Committee.
The TA-TL will delegate relevant functions to other staff members of the Unit in accordance with their respective roles, as well as to the CDPs. Staff responsibility and reporting structures have been developed and are in use. Although significant funds will pass through Treasury, the MTAP2 Unit will itself incur and settle certain expenditures. This structure must be seen in the light of the present circumstances, including, but not limited to, the following:

- the staffing of the MDP-DASAL, and in particular the ASAL Secretariat, is intentionally lean
- although the exact budget of the MDP-DASAL for the FY 2014/2015 is not presently known, it will incorporate significant counterpart funding to MTAP2
- establishment of the devolved, county-based management and policy structures, as per the GoK devolution policy, is ongoing
- MDP-DASAL is designed to be involved in the harmonisation, alignment and coordination of development in Northern Kenya and other ASALs by providing policy and programme direction and a central reference point for all those contributing to the development of the region.

5.2 MTAP Implementation Principles
The general principle for implementation of the MTAP2 is that normal government procedures should be followed in relation to the revenue funds, including the setting of criteria and procedures for identifying eligible activities to be supported under the MTAP2. At county/sub-county level the local departments and authorities will follow their usual roles and responsibilities. However, the MTAP2 AinA funds will be administered by the MTAP unit to incur and settle certain expenditures following Danida guidelines and procedures.

The planning processes will be inclusive and participatory, and the subsequent work plans will detail which activities are to be carried out, the budgets allocated, and the approvals given. The MTAP CDP will prepare county/sub-county work plans and will discuss these with relevant county officials. When the MTAP2 Unit has reviewed and consolidated the county work plans and the work plans for the activities related to national level functions and outsourced activities, an annual work plan will be forwarded for approval to the MTAP Steering Committee. The MTAP Unit will inform each county of the planned MTAP activities and budget in the county for the coming year, as well as their contributions and other minimum thresholds expected of them.

5.3 Organisation
The MTAP2 Steering Committee (MSC) is the steering committee of the Component; it provides the principle point of coordination for the implementation of the MTAP. The Steering Committee is formally under the MDP-DASAL, which chairs the MSC. The MSC is responsible for overseeing and guiding the implementation of the programme, which includes the consolidation and approval of annual work plans, consolidation of progress reports and monitoring of the components, monitoring of the MTAP2 budgets and expenditures, setting or
adjusting implementation guidelines, deciding on actions to be taken when implementation does not follow the stipulated guidelines and procedures and be responsible for initiating in-depth case studies for establishing lessons learnt. The MSC will also decide on actions recommended by audit reports.

The MSC consists of members from MDP-DASAL, MDP, a representative from three of the priority counties, and a representative from the Danish Embassy. The MTAP2 Unit functions as the Secretariat to the MSC, as well as being resource persons for the MSC.

The MSC meetings will be held half-yearly with one meeting being held in March/April. More detailed ToR for the MSC can be seen in Annex 9. The MSC replaces the annual consultations between the Danish Ambassador and the head of the participating institutions, which are implemented in the other component of the Danida-funded NRM Programme.

At county/sub-county level the existing Steering Groups (and the County Development Committee) will play an overall coordinating role, while the CDC and the MTAP CDPs will monitor the MTAP2 activities in the county/sub-county. The county-based CDPs will facilitate the implementation of the MTAP activities in the selected counties of Lamu, Garissa, Isiolo, Tana River, Wajir and Marsabit. The CDPs will avail on-going support to strengthening the capacity of the county offices, including the planning and accounts.

There is one GoK-posted Programme Manager and one international long-term Technical Assistance Team Leader (TA-TL) based in the MTAP2 Unit at the MDP-DASAL HQ for overall coordination of the MTAP2 activities. The role of the TA-TL is to assist the Programme Manager in initiating the MTAP2 activities in all of the MTAP2 core counties, as well as supporting the ASAL Secretariat and the MTAP2 Steering Committee. The TA-TL is required throughout the planned two-year period of the MTAP2. The MTAP2 Unit may take day-to-day decisions on issues that do not change the overall annual targets and annual budget of the programme. Major changes to budgets and targets, or to the overall MTAP2 strategy, shall be referred to the MTAP2 Steering Committee for decisions. The mandate of the MTAP2 Steering Committee, among others in relation to any changes to the logical framework and main outputs and overall targets, is described in the NRM Programme Document.

5.4 WRUA Financing

WRUA financing, as well Schools & Health Facilities financing and CPC Water Supply financing, will require that a MoU is signed between MDP-DASAL, and WSTF and / or WRMA. The MoU will elaborate the following:

That a representative of the MTAP or ASAL Secretariat is a member of the WSTF Rural Water Steering Committee (= RW-SC). This is a committee with ToRs agreed to by the WSTF Board of Trustees and donors, where, on a quarterly basis, cooperative partners (including key partners/donors) review progress in relation to their investments.
The WSTF will:
- Arrange audits undertaken by an auditor appointed by the WSTF, with ToRs acceptable to the Danish Embassy and accepted by RW-SC.
- Provide quarterly reports on log frame to MDP-DASAL ASAL Secretariat and MTAP2
- Provide data for inclusion on the web on a quarterly basis, indicating locating, cost, disbursement and progress

5.5 Water Macro Planning

Water macro planning will require that a MoU is signed between MDP-DASAL and WRMA. The MoU will elaborate the following:

A representative of the MTAP or ASAL Secretariat will join the Cooperative Partners Coordination Committee (CPCC). This is a committee with ToRs agreed to by WRMA and its Board and donors (including WB, Sida, Finland, JICA, Nordic Climate Fund), where, on a quarterly basis, cooperative partners (including key partners/donors) review progress in relation to their investments in WRMA.

WRMA will:
- Arrange audits undertaken by an auditor appointed by the WRMA Board, with ToRs acceptable to the Danish Embassy and accepted by CPCC
- Provide quarterly reports on the log frame to MDP-DASAL, MTAP and the ASAL Secretariat
- Provide data for inclusion on the web on a quarterly basis, indicating locating, cost, disbursement and progress of WRUA activities
- Provide data layers for web uploading on water resources

6. Financial Management and Procurement

6.1 Financial Management

6.1.1 Planning and Budgeting
Work plans and budgets will be drawn up as soon as possible following the establishment of the MTAP2. Annual work plans and budget will cover the period from 1 July to 30 June. Annual work plans and budgets will be drawn up on a 2 x 6-monthly basis, in order to satisfy the GoK’s Financial Year 01st July - 30th June, and Danida’s Financial Year 01st January - 31st December.

MTAP2 work plans and budgets to be financed by Danida funds will only show the Danida contributions. GoK work plans and budgets will show the entirety of GoK and other contributions to the MTAP2, including funds provided by Danida through the MTAP2 Unit, the latter primarily consisting of A-in-A funds. MTAP2 work plans and budgets shall be approved by the MTAP2 Steering Committee, and the budgets shall also be included in the GoK budget estimates - unless the timing disallows this, which it will for the first year.
The MTAP2 Unit will coordinate the preparation of national and county (and/or sub-county) work plans and budgets in consultation with other stakeholders. Community level interventions will also be taken into account. The PS to MDP-DASAL is the AIE (Authority to Incur Expenditure) holder in respect of the MTAP2 revenue funds.

6.1.2 Flow of Funds - from the Danish Embassy to the MDP-DASAL

At the start of the programme, the MDP-DASAL will ensure that Treasury establishes a Special Account (SPMG) for MTAP2 funds. The account will be maintained in Kenya Shillings, and will be captured as Danida Revenue in GoK’s accounts.

The MDP-DASAL shall make official requests to the Embassy through the External Resources Department in the treasury for transfer of funds to the SPMG. These requests will cover the agreed work plan and budget for the whole year.

6.1.3 Flow of Funds - from the Danish Embassy to WSTF/WRMA

The transfer of funds to WSTF and WRMA will be in accordance with the transfer schedules shown in the signed MoUs between MDP-DASAL and WSTF and WRMA respectively. All such transfers are dependent on prior approval from the MTAP2 Unit. The MTAP unit must be satisfied that expected deliverables as stated in work plans etc. are fulfilled. WSTF/WRMA shall make official requests for funds, through the MTAP2 unit. Upon approval by the MTAP unit, WSTF/WRMA funds requests shall be forwarded to the MDP-DASAL for further approvals and facilitation of the transfer of the funds to these institutions. These funds will be drawn from disbursements by the Danish Embassy to the SPMG. The requested amounts shall be sent directly to dedicated bank accounts at WSTF and WRMA respectively. The MDP-DASAL shall appropriately capture these transfers as revenue transaction in its books of accounts.

6.1.4 Flow of Funds - from the Danish Embassy to the MTAP2 Unit in the ASAL Secretariat

The MTAP2 Unit will establish an AinA bank account with a leading bank. This account will be maintained in Kenya Shillings, and the funds will be captured as AIA in GoK’s accounts.

The Danish Embassy will transfer funds to the MTAP2 Unit, based on requests for release prepared by the Unit, which in turn must be based on approved work plans, and on satisfactory MTAP2-prepared financial statements.

The funds managed by the MTAP2 Unit are earmarked for various national, county/sub-county and community level activities. This will be in accordance with priorities and guidelines set in the agreed work plans, and will be directed at interventions that most effectively promote the objectives of the MTAP2. Approved budgets will be duly communicated to the intended recipients.
Danida requirements for financial reporting from the MTAP2 Unit to the Embassy will be disseminated to the Unit. The MTAP unit shall use the Navision finance system to record AinA transactions and report appropriately to the Embassy. Detailed MTAP2 financial reporting, and will be described in detail in an Accounts Manual. Disbursements to the MTAP2 Unit will be withheld by the Danish Embassy if reports on past expenditures are not received as per the laid down stipulations.

6.1.5 Flow of Funds - from the MTAP2 Unit to the County-based TAs

The MTAP2 Unit will settle major county-based expenses directly, including suppliers’ invoices. The funds to be administered by the CDPs will generally be limited to a ceiling to be described in the MTAP2 Accounts Manual. Transfers to the CDPs will be considered as a personal imprest to the TA. Procedures on the accounting of such imprests shall also be described in the Accounts Manual.

The CDP is responsible for obtaining satisfactory, transparent and accountable documentation for any funds spent. Disbursements to the CDPs will be suspended by the MTAP Unit if reports on past expenditures are not received as per the laid down stipulations, and the CDPs will be personally liable for unaccounted for funds.

6.1.6 Accounting Procedures

Funds transferred by the Danish Embassy through Treasury, i.e. Danida revenue funds will be subject to GoK financial rules and regulations, including accounting and auditing procedures.

Funds transferred by the Danish Embassy to WSTF/WRMA will be accounted for by WSTF/WRMA to the Danish Embassy, but through the MTAP2 Unit, which will scrutinize the accounts prior to forwarding them to the Embassy. Timing is crucial, and all procedures made as efficient and fast as possible.

Payments by the MTAP2 Unit will be made directly to suppliers or Service Providers, and to the CDPs. All payments must be approved by the Programme Manager and the TA-TL, and the MTAP2 Unit is responsible for obtaining satisfactory, transparent and accountable documentation. The MTAP2 Unit Accountant will prepare a payment voucher for every expenditure incurred at the MTAP2 Unit and enter this into the MTAP2 accounts system. Copies of invoices/ local purchase orders (LPOs), payment vouchers, bank transfers and cheque stubs will be maintained by the FMA. The FMA will prepare periodical reports to the RDE. These reports shall meet the RDE requirements.

