



REPUBLIC OF KENYA

MINISTRY OF ENVIRONMENT AND MINERAL RESOURCES

INTERVENTION BY

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**At the Interactive Discussion on Mining in the 18th Session of
the United Nations Commission on Sustainable Development**

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(10.00 am – 1.30 pm)

Room 1

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Mr Chairman,

Distinguished Delegates,

Let me start by first, congratulating you on your election as Chairman of this session, and second, expressing my delegation's appreciation to the Secretariat for providing the report on *Mining*, apart from the other four (4) thematic cluster for implementation cycle. I also thank the panellists for their contribution.

I would like to align myself with the statements by the representatives from Nigeria (on behalf of the African Group), Ghana, Indonesia, Australia and Canada, that mining can make a great contribution to sustainable economic development.

Mr Chairman,

On behalf of the Government of Kenya (GoK), and as a national delegate from Kenya, I wish to document the progress made in the governing of mining in Kenya, to help provide a more balanced outlook on contribution of mining to sustainable development.

Kenya is endowed with enormous mineral resources, both metallic and non-metallic (industrial), which are known to occur in the many parts of the country. Mineral exploration and exploitation are presently governed by the Mining Act Cap. 306 of the Laws of Kenya enacted in 1940, but the legislative framework is now being reviewed in the proposed Mining and Minerals Bill which is expected to be finalized this year (2010), currently waiting to be tabled in Parliament.

Mr. Chairman,

I wish to state that Kenya intends to foster the establishment of a thriving mining sector which makes full contribution to sustainable economic development. The Government recognises that mining can act as an engine for economic development by:

- ✓ diversifying exports,
- ✓ widening the tax base,
- ✓ generating skilled employment,
- ✓ creating demand for local goods and services,

- ✓ contributing to infrastructure development,
- ✓ producing raw materials for local usage, and finally,
- ✓ acting as a catalyst for wider investment in the economy.

There is an urgent need to unlock the potential of the mining sector in Kenya by attracting new investment in the exploration for and exploitation of mineral resources. The Government of Kenya recognises that in order to achieve this, it must first establish an enabling environment for investors, which is based upon modern regulatory arrangements and competitive terms. Indeed, other African countries facing similar challenges have taken steps to reform mining sector regulation and are now beginning to attract substantial flows of investment from companies that would previously have overlooked them.

While seeking to encourage investment by mining companies, Kenya is also recognising the need to ensure that mining operations are conducted responsibly. The Government considers that neglect of the environment and harm to local communities as a result of mining operations is not acceptable. The intention is therefore to ensure that Kenya secures the full economic and social benefits that mining development promises.

Mr Chairman,

The Vision of the Ministry of Environment and Mineral Resources (MEMR) is *'A clean, secure and sustainably managed environment and mineral resources conducive for national prosperity'* while its mandate is *'To promote, conserve, and sustainably manage the environment and mineral resources for national development'* which have partly been encapsulated in Vision 2030 as an assurance to the country to have and continue enjoying a clean environment. The proposed new draft National Mineral Resources and Mining Policy (also awaiting tabling in Parliament) has borrowed heavily from these key development beacons of the Ministry.

The proposed new National Policy on Mineral Resources and Mining sets out principles and policies that will guide the Government in the reform of mining sector regulation and promotion of minerals investment. The Mining Policy and Minerals and Mining Bill when enacted are expected to address the following:

- Intergenerational equity and sustainable utilization of mineral resources
- Regulation of common minerals, under the mainstream minerals law
- Equitable access to mineral resources and benefit sharing
- Observation of the social and cultural values of the affected communities in the management of mineral resources
- Environmental conservation in mineral resource development
- Alternative mine closure and development of new mine sites
- Value addition to raw minerals before export as a way of increasing returns for the people of Kenya.

Mr Chairman,

The Mining and Minerals Policy has been developed having regard to the *Economic Recovery Strategy for Wealth and Employment Creation*, which sets out a strategy for economic growth and improvement of the standard and quality of life of all Kenyans.

The Policy will unlock the potential of the mining sector in Kenya by attracting new investment in the exploration for and extraction and rational use of mineral resources. Kenya will be able to compete for international investment effectively.

The Policy also seeks to ensure that mining operations are conducted in a socially and environmentally responsible manner.

The initiatives contained in the Policy are directed not only at large-scale mining but also at small-scale mining operations, which offer opportunities to support rural livelihoods and local entrepreneurship.

The Policy further focuses on removing the factors that presently prevent much small-scale mining activity from taking place in the formal sector, particularly the lack of access to finance and recognised minerals rights and incentives to operate legally.

Mr Chairman,

As part of the Kenya's strategy to improve efficiency and contribute on Mining Best Practices for ensuring sustainable development of mineral resources, we are faced with challenges on capacity building and promotional activities which include:

A) Capacity Building

- ✓ Human resources development in terms of staff establishment levels and training
- ✓ Equipment and technological acquisition and/or development
- ✓ Expansion of services of the Mines and Geological Department to the main mining districts
- ✓ Exploration of the currently unmapped areas for mineral deposits/occurrences, especially the grossly underdeveloped northern parts of Kenya

B) Promotional Activities

- ✓ Mineral investment promotions at both local and international levels aimed at attracting investments in the Minerals sector in Kenya
- ✓ Community sensitization on mining activities and benefits.
- ✓ An integrated approach to mining between miners, Kenya Chamber of Mines and the Government.
- ✓ Assistance to small scale mining entrepreneurs (SMEs)
- ✓ Encouragement to artisanal miners to register groups for easy monitoring and advice on best mining practices, especially where mercury is being used.

Thank you Mr. Chairman for the opportunity to make this intervention.