For payments made by a CDP, the CDP is responsible for obtaining satisfactory, transparent and accountable documentation. The CDP will prepare a payment voucher for every expenditure incurred. Copies of invoices/ local purchase orders (LPOs), payment vouchers, and transfers will be maintained by the CDP. However, CDP county payments shall be recorded in the finance system at the MTAP2 unit to form part of the AinA reporting to the
Embassy. MTAP2 expenditure reporting will be consolidated by the MTAP2 Unit. The MTAP2 Unit will also prepare a financial report indicating both Danida and GoK expenses - where possible.

6.1.7 Audit Procedures – MTAP2 AIA Funds

Audits in respect of the MTAP2 AIA funds will be administered by the MTAP Unit. Such audits shall be done for each of the financial years of the programme. These audits may also cover a ‘Procedure Audit’. An independent auditor will be appointed by the MTAP unit in consultation with the Danish Embassy for the Danida AIA funds. The MSC may determine if, and how often, the auditor should make supervisory visits to each county/sub-county. The auditor will provide recommendations related to financial management and procedures as necessary. Audits will on a selective basis include value for money audits, forensic audits and procurement audits. No audits will be limited to purely financial audits.

In the case of misuse of funds or lack of accountability, action in accordance with Danida’s guidelines will be taken and further Danish funding to the MTAP2 will be suspended until the issue is solved. The principles of Danida’s anti-corruption Code of Conduct will apply.

6.1.8 Audit Procedures – MTAP2 funds administered by the ASAL Secretariat/MDP-DASAL

The ASAL Secretariat/MDP-DASAL will develop half yearly financial statements. The revenue funds provided to and administered by the ASAL Secretariat/MDP-DASAL will undergo auditing as per current GoK regulations. The Danish Embassy may, however, request additional audits.

In the case of misuse of funds or lack of accountability, action in accordance with Danida’s guidelines will be taken and further Danish funding to the ASAL Secretariat/MDP-DASAL will be suspended until the issue is solved. The principles of Danida’s anti-corruption Code of Conduct will apply.

6.1.9 Audit Procedures – MTAP2 funds administered by WSTF and WRMA.

WSTF/WRMA will develop half yearly financial statements. The funds provided to and administered by WSTF and WRMA respectively, will undergo auditing as per current WSTF/WRMA regulations. The Danish Embassy may, however, request additional audits.

In the case of misuse of funds or lack of accountability, action in accordance with Danida’s guidelines will be taken and further Danish funding to WSTF and/or WRMA will be suspended until the issue is solved. The principles of Danida’s anti-corruption Code of Conduct will apply.
6.2 Procurement

Procurement undertaken by MDP-DASAL and other Kenyan Government agencies shall follow GoK procurement procedures. Procurement undertaken by the MTAP2 Unit shall follow Danida procurement procedures; this also includes procurement undertaken by the CDPs. Items procured directly by the Danish Embassy for MTAP will also follow Danida procurement procedures.

6.3 VAT

As a general rule, VAT is exempted under a Danish-supported programme such as the MTAP2.

As at 2013, the Ministry of Foreign Affairs in Denmark, no longer required VAT exemption of Danida funded programmes. As such VAT will be paid by the programme directly to suppliers as invoiced.

However, the RDE may from time to time issue other guidelines it finds necessary in relation to recovery or otherwise of VAT.

7. MONITORING, REPORTING, REVIEW & EVALUATION

7.1 Monitoring & Reporting

All monitoring data will be made public available by uploading to the outsourced GIS platform. Whenever relevant, monitoring data will be geo-referenced. In addition to the public disclosure M&E which is described under component element 2, there will be a MTAP2 directly executed programme monitoring process focusing on monitoring MTAP2 implemented activities and outputs, as well as assumption and risks. It is described below.

A consolidated MTAP2 monitoring report will be produced half-yearly and form part of the progress reporting. Monitoring of the various component elements and their activities is the responsibility of the TA-TL in the MTAP Unit and with oversight provided by the MDP-DASAL / ASAL Secretariat. At core county/sub county level, monitoring will be carried out by the CDP in conjunction with the CDMC. Generally speaking, the individual recipients of MTAP2 funds will be responsible for monitoring the activities for which they are responsible. Where existing monitoring procedures are found to be unsatisfactory, they will be replaced.

Monitoring data will be gender disaggregated. GoK and community contributions to project implementation will be specifically mentioned. The yardstick for monitoring progress will be the approved annual work plans.
The CDPs will produce quarterly progress reports. These will consolidate the progress of the activities supported with MTAP2 technical assistance and MTAP2 funds provided to the CDPs, with the progress of the activities funded with MTAP2 funds provided through the ASAL Secretariat for county level support either directly or through outsourcing to service providers.

The MTAP2 Unit will also produce quarterly progress reports. These will consolidate the progress of the activities funded directly by the MTAP2 Unit, with the progress reports from the CDPs. The progress reports will compare the relevant periodic workplans to the achieved progress.

The progress report for the 12-month period ending on 30th June, as well as the progress report for the 12-month period ending on 30th December, will consolidate the progress made during the previous 12 months. This will allow the reports to be compared with the financial reports for the end of the Financial Years for GoK and Danida respectively. The intervals between the progress reports are very short, but firstly it is expected that only limited transaction costs are associated with their development, and secondly that it is deemed to be of high importance that the progress of the 2-year MTAP2 be closely monitored at such short intervals.

The measurement of impact and effect of the MTAP2 will be the responsibility of the ASAL Secretariat and the MTAP2 Unit. Monitoring of assumptions will be undertaken as part of the monitoring process. A monitoring framework with indicators and means of verification is attached in Annex 1.

7.2 Review & Evaluation

Evaluation of MTAP will be undertaken in conjunction with evaluations undertaken of the NRM Programme.

8. Assumptions and Risks

The major assumptions related to MTAP are the following:

County Governments will have adequate legal instruments and financial resources in relation to which relevant plans can be made for better service provision.

County structures will embrace the concept of transparent system of integrated resource planning

Related to water resources investments in the ASALs:
WRMA and private sector technically capable of providing support to WRUAAs in ASALs

Related to investments in water in the ASALs:
Community Project Cycle and other WSTF steps and procedures are followed
Related to ASAL Secretariat and knowledge management:
*Functional analysis will be concluded and recognising the role of ASAL Secretariat
State corporations and Ministries will share necessary data at reasonable cost*

Related to private sector involvement in ASALs:
*Sufficient attractive private sector investment conditions exist or can nurtured in the priority ASAL counties*

The risks are listed below, with ratings of H-high, M-medium and L-low, which relate to two aspects: P-probability of occurrence and S-significance in relation to component implementation:

<table>
<thead>
<tr>
<th>Risk</th>
<th>P</th>
<th>S</th>
<th>Mitigation Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serious lack of devolved government capacity</td>
<td>M</td>
<td>M</td>
<td>Support development of systems for devolved government</td>
</tr>
<tr>
<td>Central Government will ring-fence the resources and maintain centralized structures.</td>
<td>M</td>
<td>M</td>
<td>Counties supported to demonstrate quality in service provision.</td>
</tr>
<tr>
<td>Inter-ministerial and inter-agency barriers complicate project implementation</td>
<td>M</td>
<td>M</td>
<td>MDP-DASAL to establish data sharing MOUs in respect to data needed for analysis and its provision of products to Counties</td>
</tr>
<tr>
<td>Community level actors do not receive the technical support of the quality they need.</td>
<td>L</td>
<td>H</td>
<td>MTAP2 provide skills development to WRMA, other stakeholders and the private sector</td>
</tr>
<tr>
<td>Mismanagement of funds and collusion at the local level</td>
<td>M</td>
<td>H</td>
<td>MTAP2 supports WSTF in establishing adequate cross check and balance mechanisms within the public and private sector</td>
</tr>
<tr>
<td>ASAL Secretariat is disbanded with the new Government set up</td>
<td>L</td>
<td>H</td>
<td>ASAL Secretariat supported to perform its coordination role and outsourcing functions</td>
</tr>
<tr>
<td>Institutional barriers for data sharing will limit the relevance of the GIS facility</td>
<td>M</td>
<td>M</td>
<td>System of performance based MOUs which includes measures to publicize web-based data</td>
</tr>
<tr>
<td>County and local structures will override transparent systems of resource allocation</td>
<td>M</td>
<td>H</td>
<td>MTAP2 support processes that lead to transparent systems of resource allocation</td>
</tr>
<tr>
<td>Conditions for increased private sector involvement in the ASALs are too poor</td>
<td>M</td>
<td>H</td>
<td>MTAP2 supports prudent review investment opportunities and facilitate initial private sector involvement in the priority ASAL counties</td>
</tr>
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</table>
# 9. Component Implementation Plan

A **COMPONENT IMPLEMENTATION PLAN** is presented on the following pages:

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<td></td>
<td>2nd Half GOK</td>
<td>1st Half GOK</td>
<td>2nd Half GOK</td>
<td>1st Half GOK</td>
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<tr>
<td>Agreement Letter on MTAP b/wn RDE /MDP-DASAL APRIL</td>
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<td></td>
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<tr>
<td>MOU between MDP-DASAL and partners</td>
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<td>x</td>
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<tr>
<td>Develop TORs for special studies</td>
<td>x</td>
<td>x</td>
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<tr>
<td>Initiate yearly audits</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
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<tr>
<td>Obtain final audit reports (MTAP1)</td>
<td>x</td>
<td>x</td>
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<tr>
<td>Develop work plan and Budget for FY 2</td>
<td>x</td>
<td>x</td>
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<tr>
<td>WSTF audit</td>
<td>x</td>
<td>x</td>
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<td>Develop half yearly Progress Reports</td>
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<td>Hold half yearly MSC meetings</td>
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<td>Final Progress Reports &amp; PCR-MTAP1</td>
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<td>Final Progress Reports &amp; PCR-MTAP2</td>
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<td>Review Mission</td>
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### Component Description (Final)

**Medium-Term ASAL Programme**

<table>
<thead>
<tr>
<th>Component Activities</th>
<th>Component element 1: Demand driven development planning &amp; Investments</th>
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<tbody>
<tr>
<td></td>
<td>Activity 1.1.1: Support to 6 counties including support to staff/offices to become functioning and effective County Planning Units (ASAL Secretariat implementation) including specialist equipment GPS, GIS etc</td>
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<tr>
<td></td>
<td>Activity 1.1.2: Activity 1.3.2: Train staff from the County Planning Units and CDPs in data collection analysis and use for improved planning M&amp;E and GIS.</td>
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<tr>
<td></td>
<td>Activity 1.1.3 Good practice and lessons learned disseminated to at least 6 more contiguous arid counties (2016)</td>
</tr>
<tr>
<td></td>
<td>Activity 1.2.1 Support the institutional functioning and performance at county level to undertake integrated planning that incorporates water, natural resources, peace &amp; economic development activities and develop recommendations for CIDPs, including provision of Technical Assistance.</td>
</tr>
<tr>
<td></td>
<td>Activity 1.2.2: Participate in the development and testing of mechanisms for financing, accountability and decision-making between the</td>
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<tr>
<td></td>
<td>GOK FY1</td>
<td>GOK FY2</td>
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<td>7 8 9 10 11 12 1 2 3 4 5 6</td>
<td>7 8 9 10 11 12 1 2 3 4 5 6</td>
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<tr>
<td>Activity 1.3.1:</td>
<td>Support the counties in utilising inter-county information for investment planning, decision-making processes, and identifying opportunities for joint planning and shared service provision.</td>
<td></td>
</tr>
<tr>
<td>Activity 1.3.2:</td>
<td>Support to County level ASAL Stakeholder meetings for Non State Actors (NSA).</td>
<td></td>
</tr>
<tr>
<td>Activity 1.3.3:</td>
<td>Assess inter-county biophysical and socio-economic opportunities between selected counties in relation to water, range, peace and selected economic development opportunities and provide information to stakeholders at county, inter-county and macro-catchment level (part Outsourced).</td>
<td></td>
</tr>
<tr>
<td>Activity 1.4.1.</td>
<td>Support the identification, development, strengthening and implementation of Water Resource User Associations inclusive of existing and customary community based water and range user institutions, through use of and support to service providers (outsourced).</td>
<td></td>
</tr>
<tr>
<td>Activity 1.5.1.</td>
<td>Support to community/citizens prioritized investments in water within 36 sub catchments that are adapted to ASAL areas and improve productivity and</td>
<td></td>
</tr>
</tbody>
</table>
resilience and are linked to sustainable use of natural resources. Implementation activities outsourced through EU SHARE – MTAP CDPs provide oversight.

### 1.5.2 Support water harvesting and sanitation services in 72 Schools and Health Facilities (SHF) within the 36 prioritised sub-catchments. Implementation activities outsourced through EU SHARE – MTAP CDPs provide oversight.

<table>
<thead>
<tr>
<th>Component Description (Final)</th>
<th>Medium-Term ASAL Programme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component element 2: ASAL Secretariat (component 3 in overall programme)</td>
<td></td>
</tr>
<tr>
<td>Activity 2.1.1: Facilitate the functioning of ASAL secretariat through TA, outsourcing arrangements, and core support.</td>
<td>x x x x x x x x x x x x x x x x x x x x x x x x</td>
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<tr>
<td>Activity 2.1.2: Support the further development of a Knowledge Management Centre</td>
<td>x x x x x x x x x x x x x x x x x x x x x x x x</td>
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<tr>
<td>Activity 2.1.3 Engage NSAs through the National ASAL Stakeholder Forum to strengthen cross-sectoral and cross-agency coordination of development policy and practice in the ASALs.</td>
<td>x x x x x x x x x x x x x x x x x x x x x x x x</td>
</tr>
<tr>
<td>Activity 2.1.4: Preparation of State of the ASALs Reports (Outsourced)</td>
<td>x x x</td>
</tr>
<tr>
<td>Activity 2.2.1: Facilitate development and implementation of GIS within ASAL Secretariat for planning, analysis,</td>
<td>x x x x x x x x x x x x x x x x x x x x x x x x</td>
</tr>
</tbody>
</table>
### Component Description (Final)

<p>| Activity 2.2.2: Maintain and update web based GIS interface allowing County Planning Units to access and use information for their own planning and monitoring purposes (outsourced) | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x |
| Activity 2.3.1: Support identification of data and analytical demands and undertake analysis of data layers and provide information | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x |
| Activity 2.3.2: Surface and ground water assessment for decision making in Wajir and Garissa counties and incorporating inter-county requirements to support sub-catchment and county planning and decision making in relation to future investment | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x |
| Activity 2.3.3: Provide analytical support to spatial planning of LAPSSET growth nodes | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x |
| Activity 3.1.1: Facilitate ASAL Secretariat to promote private sector involvement in the ASALs, including embedding of PS service provision in policy decision making. (Miscellaneous outsourced studies) | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x |
| Activity 3.1.2: Support the preparation of a Private sector investment strategy for the ASALs including PPP | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x |</p>
<table>
<thead>
<tr>
<th>Component Description (Final)</th>
<th>Medium-Term ASAL Programme</th>
</tr>
</thead>
<tbody>
<tr>
<td>investments to promote production, employment creation, innovation and uptake of technologies in the ASALs (outsourced).</td>
<td></td>
</tr>
<tr>
<td>Activity 3.1.3: Support the establishment of county PS investment windows in Marsabit and Lamu.</td>
<td>x</td>
</tr>
<tr>
<td>Activity 3.1.4: Commission review of value chains information for Tana River and Marsabit Counties (outsourced)</td>
<td>x x x</td>
</tr>
</tbody>
</table>


Development Objective: Contribute to reduced poverty in the context of Kenya's Vision 2030, and of safeguarding the state of the environment and promoting sustainable management of natural resources.

Immediate Objective: Empowerment, resilience & food security of ASAL citizens in drought-prone and marginalised counties increased

ANNEX 1 Results framework Medium-term ASAL Programme (MTAP)

Component Element 1: Demand-driven development planning and investments

| Key Result Area 1.1: Improved institutional capacity of 12 county governments to manage and coordinate development and investment. |
|---|---|---|---|---|---|
| **Output 1.1:** County staff/offices in 6 priority counties have been trained, have prioritised and developed recommendations for their respective CIDPs and scaled up to a further 6 adjoining counties. | **Activities** | **OVI & MOV** | **Assumptions** | **Risks** | **Budget Kshs.** |
| Activity 1.1.1: Support to 6 counties including support to staff/offices to become functioning and effective County Planning Units (ASAL Secretariat implementation) including specialist equipment GPS, GIS etc. | OVI: 6 counties by 2016 using and updating CIDPs for County development and monitoring of those developments. MoV: County disbursement records | Support for devolved functions from National Government is on track | Serious lack of devolved government capacity | 38 million (support to County planning Unit) |
| Activity 1.1.2: Activity 1.3.2: Train staff from the County Planning Units and CDPs in data collection analysis and use for improved planning M&E and GIS. | OVI: Web-based GIS interface expanded and used in the planning process by County Planning Officers (see 2.3) | | | |
| Activity 1.1.3 Good practice and lessons learned disseminated to at least 6 more contiguous arid counties (2016) | OVI: Good practice synthesised MoV: Documents disseminated and workshop reports | | | |
**Key Result Area 1.2: Devolved governments in 6 counties develop, test and monitor County Integrated Development Plans in demand driven, inclusive and accountable manner informed by key risks and opportunities.**

<table>
<thead>
<tr>
<th>Output 1.2: 6 counties have used improved information for county planning and decision making in the preparation and updating of CIDPs together with effective Monitoring and Evaluating of these investments.</th>
<th>Activity 1.2.1: Support the institutional functioning and performance at county level to undertake integrated planning that incorporates water, natural resources, peace &amp; economic development activities and develop recommendations for CIDPs, including provision of Technical Assistance.</th>
<th>OVI: Planning criteria and resource allocation plans reflect use of process tools and spatial information and provided in 3 key sectors – including rangelands and water. MoV: County documentation of planning processes and M&amp;E reports.</th>
<th>County government will have adequate legal instruments and financial resources in relation to which relevant plans can be made for better service provision.</th>
<th>Central Government will ring fence the resources and maintain centralized structures.</th>
<th>CDPs costs 117 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity 1.2.2: Participate in the development and testing of mechanisms for financing, accountability and decision-making between the counties/communities linking with state corporations such as WSTF and WRMA in relation to the development of the water services and sub-catchment plans and investments.</td>
<td>Activity 1.3.1: Support the counties in utilising inter-county information for investment planning, decision-making processes, and identifying opportunities for joint planning and shared service provision.</td>
<td>MoV: Inter-county task groups established and joint agreement made in respect to 3 key natural resource issues/conflicts.</td>
<td>State corporations and Ministries will share necessary data at reasonable cost</td>
<td>Inter-ministerial and inter-agency barriers complicate project implementation.</td>
<td>Coordination support costs for counties regarding WESCOORD, NRM Forums, WSTF / WRMA</td>
</tr>
<tr>
<td>Activity 1.3.2: Support to County level ASAL Stakeholder meetings for Non State Actors (NSA).</td>
<td>Activity 1.3.2: Support to County level ASAL Stakeholder meetings for Non State Actors (NSA).</td>
<td>OVI: Consensus building between counties for cross boundary management of natural resources.</td>
<td>Counties are willing to share NR utilization</td>
<td>Counties enforce their boundaries and ignore neighbours needs</td>
<td></td>
</tr>
<tr>
<td>Activity 1.3.3: Assess inter-county biophysical and socio-economic opportunities between selected counties in relation to water, range, peace and selected economic development opportunities and provide information to stakeholders at county, inter-county and macro-catchment level (Outsourced).</td>
<td></td>
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</tr>
</tbody>
</table>

**Key Result Area 1.3 Inter-county collaboration brings economies of scale, promotes peer support and national information sources**

<table>
<thead>
<tr>
<th>Output 1.3: Counties are engaging in inter-county planning processes utilising information and spatial data sourced locally and from regional and national information sources.</th>
<th>Activity 1.3.1: Support the counties in utilising inter-county information for investment planning, decision-making processes, and identifying opportunities for joint planning and shared service provision.</th>
<th>OVI: Inter-county task groups established and joint agreement made in respect to 3 key natural resource issues/conflicts.</th>
<th>State corporations and Ministries will share necessary data at reasonable cost</th>
<th>Inter-ministerial and inter-agency barriers complicate project implementation.</th>
<th>10 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity 1.3.2: Support to County level ASAL Stakeholder meetings for Non State Actors (NSA).</td>
<td>Activity 1.3.2: Support to County level ASAL Stakeholder meetings for Non State Actors (NSA).</td>
<td>MoV: Inter-county agreements including beyond the six priority counties</td>
<td>Counties are willing to share NR utilization</td>
<td>Counties enforce their boundaries and ignore neighbours needs</td>
<td>20 million</td>
</tr>
<tr>
<td>Activity 1.3.3: Assess inter-county biophysical and socio-economic opportunities between selected counties in relation to water, range, peace and selected economic development opportunities and provide information to stakeholders at county, inter-county and macro-catchment level (Outsourced).</td>
<td>Activity 1.3.3: Assess inter-county biophysical and socio-economic opportunities between selected counties in relation to water, range, peace and selected economic development opportunities and provide information to stakeholders at county, inter-county and macro-catchment level (Outsourced).</td>
<td>OVI: Consensus building between counties for cross boundary management of natural resources.</td>
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</table>

75
### Key Result Area 1.4: Community institutions and citizens able to articulate demands, plan and prioritize investments in a participatory, accountable and inclusive manner, which considers opportunities and risks

| Output 1.4: Water Resource User Association (WRUA) development cycle adapted for ASAL areas and implemented in Sub Catchments in 6 priority counties. | Activity 1.4.1. Support the identification, development, strengthening and implementation of Water Resource User Associations inclusive of existing and customary community based water and range user institutions, through use of and support to service providers (outsourced). | OVI: 15 SCAMPs prepared under MTAPI are in implementation and 15 new SCAMPs prepared under EU SHARE are in implementation. MoV: SCMP documentation and planning details enhanced and more substantive with stronger support for implementation. OVI: Revised WDC for ASAL conditions MoV: New handbooks and guidelines WRMA and private sector technically capable of providing support to WRUAs in ASALs Community level actors do not receive the technical support of the quality they need. | 250 million (WRMA) |

### Key Result Area 1.5: Communities and Citizens identify, implement and sustain priority investments that sustain the natural resource base

| Output 1.5: Water services delivery systems developed and implemented in 6 priority counties and contributing to | Activity 1.5.1: Support to community/citizens prioritized investments in water within 36 sub catchments that are adapted to ASAL areas and improve productivity and resilience and are linked to sustainable use of natural resources. Implementation activities outsourced through EU SHARE – MTAP | OVI: Sustainable community water supply schemes in 36 sub catchments including support to sanitation, water Community Project Cycle and other WSTF steps and procedures are followed Mismanagement of funds and collusion at the local level | 20 million (MTAP field monitoring costs) 675 million EU SHARE for water and |
### Component Description (Final)  

**Medium-Term ASAL Programme**

| **alleviating bottlenecks to economic growth, reducing vulnerability, and sustaining the natural resource base.** |

**NOTE:** investments funded under EU SHARE, MTAP providing oversight.

| **1.5.2 Support water harvesting and sanitation services in 72 Schools and Health Facilities (SHF) within the 36 prioritised sub-catchments. Implementation activities outsourced through EU SHARE – MTAP CDPs provide oversight.** |

| **1.5.2 Support water harvesting and sanitation services in 72 Schools and Health Facilities (SHF) within the 36 prioritised sub-catchments. Implementation activities outsourced through EU SHARE – MTAP CDPs provide oversight.** |

| **NOTE:** investments funded under EU SHARE, MTAP providing oversight. |

| **CDPs provide oversight.** |

| **CDPs provide oversight.** |

| **harvesting in 72 schools/health facilities financed and accounts cleared.** |

| **MoV: WSTF progress reports, MTAP monitoring reports.** |

| **OVI: CPC revised to suit ASAL conditions.** |

| **MoV Guidelines and handbooks.** |

| **Total Budget/Expenditure Component 1** |

| **Component Element 2. Support to ASAL Secretariat and Knowledge Management** |

### Key Result Areas:

**2.1: A fully functional ASAL Secretariat delivering its core mandate**

**2.2, 2.3: Evidence based knowledge management informing policy, planning and investment decisions**

<table>
<thead>
<tr>
<th><strong>Results/Outputs</strong></th>
<th><strong>Activities</strong></th>
<th><strong>OVI &amp; MOV</strong></th>
<th><strong>Assumptions</strong></th>
<th><strong>Risks</strong></th>
<th><strong>Budget (KSh)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Output 2.1: ASAL Secretariat institutional functions in place, endorsed, and operating</strong></td>
<td>Activity 2.1.1: Facilitate the functioning of ASAL secretariat through TA, outsourcing arrangements, and core support.</td>
<td>ASAL Secretariat performs expected institutional functions.</td>
<td>ASAL Secretariat is strengthened by MDP</td>
<td>ASAL Secretariat is disbanded with the new Government set up</td>
<td>Core support to MTAP unit</td>
</tr>
<tr>
<td></td>
<td>Activity 2.1.2: Support the further development of a Knowledge Management Centre</td>
<td>Knowledge Management Centre services used by stakeholders.</td>
<td></td>
<td></td>
<td>80 Million</td>
</tr>
<tr>
<td></td>
<td>Activity 2.1.3 Engage NSAs through the National ASAL Stakeholder Forum to strengthen cross-sectoral and cross-agency coordination of development policy and practice in the ASALs.</td>
<td>Vibrant national and County level ASAL stakeholder’s fora.</td>
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<td></td>
</tr>
<tr>
<td>Component Description (Final)</td>
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<td></td>
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<tr>
<td><strong>Output 2.2: GIS for planning and monitoring in support of ASAL development</strong>&lt;br&gt;Activity 2.2.1: Facilitate development and implementation of GIS within ASAL Secretariat for planning, analysis, monitoring, and reporting in relation to ASALs and MTAP.&lt;br&gt;Activity 2.2.2: Maintain and update web based GIS interface allowing County Planning Units to access and use information for their own planning and monitoring purposes (outsourced).</td>
<td>MoV: Visitors book, Steering Committee reports, conference reports&lt;br&gt;OVI: Summary information for high level policy makers informs investments in ASALs resulting in MoV: Policy documents, relative levels of GoK investments in ASALs&lt;br&gt;A concise summary report will influence policy&lt;br&gt;Report is ignored</td>
<td></td>
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</tr>
<tr>
<td><strong>Output 2.3: Planning and monitoring systems provide relevant data and analyses to planners and investment decision-makers</strong>&lt;br&gt;Activity 2.3.1: Support collection and undertake analysis of data layers and provide information to support sub-catchment and county planning and decision making in relation to future investments (outsourced).</td>
<td>MoV: Six county and 36 sub-catchment planning processes have incorporated data and analytical results produced from the knowledge management support&lt;br&gt;MoV: Documentation of the county planning&lt;br&gt;OVI: Six county and 36 sub-catchment planning processes have incorporated data and analytical results produced from the knowledge management support&lt;br&gt;County structures will embrace the concept of transparent system of integrated resource planning&lt;br&gt;County and local structures will override transparent systems of resource allocation</td>
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**Notes:**<br>30 million

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**Output 2.2**<br>GIS is operational, institutions regularly update data, and system is used to provide data and analyses as outlined in Output 2.3<br>Web-page available with current information<br>Institutions will allow for making data public<br>Institutional barriers for data sharing will limit the relevance of the GIS facility<br>54 million (data, equipment and consumables)

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**Output 2.3**<br>45 million
### Activity 2.3.2: Surface and groundwater assessment for decision-making in Garissa and Wajir Counties and incorporating inter-county requirements (outsourced).

| OVI: | Information on ASALs provided by MTAP utilised in policy decision making processes. |
| MoV: | Policy documents relevant to the ASALs. |
| Other development needs override the needs of the ASALs | 88 million (WRMA) |

### Activity 2.3.3: Provide analytical support to spatial planning requirements for LAPSSET node in Isiolo County (outsourced).

| OVI: | approved spatial plan for Isiolo node |
| MoV: | County Government resolutions |
| LAPSET suffers significant funding delays | 46 million (outsourced) |

### Total Budget Component 2

| Total Budget Component 2 | 328 |

---

### Component Element 3. Private sector support available to and across ASAL counties on a flexible and responsive basis

#### Key Result Areas:

**3.1 Leverage partnerships with private sector to enhance resilience, productivity and economic growth in the ASALs**

<table>
<thead>
<tr>
<th>Results/Outputs</th>
<th>Activities</th>
<th>OVI &amp; MoV</th>
<th>Assumptions</th>
<th>Risks</th>
<th>Budget Kshs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Output 3.1:</strong> Private sector support available to and across ASAL counties on a flexible and responsive basis including green growth opportunities</td>
<td>Activity 3.1.1: Facilitate ASAL Secretariat to promote private sector involvement in the ASALs, including embedding of PS service provision in policy decision making. (Miscellaneous outsourced studies)</td>
<td>OVI: Supported investment windows and value chains can document their impact on increased private sector involvement in selected ASAL counties.</td>
<td>Sufficient attractive private sector investment conditions exist or can nurtured in the priority ASAL counties.</td>
<td>Conditions for increased private sector involvement in the ASALs are too poor</td>
<td>20 million (Miscellaneous studies)</td>
</tr>
</tbody>
</table>
At KSh15.75 = 1 DDK = DKK 56.25 million

1. Local implementation partners will vary depending on strengths / availability in each county - maybe private sector, CBOs, or line agencies. Similar tender system / models as used by WSTF for constructing water infrastructure.

2. Investments will be complementary (soil conservation, range management pan construction etc) and linked with ‘green’ credentials where possible.

3. The MTAP CDP will play a more prominent role, as will the county and their technical committees
**ANNEX 2 Indicative support to WRUAs Activity 1.4**

| MTAP OUTPUT NO 1.4 WATER RESOURCES USERS' ASSOCIATION DEVELOPMENT CYCLE (WDC) ADAPTED TO ASAL AREAS AND IMPLEMENTED IN 30 SUB CATCHMENTS IN 6 PRIORITY COUNTIES |

**Activity 1.4.1 Support identification, development, strengthening and implementation of Water Users’ Associations inclusive existing and customary community based water and range user institutions, through use of and support to service providers.**

**Result 1. 18 number of Water Resources Users Associations funded to prepare the SCMP and start implementing the SCM activities**

<table>
<thead>
<tr>
<th>Outputs</th>
<th>ACTIONS</th>
<th>Indicators</th>
</tr>
</thead>
</table>
| **Output 1.1** WRUA Development Cycle reviewed and modified to cater for the needs of the ASAL and pastoralist communities | • Undertake a desk study on the issues of WRM in ASAL and implications of the WRM issues on the pastoralist socio-economic sphere  
• Map out and assess functionality of local institutions related to water and NRM management, including traditional institutions, and explore the ‘fit’ between them and the WRUA model and their capacity to leverage resources through the WSTF.  
• Interview of the pastoralist communities to assess the socio-economic constraints related to water resources management  
• Review the WDC as a whole and especially the list of eligible activities found relevant to ASAL Pastoralist Communities in addressing their WRM and related planning and investment needs | Socio-economic report  
Pastoralist WDC |
| **Output 1.2** Preparation of the WRUA Sub Catchment Management Plans (SCAMPs) | • Public call for all WRUAs in the area to come forward for technical support and possible financing in respect to WRM in their respective sub catchments  
• Screening of the participating WRUAs by the County, a process facilitated by WRMA and WSTF, to ensure transparent resource allocation planning.  
• 18 WRUAs facilitated by WRMA Regional and Sub Regional Offices in the EwasoNy’iro to organize themselves and seek registration, as per the stipulations of the WDC  
• Provision of necessary technical assistance or support organisation (SO) made available or recruited to facilitate the Sub Catchment Plan Preparation  
• WRUAs in cooperation with TA/SO support prepare the SCAMPs and account for the funds received | 18 Sub Catchment Management Plans (SCAMPs) prepared  
Spatial information on location of sub-catchments, areas of coverage of WRUAs will be made available on the web together with information on progress regularly updated |
| **Output 1.3** Implementation of the WRUA-SCAMP activities | • Release of funding to WRUAs enabling implementation of SET1 activities as identified in their SCAMP.  
• Completion of SET1 activities of WRUA-SCAMPs and audit of WRUA account of funds.  
• Provision of funding request in respect to SET2 activities as provided for in SCAMPs or SCAMPs as revised  
• Necessary support for planning and implementation of the SCMP activities will be made available or recruited | WRM activities completed by the WRUA |
<table>
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<tr>
<th>Component Description (Final)</th>
<th>Medium-Term ASAL Programme</th>
</tr>
</thead>
<tbody>
<tr>
<td>WRUAs in cooperation with TA/SO will implement works and other WRM activities and account for the funds received</td>
<td>Service levels improved and reported to county and MTAP Accounts of the funds received submitted for the WSTF for auditing</td>
</tr>
<tr>
<td>Implement the WSS projects in 18 communities using the Pastoralist CPC</td>
<td></td>
</tr>
<tr>
<td>Necessary support for the implementation of the SCMP activities will be made available or recruited</td>
<td></td>
</tr>
<tr>
<td>CBOs undertake the implementation of the WSS projects</td>
<td></td>
</tr>
<tr>
<td>CBOs account for the funds received</td>
<td></td>
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</tbody>
</table>
Memorandum of Understanding

Between

The Ministry of State for Devolution and Planning

and

The Water Resources Management Authority

In respect of activities within the

Mid-Term ASAL Programme

Financed by

The Governments of Kenya and Denmark

June 2014
THIS MEMORANDUM OF UNDERSTANDING (MOU) is made on the ________ day of XX two thousand and eleven between The Ministry of State for Devolution and Planning (“MDP”) and The Water Resources Management Authority (“the WRMA”), a State Corporation established by Section 7 of the Water Act 2002 of Post Office Box 45250-00100 in the Republic of Kenya on the other which expression shall, where the context so admits includes its successors and assignees.

WHEREAS

A. MDP has signed an agreement with the Government of Denmark for the implementation of THE NATURAL RESOURCE MANAGEMENT PROGRAMME (NRMP) on XXXXXX of which THE MEDIUM-TERM ASAL PROGRAMME (MTAP), is a part

B. WRMA is responsible for the regulation of the use of water resources with a view to ensuring the sustainable management of the nation’s water resources.

C. The mandate of the WRMA includes responsibility for the conservation of water resources and, in terms water storage facilities, is responsible for the regulation of structures to ensure safety and reliability.

D. The target in respect to Output 1.4 is WATER RESOURCES USERS’ ASSOCIATION DEVELOPMENT CYCLE (WDC) ADAPTED TO ASAL AREAS AND IMPLEMENTED IN 36 SUB CATCHMENTS IN 6 PRIORITY COUNTIES The activities in 1.4 are to: Support the identification, development, strengthening and implementation of Water Resource User Associations inclusive of existing and customary community based water and range user institutions, through use of and support to service providers.

E. The Parties recognise the need for the provision of community based demand driven in 6 Counties and support to WRUAs in the development and implementation of their SCAMPs.

MDP and WRMA recognising A-E above now come to an understanding on collaboration arrangements for supporting water and water resources services in 6 ASAL Counties including: Lamu, Tana River, Garissa, Isiolo, Marsabit and Wajir, as follows:

Purpose

The purpose of this MOU is to outline an acceptable framework and provide details of a partnership arrangement between the Parties with clearly outlined mandates and responsibilities of each Party in contributing to the fulfilment of achieving: MTAP Outputs 1.4 during the period July 1st 2014 to June 30th 2016

In this respect the primary objective of this MOU is to provide a partnership framework that:-

- Facilitates development support by WRMA, in to ensure the provision of water resource user water grants for improve the water and sanitation services at 36 sub-catchments within the 6 counties;
- Establishes strong linkages between MDP and WSTF (see page 4 of this MOU), promoting the quality of public services to the ASAL Counties
- Promotes transparency, accountability and good governance, in the management and
financing of water services provision.

- Improves coordination of funding for water services in accruing greatest benefit.
- Ensures consistency with the Government’s water sector policies, strategies and the Water Act 2002, through the delineation of roles and responsibilities.

**Delineation of roles and flow of funds**

In order to promote good governance and best practices,

i. WRMA will implement the activities as defined in Attachment 1 of this MOU.
ii. MDP will manage the MOU.
iii. To all intents and purpose the respective County/District being supported is to be considered as the client.
iv. The WRMA will forward their disbursement requests, work plan and reports to the MTAP. MDP will forward the fund request to the Treasury. The Treasury will request Danida to transfer the funds to the designated account of the WSTF.
v. The source of funds shall be Danida funds provided to the Government of Kenya/ MDP for the purposes of implementing MTAP.

In respect to all investments the WRUA will provide 15% of the direct investment costs in cash and/or in kind.

**Banking of funds**

WRMA will open a separate bank account for the management of funds received from MDP.

**Amount purpose and approach in use of MTAP funds**

The funds will only be used in accordance with undertaking the activities indicated in Attachment 1. The purpose of the funds in summary is:

MTAP Activity 1.4.1 – 36 number of Water Resources Users Associations funded to prepare the SCMP and start implementing the SCM activities

In respect of the above:

Of funds received by the WRMA, the WRMA will

- Make transfers to WRUAs as agreed by the Project Implementation Committee.
- Of the funds transferred to WRUAs, WSTF takes 15% to cover management, monitoring and evaluation and operational costs

**Flexibility to increase target numbers and reallocate project funds between the output areas**

The project numerical targets of 36 WRUAs, are indicative and smaller disbursements to larger target numbers may be considered.

The project budgets will be made annually and approved by the MTAP Steering Committee.

**Savings**

In case any savings are realized after the completion of the investments, the sub-grantee shall be allowed to retain and use the savings for an alternative project with the same objective subject to written approval by the WRMA.
Committed Funds
WRMA cannot contractually commit funds to sub-grantees during the last months of this MOU. The funds contractually committed by the WSTF to the sub-grantees within the approved MTAP project budget will be considered as disbursed and will only be refundable to MTAP if not utilized within the end of the calendar year 2015.

Value Added Tax (VAT)
Funds provided directly to schools, health facilities, Community Based Organisations, Water Resources Users Associations for investment/development activities will not be exempt of VAT. This is because of the experience gained and lessons learnt in respect to good governance and accountability. VAT will be paid in line with the norms of the Government of Kenya.

MDP contribution
In addition to the provision of funds provided by DANIDA in achievement of the actions summarised above and as presented in Attachment 1. MDP will support WRMA in its efforts to encourage all stakeholders to plan and allocate resources for water services in a participatory and transparent manager, investments that support the conservation and protection of Kenya’s water resources in ASAL areas. MDP will participate in regular meetings with WRMA to share their knowledge on specific ways to address issues related to the ASALs and water services.

WRMA contribution
WRMA will contribute its staff, offices and provide financing in respect to any activities not covered in Attachment 1, in achievement of the results indicated in Attachment 1.

Management, Monitoring and Evaluation
The MTAP is responsible to the Project Steering Committee in respect to the fulfilment of output 1.4 for oversight management in respect to this MOU.

MDP and WRMA will have regular meetings to assess progress in activity implementation and to share experiences on water service delivery in the ASALs.

A representative of the MTAP Unit will be a member of the WRMA-Cooperating Partners Coordination Committee (CPCC). The Terms of Reference for this committee have been approved by the Board of the WRMA and donors and other stakeholders represented on this committee. The CPCC meets on a quarterly basis to discuss performance of all stakeholder support interventions in support of WRMA. The CPCC is a forum wherein the assistance of individual donors, investors and other stakeholders can be reviewed in relation to all other support being provided to WRMA.

Links with WSTF
A representative of the DANIDA and MTAP unit under MDP will be a member of the WSTF Rural Window Steering Committee (RSC). The Terms of Reference for this committee have been approved by the Board of Trustees of WSTF, donors and other stakeholders represented on this committee. The WSTF-RSC meets on a quarterly basis to discuss performance of all stakeholder
support interventions directed through the WSTF for support to water and sanitation services and water resources management investments. The WSTF-RSC is a forum wherein the assistance of individual donors, investors and other stakeholders can be reviewed in relation to all other support being provided. WRMA is a stakeholder and will also be represented in these meetings in respect to achievement of Output 1.4 in financing the support to WRUAs in the implementation of their Sub Catchment Management Plans (SCAMPs).

Signatories to this MOU may however call a meeting at any time to discuss the particulars of progress and the respective needs in relation to the support provision and fulfilment of services in this MOU.

Information prepared in conjunction with undertaking the actions and in preparation of outputs will be made available to the public being uploaded by WRMA to its web site.

**Budget Ceiling**

The budget ceiling is **Ksh 250 million**

**Fund disbursement and financial reporting**

WRMA will prepare an initial disbursement request requesting MDP to release an initial disbursement for the amount of Kshs 115 million. On expending 50% of this amount WRMA will submit an expenditure statement and reimbursement request on a six monthly basis in the format provided in Attachment 2. Financial reporting will be in Ksh and should be accompanied by official bank statements.

**Disbursement schedule of funds and return of unspent balance**

The anticipated disbursement schedule is as follows:

- 2014 1st September: Initial fund disbursement request Kshs 115m
- 2015 1st January: Final reimbursement request Kshs 135m
- 2015 31st December – closure of books of account
- 2016 30th June – return to MDP – ASAL secretariat unspent balance

**Financial Reporting**

- The WRMA is responsible for delivering proper comprehensive consolidated financial reporting to MDP as well as for ensuring proper financial reporting to DANIDA/Government of Denmark.
- Financial reporting shall be based on the operating formats developed by the WRMA
- Financial reports shall be duly signed by the Project Leader of the Recipient Beneficiary, and a duly authorized financial officer of the WRMA.
- If so required by MDP and DANIDA, WRMA shall also submit financial report, and project preparation activities with supporting manuals and documents, together with electronic versions of all projects.
- WRMA must ensure that sufficient and transparent financial reporting of each project is taking place and that adequate internal control procedures are in place at all levels.
- An accounts manual shall set out the internal control procedures and financial recording between the WRMA, MDP and DANIDA.
Dispute and complaint resolution

All parties shall continuously engage in consultations, exchange of information and review of processes of the mechanisms in order to avoid disputes. In the event of disputes arising between the two parties The ASAL Secretariat Head and the CEO of WRMA will mutually select an ombudsman to chair and engage with both parties in the resolution of the dispute. In the absence of settlement arising from the interventions of the ombudsman the disputes/complaints will be referred to the Principal Secretary of MDP and the Chairman of the Board of Trustees of the WRMA. In failure of reaching agreement, termination of the MOU can be effectuated, with all parties having to honour their contributions until a termination has been made effective.

Entry into operation and validity

This Memorandum of Understanding will become effective from the date of Signature and remain in force up to June 2016. The Participants may, however, amend the content and validity period by mutual consent in writing;

SIGNED AT NAIROBI BY THE DULY AUTHORIZED REPRESENTATIVES OF THE PARTIES ON THE DAY AND YEAR FIRST ABOVE WRITTEN

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<tr>
<th>Principal Secretary</th>
<th>Chief Executive Officer, Water Resources Management Authority</th>
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Annex 4: TORs for TA and STAFF

TERMS OF REFERENCE OF MTAP TECHNICAL ASSISTANCE AND STAFF
Annex 4.1. Technical Assistance Team Leader (TA-TL)
Annex 4.2. Development Planning TA (DP-TA)
Annex 4.3. County-based TA
Annex 4.4. Financial Manager and Administrator (FMA)
Annex 4.5. Accountant
Annex 4.6. Cashier
Annex: 4.1

TOR for the MTAP – Technical Assistance Team Leader (TA-TL) (International)

The MTAP- Technical Assistance Team Leader (TA-TL) will refer to the MTAP Programme Manager, who is the counterpart to the TA-TL. The TA-TL will support the MTAP Programme Manager in leading the Programme and they will take joint decision with regards to the programme. The division of responsibilities between the Programme Manager and the TA-TL will be further detailed during the start up of MTAP.

In support of ASAL Secretariat
The TA-TL will support the MTAP Programme Manager in:

- Carrying out the MTAP Unit duty as Secretariat to the MTAP Steering Committee
- The preparation of terms and reference, outsourcing and management of service providers
- Fulfilling its responsibilities in respect to achievement of all MTAP component achievements according to plans and expenditures and monitoring and reporting of same.
- Supervising the MOUs signed with WRMA and WSTF and assuring fulfilment of MTAP outputs
- Consolidation of MTAP County work plans
- Providing support and back-up to the county/districts in:
  - Initiating MTAP activities
  - Preparing work plans for MTAP activities and outputs
  - Overseeing the implementation of the work plans
  - Monitoring of programme activities
  - Coordinating the activities of different stakeholders
- Consolidation of reports from the county/districts for quarterly, semi-annual and annual progress reports
- Ensuring that cross-cutting issues in respect to all MTAP activities are addressed
- Ensuring that lessons learned at county level are documented and shared with other counties/districts
- Contributing to national policy development in consideration of the requirements of ASAL areas, and further contributing to policy development in sector specific areas as relevant to achievement of MNDKOALs goals.

Scope of Work
In close cooperation with the MTAP Programme Manager, the Scope of Work of the TA-TL will include, but is not necessarily limited to:

- Support the MTAP Programme Manager in all aspects of programme implementation
- Leading the MTAP Technical Assistance Team. The TA-TL will be responsible for all non-GOK MTAP staff performance
Preparing terms and reference, contracts, outsourcing and management of service providers in respect to the numerous outputs to be achieved within MTAP through outsourcing

Linking with WRMA and WSTF and other stakeholders and service providers promoting coordinated MTAP activities

Facilitating capacity building needs assessment in each county/district, and the provision of necessary capacity building interventions

Preparation of the MTAP Operations Manual (MTAP-OM) including:
- Development of guidelines for the preparation of MTAP work plans
- MTAP performance monitoring and reporting systems
- Development of systems for the identification, selection, contracting and performance monitoring of service providers
- Operational procedures in respect of all MTAP activities
- Fund transfer procedures, financial management and reporting systems
- Technical assistance and staff norms of conduct
- Financial management identification of training providers and assist in organising training
- Ways to document lessons learnt by the MTAP component

Train, supervise and monitor MTAP TA and staff in use of MTAP Operations Manual

Adviser on refinement of all County planning procedures and criteria for MTAP funding of community-level and county-/district-level plans

Assist counties in implementing approved guidelines

Compile documentation and reports for the MTAP Steering Committee

Advising on procedures for bottom-up planning at county level

Assist in the appointment of training providers and other local consultancies under the MTAP component.

Advise on inter-county exchange of information

Facilitate cooperation with other programmes relevant to the MTAP component at central, county and community levels

**Qualifications**

Master's Degree in a relevant discipline (planning, economics, land and water management, engineering, rural development)

**Experience**

A minimum of 10 years development experience

With experience in:

- National Programme Management of programmes of similar size and scope
- Multi-disciplinary planning related to Rural development planning,
- Working with National and local government and public sector operations
- Procurement and management through outsourcing to the private sector service provision of rural development services
- Agriculture, livestock or water related development, in related rural-based programmes in an African country.

Experience in ASAL areas, of pastoralism, and/or dry-land farming would be an advantage
He/She will have experience of IT systems, and thorough knowledge of word, excel, outlook, power-point and internet applications and be conversant with accounting practices. He/She will have excellent interpersonal, team building and communication skills and be fluent in English.

**Location**
The post will be based in Nairobi, but with frequent travels to the programme counties/districts.

**Duration**
18-24 months.

**Annex: 4.2**

**TOR for the development planning TA (DP-TA)**
(National)

The National Planner TA will refer to the MTAP TA-TL at the MTAP Unit.

**In support of ASAL Secretariat and TA-TL**
The NP-TA will support the MTAP Programme Manager and the MTAP TA-TL in:

- Carrying out the MTAP Unit duty as Secretariat to the MTAP Steering Committee (MSC)
- The preparation of terms and reference, outsourcing and management of service providers
- Fulfilling its responsibilities in respect to achievement of all MTAP component achievements according to plans and expenditures and monitoring and reporting of same.
- Supervising the MOUs signed with WRMA and WSTF and assuring fulfilment of MTAP outputs
- Consolidation of MTAP County work plans
- Providing support and back-up to the county in:
  - Initiating MTAP activities
  - Preparing work plans for MTAP activities and outputs
  - Overseeing the implementation of the work plans
  - Monitoring of programme activities
  - Coordinating the activities of different stakeholders
- Consolidation of reports from the county for quarterly, semi-annual and annual progress reports
- Ensuring that cross-cutting issues in respect to all MTAP activities are addressed
- Ensuring that lessons learned at county level are documented and shared with other counties.
- Contributing to national policy development in consideration of the requirements of ASAL areas, and further contributing to policy development in sector specific areas as relevant to achievement of DASAL goals.
**Scope of Work**

In close cooperation with the Programme Manager and the TA-TL, the scope of the NP-TA will include, but is not necessarily limited to:

- Ensuring that all related performance in relation to long and short technical assistance, MTAP staff contributions and their performance respectively
- Preparing terms and reference, contracts, outsourcing and management of service providers in respect to the numerous outputs to be achieved within MTAP through outsourcing.
- Linking with WRMA and WSTF and other stakeholders and service providers promoting coordinated MTAP activities
- Facilitating capacity building needs assessment in each county/district, and the provision of necessary capacity building interventions
- Preparation of the MTAP2 Operations Manual (MTAP 2-OM)
- Train, supervise and monitor MTAP TA and staff in use of Operations Manual, suggesting refinement of all County planning procedures and criteria for MTAP2 funding of community-level and county level plans
- Assist counties in implementing approved guidelines
- Compile documentation and reports for the MTAP Steering Committee
- Advising on procedures for bottom-up planning at county level
- Assist in the appointment of training providers and other local consultancies under the MTAP2 component.
- Advise on inter-county exchange of information
- Facilitate cooperation with other programmes relevant to the MTAP 2 component at central, county and community levels

**Qualifications**

Master's Degree in a relevant discipline (planning, economics, land and water management, engineering, rural development)

**Experience**

A minimum of 10 years development experience

With experience in:

- National Programme of similar size and scope
- Multi-disciplinary planning related to Rural development planning,
- Working with National and local government and public sector operations
- Procurement and management through outsourcing to the private sector service provision of rural development services
- Agriculture, livestock or water related development, in related rural-based programmes in an African country.
- Experience in ASAL areas, pastoralism, and/or dry-land farming

He/She will have experience of IT systems, and thorough knowledge of word, excel, outlook, powerpoint and internet applications and be conversant with accounting practices. He/She will have excellent interpersonal, team building and communication skills and be fluent in English.
Location
The post will be based in Nairobi, but with frequent travels to the programme counties/districts.

Duration
24 months.

Annex 4.3

**TOR for the MTAP – COUNTY BASED TA (County Development Planner)**
(National) – 6 POSTS

The County Based TA will report to the MTAP TA-TL at the MTAP Unit. He/She will work closely with County Development Committee (CDC)/, the County Steering Group (CSG)/County Drought Management Coordinator (CDMC).

**Scope of Work:**
In support of the County/ and the County Based TA the work of will include, but is not necessarily limited to:

**MTAP Unit:**
- Support the MTAP Unit in its linkages with the County, its officers, representatives and stakeholders identifying potential areas of programme interventions
- Facilitate cooperation with other programmes relevant to the MTAP component at county and community level

**County and inter county planning:**
- Engage with County Planning Office and other stakeholders in gaining stakeholder consensus in respect to the progressive steps to be followed in respect of integrated planning processes and their relationship to natural resource planning.
- Advise on procedures for bottom-up planning at county/district level and assist in the preparation of planning process guidelines
- Assist County stakeholders in the identification of information needs
- Assist County stakeholders in the determination of the criteria for the prioritisation of investments in identified sectors
- Facilitate and guide identification of inter-county issues requiring inter-county dialogue and agreements in respect to NR/water Management and shared utilisation of resources
- Support necessary multi-sectoral collection, collation and provision of district/county data
- Monitoring the county achievements according to plans and expenditures, including cross-cutting issues
- Ensuring that lessons learned at county/district level are shared with the MTAP and with other counties/districts
Sub catchment management and implementation of Sub Catchment Management Plans:

- Engage with and support the interventions of WRMA in publicising water resource management opportunities of WRUAs through MTAP2 support, and in the processes relating to the development of sub catchment management plans and their implementation.
- Assist WSTF, WRMA and other stakeholders in respect to the identification and selection of service providers at county/district level able to provide quality services.
- Contribute to the identification of capacity gaps of local service providers, develop training modules and training plans that address capacity development needs.

Water services provision:

- Contribute to the rollout of the information campaign advertising the support available to schools, health facilities and communities in respect to water services provision. Provide a link with the WSTF and its agents in supporting quality assurance in all aspects water services implementation
- Engage with and support WSTF in the development of County systems and their pilot implementation in relation to co-financing arrangement for water services and water resources investment, arranging for and making County payments as required.

Web and other information systems data layers and analysis:

- Support stakeholder training and in accessing and use of web based information
- Assist in the identification of relevant data available at County level and its provision

Water resources management planning:

- Acting as a link with the County assist WRMA in its fulfilment of responsibilities in engaging district/county stakeholders in determination of water abstraction for improved regulation and compliance of water use in respect to surface and groundwater activities.

Promotion of the Private Sector and development of County Investment Windows

- Support collection and collation of data on present and potential private sector activities
- Support the development of outsourcing co-financing arrangements
- Contribute to the identification of Public Private Partnerships and related arrangements
- Contribute to the development of terms of reference and outsourcing arrangement for studies in analysis of private sector opportunities and value chain analysis
- Support the conceptualisation, development and monitoring of activities of the County Investment Windows

Training and capacity building:

- Support the identification of training and capacity building requirements, and contribute to the preparation training modules and ToRs for training and capacity building
- Monitor training needs, training effectiveness and assist the county/district in developing training plans as required
- Identify training providers and assist in organising training according to approved work plans
Component Description (Final)  Medium-Term ASAL Programme

- Contribute in facilitation of all training events in respect to community capacity development and in private sector service provision

MTAP Planning and Administration:
- Providing the MTAP2 Unit with work plans, budgets, progress reports etc that can be consolidated with other county reports
- Develop and provide quarterly, semi-annual/annual work plans, budgets, expenditure and progress reports
- Compile other documentation and reports for the MTAP2 Unit as necessary
- Documenting lessons learnt

Qualifications
Master’s Degree in rural development; socio-economic planning, natural/water resource management or other relevant subject area.

Experience
A minimum of 10 years development experience
With experience in:
- Rural planning, water development, agriculture or livestock development.
- Provision of advisory services in similar programmes in ASAL areas in Kenya.
- Knowledge of bottom up planning and systems for transparent equitable resource allocation in sector planning.
- Knowledge of community based/community managed systems of rural investment in development with proven ability to work closely with multi-sectoral stakeholders including experience in work with local government structures, communities, civil society and the private sector.
- Proven experience in training of trainers and training in group facilitation work, community management training in ASAL areas

He/She will have experience of IT systems, and thorough knowledge of word, excel, outlook, power-point and internet applications and be conversant with accounting practices. He/She will have excellent interpersonal, team building and communication skills and be fluent in English.

Technical expertise in pastoralist land management, dry-land farming, water development and/or private sector development would be an advantage, as would specific language skills in respect of communities to be supported within MTAP.

Duty Station:
The Six posts will be based in the priority counties of Isiolo, Garissa, Lamu, Marsabit, Wajir and Tana River with frequent travels within the county.
Logistics:
The County Based TA will:

- be provided with office facilities within the County
- be supported by a clerk/assistant provided by the MTAP2 Unit.

Duration
24 months.

Annex 4.4

TOR for the Financial Manager and Administrator (FMA) (National)
The Financial Manager and Administrator (FMA) will refer to the MTAP2 TA-TL at the MTAP Unit.

In support of ASAL MTAP Programme Manager and TA-TL
The FMA will support the MTAP Unit and is responsible for:

- MTAP2 and DPA management in relation to all MTAP financial management issues.
- All for direct MTAP2 procurement and management of assets.

Scope of Work
In close cooperation with the Programme Manager and the TA-TL the scope of Work of the FMA will include, but is not necessarily limited to:

MTAP 2Unit Financial Administration:

- Update the accounts manual as necessary
- Ensure that sound financial management and control procedures are in place.
- Observe the general accounting instructions of the Danish Embassy
- Ensure familiarity with the most recent instructions
- Daily management of the accounting and administrative functions of the MTAP2
- Supervise and monitor the MTAP2 accounts and budgets
- Authorise approved payments through the bank, and electronic money transfers
- Attend to all professional matters concerning centrally based and decentrally based accounts staff
- Ensure that centrally based and decentrally based accounts staff are familiar with, and implement, appropriate accounting regulations
- Advise MTAP2 management, public and private sector service providers on financial management and contracting issues
- Participate in MTAP2 management meetings
- Ensure appropriate employment terms and conditions, and administration, of local staff
MTAP2 Decentralized Project Accounts (DPAs):
Decentralized Project Accounts (DPAs) are interpreted as being the accounts in respect of MTAP funds that are not administered by the MTAP Unit, for example funds administered by the 6 TAs at county level, and funds administered by other units (e.g. the ASAL Secretariat) and by other organizations (e.g. WRMA, WSTF) and by other service providers as relevant.

- Participate in the recruitment of a cashier and accountant for the MTAP2 Unit, and the TAs and support staff for the 6 core counties
- Update the DPA accounts manuals
- Ensure that sound financial management and control procedures are in place.
- Coordinate individual and summary budgets and pipeline expenditures
- Book commitments/cancellation of commitments
- Monitor the Appropriation-In-Aid Control list
- Assist the 6 core county TAs, and other DPA units, in budget/expenditure control, and advise on financial management issues
- Assist all DPA units with closures of periods, phases, components etc
- Perform unannounced internal audits

DPA Audits
- Facilitate contact with, and ToR for, audit companies
- Ensure that appropriate audit arrangements are in place for all DPAs.
- Review and ensure the auditing procedures in relation to multi-donor auditing of WRMA and WSTF are relevant, effective and fulfil all MTAP2 requirements
- Ensure timely receipt of audited accounts, review and comment
- Ensure timely finalization of audits
- Recommend follow-up actions in respect of audit queries

Other duties
- Any other duties assigned

Qualifications
- University/Business School Professional Certificate in Accounting (PCA, ACCA or equivalent), with subjects of internal auditing, office and general management and human resource management
- University/Business School Graduate in accounting (CPA equivalent), with subjects of internal auditing, office management, business administration, general management and human resource management

Experience
A minimum of 8 years financial management experience
With experience in:
- support of a similar programme environment
- Distinct accounting software skills
- Distinct office management and human resource skills
- The FMA must be conversant with generally acknowledged Accounts Software, and with the use and application of budget lines and account numbers.
The FMA must also be conversant with general Kenyan employment terms, tax laws and have office and staff administration skills.

He/She will have experience of IT systems, and thorough knowledge of word, excel, outlook, powerpoint and internet applications and be conversant with accounting practices. He/She will have excellent interpersonal, team building and communication skills and be fluent in English.

**Location**
The post will be based in Nairobi, but with frequent travels to the programme counties/districts.

**Duration**
18-24 months.

**Annex 4. 5**

**TOR for the accountant**
(National)

The Accountant will refer to the FMA at the MTAP 2 Unit.

**Scope of Work**
In support of the FMA the scope of work will include, but is not necessarily limited to:

**MTAP Unit Financial Administration:**
- Update the accounts manual
- Ensure correct coding of individual transactions
- Monitor selected expenditures, e.g. fuel consumption of vehicles
- Prepare monthly vouchers for registration and journal entry
- Administer and reconcile the Imprest Account
- Prepare monthly reconciliation of accounts
- Assist the MTAP2 management with relevant accounts information
- Maintain logbooks and registration documents of projects vehicles
- Assist in connection with purchases and sales of equipment and goods, including vehicles
- Assist external auditors as required

**MTAP Decentralized Project Accounts (DPAs)**
Decentralized Project Accounts (DPAs) are interpreted as being the accounts in respect of MTAP2 funds that are not administered by the MTAP 2Unit, for example funds administered by the 6 TAs at county level, and funds administered by other units (e.g. the ASAL Secretariat) and by other organizations (e.g. WSTF). The scope of work includes:
- Forward to the decentralized projects relevant copies of all payments made by MTAP2 on their behalf, maintaining the original documents at the MTAP2 Unit
- Reconcile the individual DPAs
- Address any differences or discrepancies within the individual DPAs
- Reconcile DPA and MTAP2 Unit accounts
DPA Audits
- Ensure that appropriate audit arrangements are in place for all DPAs, e.g. availability of documents, bank statements etc
- Review and comment on the audited accounts
- Recommend follow-up actions in respect of audit queries

Any other duties
- Any other duties assigned
- The Accountant will also perform secretarial duties.

Qualifications

Experience
A minimum of 5 years financial management experience
With experience in:
- support of a similar programme environment
- Distinct accounting software skills, with acknowledged Accounts Software, and with the use and application of budget lines and account numbers.
- be conversant with general Kenyan employment terms
- Distinct office management and human resource skills
- Knowledge of IT systems, and thorough knowledge of word, excel, outlook, power-point and internet applications
- Effective time management and organisational skills
- Ability to plan and prioritize, and to work under pressure and with minimum supervision
- Fluent in English and Kiswahili, both written and oral

He/She will have experience of IT systems, and thorough knowledge of word, excel, outlook, power-point and internet applications. He/She will have excellent interpersonal and communication skills and be fluent in English.

Location
The post will be based in Nairobi, but with independent travels to the programme counties/districts.

Duration
18-24 months.
Annex 4.6

TOR for the cashier
(National)

The Cashier will refer to the FMA at the MTAP2 Unit.

Scope of Work
In support of the FMA the scope of work will include, but is not necessarily limited to:

MTAP Unit Financial Administration:
- Making payments through on-line banking: Screening of invoices and payment requests, including verification of account numbers and control of supporting documents
- Effecting payments including the despatchment of bankers cheques to suppliers
- Make cash payments according to approved vouchers/receipts
- Check that receipts for payments are received, attach copy of the cheque and the receipts to the relevant voucher
- Receive cash payments and incoming cheques, and issue receipts for the same
- Maintain the daily cash and bank journals
- Keep the cash and chequebooks safely locked away
- Reconcile cash and bank holdings in the accounting system with the daily cash/bank transaction lists - after the daily bookkeeping.
- At the end of each day, count the cash and reconcile the amount with the balance calculated in the "Daily Journal".
- Be responsible for liquidity and the requirement for cash funds available at the bank
- Receive cash from the bank
- Monthly reconciliation of the bank account

The Computerised Finance System
- Prepare vouchers for registration, and ensure that vouchers are complete in all respects
- Enter expenditure vouchers into the accounts system on a daily basis
- Print out the G/L Register and reconcile with the daily cash and bank journal

Other duties
- Prepare the monthly payroll, print and distribute salary vouchers, prepare bank transfer letters
- Prepare information to NSSF and process vouchers for payment to NSSF
- Prepare information to PAYE and process vouchers for payment to PAYE
- Check telephone bills and prepare the vouchers for payment
- Monitor private/official calls on mobile phones
- Monthly update of specific expenditures and consumption

Qualifications
- Business School Graduate in Accounting
Experience
A minimum of 3 years experience
With experience in:

- Book keeping and accounts keeping including online bank transactions
- Voucher preparation and related payment of invoices
- Maintain the daily cash and bank journals, reconciling cash and bank holdings
- Preparing monthly payroll, and ensuring necessary NSSF, PAYE and VAT payments/clearances
- Kenyan employment terms

He/She will have experience of IT systems, and thorough knowledge of word, excel, outlook, and internet applications. He/She will have excellent interpersonal and communication skills and be fluent in English.

Location
The post will be based in Nairobi, and may include travel to programme counties/districts.

Duration
18-24 months.
Annex 5: TORs for Service Providers

Annex 5.1 TOR: Development and operation of a web-based GIS for ASAL and MTAP planning COMBINED WITH 5.2 ONGOING AND SPILLOVER FROM MTAP1 TO MTAP2

Objectives
- Establish a Geographic Information System (GIS) that can support planning, analysis, monitoring, and reporting. The system needs to be flexible and able to operate on various platforms. It should permit multiple uses and applications: sophisticated analysis and map making using proprietary GIS software (mostly for internal use by the technical service provider) and intuitive online mapping using open source software (used by MTAP staff in counties and by interested public).
- Compile readily available data and link to existing databases that will be useful for the inter-county, county, and subcatchment planning efforts.
- Fill data gaps, prioritized by their relevance to support MTAP planning, all within a limited data budget.
- Create an ASAL data and information network of key government agencies and parastatals with relevant data holdings to facilitate quicker and easier data exchange and data sharing.

Work plan and activities
Technical service provider will in close collaboration with the MTAP Unit:
1. Set up and operate a GIS.
   i. Work with MTAP Unit and MTAP staff in three counties to identify potential users and define purpose and scope of geographic information system. This should include:
      a. An internal component for the technical service provider to generate data and analytical inputs for planning at subcatchment and county level.
      b. An external component that allows web-access that can be used by MTAP staff both at county and national level. This component could also be used to increase transparency and accountability of MTAP by permitting communication of results directly to the public and allow for public review and comments.
   ii. Make technical recommendations and set up system using readily available software and building on already developed tools and experiences such as Virtual Kenya, World Map, etc.
   iii. Operate and maintain GIS for MTAP including online component.
   iv. Train MTAP staff on online use.
2. Set up databases and fill data gaps.
   i. Based on input from the MTAP Unit (with input from national and local stakeholders) prioritize key data sets that could be collated or updated.
   ii. Create data directory and linked databases using existing data compiled by WRI, ILRI and other technical service providers (e.g., maps from GTZ Rangeland Management Handbook, DRSRS livestock and wildlife census data for selected years and counties, and new landcover data by and FAO and DRSRS).
   iii. Link up and import relevant socio-economic and demographic data sets such as the Ministry of Education’s spatial school database (at facility level), the complete data set from the 2009 Human Population and Housing Census (best at sublocation or even smaller administrative area), and data holding from WRMAs.
iv. Link up and import essential natural resource data (e.g., livestock, wildlife, and natural resource condition data) from the Department of Resource Surveys and Remote Sensing.

v. Fill natural resource and socio-economic data gaps on a need basis and within a limited data budget.

3. Advise ASAL Secretariat and the MTAP Unit on how to create an ASAL data and information network of key government agencies and parastatals with relevant data holdings to facilitate quicker and easier data exchange and data sharing in the future.

Qualifications of service provider:

- Demonstrated experience with proprietary GIS software such as ArcGIS and open source on-line mapping tools such as World Map and Google Earth and various database management programs.
- Track record of setting up a baseline of GIS data sets (directly linked databases or using suitable export/import functions) that can be used by multiple mapping platforms including proprietary GIS software such as ArcGIS and open source mapping tools such World Map and Google Earth.
- Familiarity with spatial data sets for Kenya including natural resources data, socio-economic data, and latest remote sensing products.
- Experience with the following: cleaning and quality checking existing spatial data; using database tools to create new variables or fill data gaps; and preparing spatial data for storage, analysis, and distribution (including familiarity with standardized administrative coding and spatial metadata conventions).
- Capacity to create web-based interface for capturing, storing, analyzing, and presenting spatial data using open source software.
- Capacity to run and technically support a simple web-based GIS for MTAP staff and its collaborators.
Annex 5.2 TOR Analyses and information products to support sub-catchment, county, and inter-county planning and decision-making.

Objectives:
1. Using MTAP GIS, provide data extraction, map making, and analytical support as requested by planning processes in the three priority counties (1st year) and then for the remaining three priority counties.
2. Using MTAP GIS, provide data extraction, map making, and analytical support as requested by inter-county planning processes and coordination.
3. Provide other knowledge management and information support as needed.

Work plan and activities
Technical service provider will in close collaboration with the MTAP 2 Unit:

1. Support sub-catchment and county planning and decision-making in relation to future investments.
   i. Together with the MTAP 2 Unit and county planners and decision-makers, identify the criteria for selection of investments.
   ii. Determine the planners’ needs in respect to specific variables, data sets, types of analyses, and information products that are most useful for county planning and decision making.
   iii. Undertake analysis of data layers and provide information products (e.g., data, indicators, maps, analyses, and presentation slides) to support sub-catchment and county planning and decision-making.

2. Support inter-county planning and coordination.
   i. With the MTAP2 Unit, identify specific topics and locations for analyses that will support inter-county planning and coordination.
   ii. For the selected areas, assess inter-county biophysical & socio-economic constraints & opportunities between selected counties in relation to water, range, peace, and selected economic development opportunities.
   iii. Produce the required data, indicators, maps, analyses, and other necessary information products to enhance the selected inter-county planning and coordination efforts.
   iv. Provide information to stakeholders at county, inter-county, and macro-catchment level

3. Provide additional knowledge management and information support as needed.
   i. Support MTAP2 staff in their efforts for joint benchmarking for comparative performance assessment in the selected sub-catchments and priority counties.
   ii. Support MTAP2 Unit in compiling and articulating lessons learnt from MTAP planning efforts.

Qualification of service provider
- Broad experience with conducting spatial analysis of natural resource and socio-economic data and creating information products for decision-making.
- Experience with demand-driven mapping tools and other decision-support tools
- Capacity to match mapping and analytical tools (e.g., choice of specific variables, data sets, types of analyses, and information products) with decision-makers’ needs.
- Demonstrated analytical capacity to use baseline GIS data for the following: extract data for various analytical units (e.g., counties, locations, sub-catchments); develop indicators for decision-making; and create charts, figures, and maps.
- Strong communication skills to translate data and cartographic information into useful products for non-technical audience.
## Annex 6: Detailed MTAP 2 budget

### MEDIUM TERM ASAL PROGRAMME II – TENTATIVE DETAILED BUDGET FOR THE PERIOD 2014-2016

<table>
<thead>
<tr>
<th>BUDGETLINE</th>
<th>DESCRIPTION</th>
<th>TOTAL BUDGET 2014-2016</th>
<th>BUDGET (IN DKK)</th>
<th>BUDGET (IN KES)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>DKK</td>
<td>KES</td>
<td>YEAR 1</td>
</tr>
<tr>
<td>1.0</td>
<td>Component 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>Support to devolution</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1.1</td>
<td>Provision of technical assistance and support to 12 counties</td>
<td>2,412,698</td>
<td>38,000,000</td>
<td>1,109,841</td>
</tr>
<tr>
<td>1.2</td>
<td>Development of models for integrated county planning</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.2.1</td>
<td>Assess and support the inst. functioning/performance at county</td>
<td>7,428,571</td>
<td>117,000,000</td>
<td>3,417,142</td>
</tr>
<tr>
<td>1.2.2</td>
<td>Participate in the dev. and test mechanisms for financing accountability. (budgeted in 1.2.1 above)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.3</td>
<td>Use of spatial data for inter-county planning</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.3.1</td>
<td>Support counties in utilizing inter county Info for investment planning</td>
<td>3,174,603</td>
<td>50,000,000</td>
<td>1,460,317</td>
</tr>
<tr>
<td>1.4</td>
<td>Adaptation of WRUA development cycle</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.4.1</td>
<td>Support implementation and strengthening of WRUAs</td>
<td>15,873,016</td>
<td>250,000,000</td>
<td>7,301,587</td>
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<tr>
<td>1.5</td>
<td>Water services delivery systems developed and implemented</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>1.5.1</td>
<td>Support water services as schools, health facilities</td>
<td>1,269,842</td>
<td>20,000,000</td>
<td>584,126</td>
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<tr>
<td>1.5.2</td>
<td>Support to community, citizens prioritized investments (EU SHARE Funded)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Sub-total Component 1</td>
<td></td>
<td>30,158,730</td>
<td>475,000,000</td>
<td>13,873,013</td>
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<tr>
<td>2.0</td>
<td>Component 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>Fully functioning ASAL Secretariat</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1.1</td>
<td>Facilitate the functioning of ASAL secretariat through TA</td>
<td>5,079,365</td>
<td>80,000,000</td>
<td>2,336,507</td>
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<tr>
<td>2.1.2</td>
<td>ASAL stakeholder forum (budgeted in 2.1)</td>
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<td></td>
<td></td>
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<tr>
<td>2.1.3</td>
<td>Preparation of state of the ASAL reports</td>
<td>1,910,828</td>
<td>30,000,000</td>
<td>955,414</td>
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<tr>
<td>2.2</td>
<td>GIS planning and monitoring facility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.2.1</td>
<td>Facilitate development &amp; implementation of web GIS</td>
<td>3,428,571</td>
<td>54,000,000</td>
<td>1,577,142</td>
</tr>
</tbody>
</table>
### Component Description (Final)

#### Medium-Term ASAL Programme

<table>
<thead>
<tr>
<th>2.3 Planning and monitoring systems</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2.3.1 Support identification of data and analytical demands</td>
<td>1,904,761</td>
<td>30,000,000</td>
<td>876,190</td>
<td>1,028,571</td>
<td>1,904,761</td>
<td>13,800,000</td>
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<tr>
<td>2.3.2 Surface and ground water piloted for decision making</td>
<td>5,587,301</td>
<td>88,000,000</td>
<td>2,570,158</td>
<td>3,017,143</td>
<td>5,587,301</td>
<td>40,480,000</td>
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<tr>
<td>2.3.3 Provide analytical support to LAPSSET</td>
<td>2,920,634</td>
<td>46,000,000</td>
<td>1,460,317</td>
<td>1,460,317</td>
<td>2,920,634</td>
<td>23,000,000</td>
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<tr>
<td><strong>Sub-total Component 2</strong></td>
<td><strong>20,831,460</strong></td>
<td><strong>328,000,000</strong></td>
<td><strong>9,775,728</strong></td>
<td><strong>11,055,732</strong></td>
<td><strong>20,831,460</strong></td>
<td><strong>154,080,000</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>3.0 Component 3</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
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<tbody>
<tr>
<td>3.1 Private sector support</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1.1 Facil. ASAL secret. to promote Priv. Sect involvement in ASALs</td>
<td>1,269,841</td>
<td>20,000,000</td>
<td>634,920</td>
<td>634,920</td>
<td>1,269,841</td>
<td>10,000,000</td>
</tr>
<tr>
<td>3.1.2 Support dev of ASAL private sector investment strategy</td>
<td>380,952</td>
<td>6,000,000</td>
<td>380,952</td>
<td>-</td>
<td>380,952</td>
<td>6,000,000</td>
</tr>
<tr>
<td>3.1.3 Establish and support county Priv. Sect investment windows</td>
<td>3,174,603</td>
<td>50,000,000</td>
<td>1,460,317</td>
<td>1,714,286</td>
<td>3,174,603</td>
<td>23,000,000</td>
</tr>
<tr>
<td>3.1.4 Facilitate the dev. Of value chains on demand driven basis</td>
<td>1,333,333</td>
<td>21,000,000</td>
<td>1,333,333</td>
<td>-</td>
<td>1,333,333</td>
<td>21,000,000</td>
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<tr>
<td><strong>Sub-total Component 3</strong></td>
<td><strong>6,158,729</strong></td>
<td><strong>97,000,000</strong></td>
<td><strong>3,809,522</strong></td>
<td><strong>2,349,106</strong></td>
<td><strong>6,158,729</strong></td>
<td><strong>60,000,000</strong></td>
</tr>
</tbody>
</table>

| Contingencies | 2,857,144 | 45,000,000 | - | 2,857,144 | 2,857,144 | - | 45,000,000 | 45,000,000 |
| **Grand Total** | **60,000,000** | **945,000,000** | **27,600,000** | **32,400,000** | **60,000,000** | **434,700,000** | **510,300,000** | **945,000,000** |

**NOTE:**

More detailed breakdown of the budget and allocations into Danida Revenue and Danida AIA will be provided in the annual workplans and budgets. Does not include Ksh 675,000,000 EU SHARE funding for activity 5.
## Annex 7: County selection matrix

**County Selection Matrix**

MDKQAL priority county selection is undertaken within the 10 priority counties of MDKQAL.

Scores: 1-5

<table>
<thead>
<tr>
<th>Component Description</th>
<th>Lamu</th>
<th>Garissa</th>
<th>Isiolo</th>
<th>Waja</th>
<th>Marsabit</th>
<th>Talek</th>
<th>Wet Paket</th>
<th>Maribu</th>
<th>Mandera</th>
</tr>
</thead>
<tbody>
<tr>
<td>M/A priority county</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>LAPSSR rainfall</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Relative good overall investment potential</td>
<td>4</td>
<td>5</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Typical land use and private sector investment potential</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Water resources and potentials</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>WHA market potential</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Physical capacity of other priority counties</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Important linkages and water catchment status with other M/A priority counties</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Story inter county development linkages with other priority counties</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Total Score</td>
<td>39</td>
<td>41</td>
<td>42</td>
<td>33</td>
<td>38</td>
<td>31</td>
<td>28</td>
<td>24</td>
<td>29</td>
</tr>
</tbody>
</table>

The highest scores are attained by Isiolo, Garissa, Lamu, Tana River, Waja and Marsabit, and the 3 counties to top in are the 3 highest score ranking Lamu, Garissa, Isiolo.
## County (MTAP1) Data

<table>
<thead>
<tr>
<th>County (MTAP1)</th>
<th>Land area</th>
<th>% of Kenya</th>
<th>Population</th>
<th>% of Kenya</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marsabit</td>
<td>70,961</td>
<td>291,166</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Isiolo</td>
<td>25,336</td>
<td>143,294</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wajir</td>
<td>56,686</td>
<td>661,941</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Garissa</td>
<td>44,175</td>
<td>623,060</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tana River</td>
<td>38,437</td>
<td>240,075</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lamu</td>
<td>6,273</td>
<td>101,539</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Additional counties adjoin MTAP

<table>
<thead>
<tr>
<th>County</th>
<th>Land area</th>
<th>% of Kenya</th>
<th>Population</th>
<th>% of Kenya</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turkana</td>
<td>68,680</td>
<td>855,399</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Samburu</td>
<td>21,022</td>
<td>223,947</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mandera</td>
<td>25,881</td>
<td>1,025,756</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

|                  | 115,583   | 19.5%      | 2,105,102  | 11%        |
| Total 9 counties  | 357,451   | 61%        | 11%        |
ANNEX 8 ToR for the MTAP Steering Committee

ToR for the MTAP Steering Committee

1. Background

The MTAP Steering Committee (MSC) provides the principle point of coordination for the implementation of the Medium-Term ASAL Programme (MTAP).

The MSC is responsible for overseeing and guiding the implementation of the MTAP.

2. Mandate and Scope

The MSC is responsible for ensuring that the MTAP is implemented, that outputs are achieved and funds managed efficiently and effectively in accordance with the Component Description.

Whereas minor deviations to programme implementation may be decided by the MTAP Unit, i.e. deviations that do not alter the components outputs, budgets or targets, the MSC must decide on all major deviations.

The mandate of the MSC includes consolidation and approval of annual work plans, consolidation of progress reports and monitoring of the component, monitoring of the MTAP budgets and expenditures, setting or adjusting implementation guidelines, and deciding on actions to be taken when implementation does not follow the stipulated guidelines and procedures. The MSC will also decide on actions recommended by audit reports.

Before the start of the GoK Financial Year (FY), the MSC will approve budget guidelines and overall budget ceilings for the MTAP.

3. Composition

The MSC is formally under the MDP-DASAL, which will constitute the MSC Chair. The MSC will be lean in composition.

Members of the MSC will be drawn from MDP-DASAL, Ministry of Planning, a representative from three of the priority counties of MTAP, and a representative of the Danish Embassy. The MTAP Unit will function as the Secretariat to the MSC, as well as being resource persons for the MSC.
4. Specific tasks of the MSC:

- Approval of major MTAP2 planning documents;
- Monitoring of progress of the MTAP2 with a special focus on delays, problems and bottlenecks and approval of progress and financial reports;
- Approving the choice of and the ToRs for the auditors, monitoring of the auditing procedures and results, and ensuring follow-up on recommendations in the audit reports;
- Ensuring that the MTAP2 is fully aligned with GoK policies;
- Recommending adjustments to the programme;
- Approving the timing and ToRs of programme reviews.

5. Meetings

MSC meetings will be held half-yearly.