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Environmental Assessment

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# Advisory Review of the ESIA for the Proposed Expansion of Water and Sewer Services to Unserved and Underserved Areas in Nyeri County



25 January 2019  
Ref: 7218



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## Advisory Report by the NCEA

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<b>Title</b>	<b>Advisory Review of the ESIA for the Proposed Expansion of Water and Sewer Services to Unserved and Underserved Areas in Nyeri County</b>
<b>To</b>	The Netherlands Enterprise Agency (RVO.nl)/ D2B
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<b>Date</b>	25 January 2019
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# 1. Introduction

## **The project initiative**

The Nyeri Water and Sewerage Company Limited (NYEWASCO) has applied for financing from the Kenya Pooled Water Fund to expand water and sewer services to unserved and under-served areas in Nyeri County. The project is an extension of the existing water supply and sewerage services in Nyeri County and comprises drinking water and wastewater service provision. In addition, the project entails reinforcement and improvements of water supply mains in order to minimise current losses.

The overall budget is approximately 4.3 million EUR and the project's objectives are to add 1,300 new water connections, increase water production, increase sewer connections by 750 (households) and reduce non-revenue water (NRW) by approximately 1% per year in the projected area.

The project consists of:

- extension of existing water supply;
- extension of existing sewerage system;
- reinforcement / improvements of water supply mains;
- construction of 2 additional storage tanks of 2,100 m<sup>3</sup> for drinking water;

The proponent for this project is the Nyeri Water and Sewerage Company Limited (NYEWASCO). It operates under the Tana Water Services Board (TWSB). NYEWASCO has commissioned a consultant to conduct an Environmental and Social Impact Assessment (ESIA)<sup>1</sup> for the project. The consultancy contract was awarded to Norken International Limited.

In November 2018 the Netherlands Commission for Environmental Assessment (NCEA) was asked by RVO to review the ESIA report that was received on November 15<sup>th</sup>. The main purpose of this advisory review report is to give advice on the quality of the ESIA report and process and provide information for well-informed decision making by RVO. A draft of this advisory report has been discussed with RVO on the 25<sup>th</sup> of January 2019. The publication of the final advisory review is scheduled for the end of January 2019.

## **Approach taken by the NCEA**

This advice was prepared by a working group of experts acting on behalf of the NCEA<sup>2</sup>. The group comprises expertise in the following disciplines: (eco)hydrology, waste water management, social impacts and resettlement procedures. The advice was prepared without conducting a site visit.

The NCEA has reviewed the following version of the ESIA report:

- Environmental and Social Impact Assessment Report – Proposed expansion of water and sewer services to unserved and underserved areas in Nyeri County – August 2018.

For the review of the ESIA report the NCEA has made use of the following reference framework:

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<sup>1</sup> The term Environmental and Social Impact Assessment (ESIA) is used to emphasise that social aspects are included.

<sup>2</sup> The NCEA is an independent statutory body of experts based in the Netherlands and has provided independent advice on EIA in the Netherlands since 1985 and abroad since 1993

- Kenyan Laws and Regulations concerning Environmental Assessment, mandated by the National Environment Management Authority (NEMA).
- The IFC Performance Standards.

The objective of the ESIA is to provide information for well-informed decision making by RVO. The NCEA has reviewed the ESIA report.

### **NCEA Review and local EIA Process**

In order to receive the necessary permits, the project initiators will need to comply with Kenyan requirements for the ESIA-process and submit an ESIA to the Environmental Assessment Agency: National Environmental Management Authority (NEMA). The NCEA has been informed, that the same version of the ESIA (dated August 2018) that we have received for review, has also been submitted to NEMA. The NCEA has been informed that this ESIA has been received by NEMA on 14 September 2018, but has no knowledge of the NEMA's review conclusions or permitting decision.

The NCEA notes that there are provisions for public participation in the Environmental Management and Coordination Act (EMCA) and in the EIA and audit regulations. Particularly, during the review process, the EIA report must be made available to the public. Moreover, the public has to be able to submit written reactions on the EIA, and a public hearing may be held if NEMA deems this necessary.

In addition, the EIA guidelines in Kenya<sup>3</sup> state that public participation should be part of all the stages of EIA: the screening, scoping and review of an EIA report. The guidelines consider the proponent responsible for collecting the views of the public during these stages. During the screening phase, for example, the possibly affected people have to be informed about the project and consulted on their concerns. Their views will be incorporated into the project report that is used for screening.

Based on the above, the NCEA notes that the current ESIA might require additional information provision and consultation in order to comply with Kenyan EIA requirements and guidelines concerning public participation and consultation. The NCEA recommends utilising any such consultation requirements to augment the (too) limited consultation that has taken place so far.

### **Reading guide**

In chapter 2 the main findings of the working group are presented and explained. In chapter 3 the detailed findings are listed and explained.

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<sup>3</sup> For more information on Kenyan EIA guidelines, please consult the NEMA website on guidelines: [www.nema.go.ke](http://www.nema.go.ke).

## 2. Main findings

The NCEA finds that the Environmental and Social Impact Assessment (hereafter ‘the ESIA’) is set in a constructive framework, adhering to international standards. The report is strong on addressing various relevant elements and impacts that the project might and will have.

However, this ESIA contains some shortcomings. The NCEA concludes that the ESIA does not provide sufficient information to assess all relevant risks and impacts. In this chapter the NCEA sets out 4 key areas where the ESIA needs to be improved in order to meet the relevant good practice benchmarks. Detailed findings in relation to the IFC Performance Standards are described in chapter 3 of this advice.

The NCEA recommends that additional assessment work is undertaken and that the ESIA is supplemented to address the following shortcomings:

- **Water supply and waste water division:**  
More information should be provided on the impacts of the abstractions and river flows, as well as on the disproportionate extension of water supply versus waste water management which may cause problems for waste water management. Information is also lacking on the collection and conveyance of industrial wastewater in addition to domestic wastewater, including its treatment.
- **Stakeholder identification and consultation:**  
Stakeholder engagement is not addressed in the ESIA nor is it apparent that the ESIA was shared with relevant stakeholders such as WRA, the relevant WRUAs and PAPs.
- **Environmental and Social Management and Monitoring Plan (ESMMP):**  
The ESMMP is not complete in providing measures for the risks identified in the ESIA, nor does it fully allocate responsibilities or budget to each of the relevant actors.

These shortcomings are further elaborated below and recommendations to address these shortcomings are given.

### **Water supply and waste water division**

The project will increase water abstractions from the river Chania, up to the current full water treatment capacity. This will lead to an “Impact on River Chania surface flow”, as is stated in the ESIA. The increase is well within the existing water abstraction permit, however the potential negative impacts on the water availability to environmental use and other uses in the catchment needs to be addressed. The NCEA has not been able to ascertain if and how the potential impact of this level of abstraction was considered for the permit decision. No information was provided on the impact assessment undertaken for the permit.

Besides water supply, the project envisages to extend the waste water collection network in the targeted area. At present, sewerage is provided for 25% of the population in the area comprising 7,577 connections in total. Those who are not connected to the sewer use either septic tanks, pit latrines or ventilated improved pit latrines. The ESIA does not provide uniform information nor data that enables determination of the exact amount of people connected to the sewer before and after project implementation, nor of how many people will be

dependent on alternative on-site solutions. There seems to be confusion in numbers that needs to be clarified.

From the figures and numbers stated in the ESIA there seems to be a mismatch in water supply and sewerage connections. Sewer connections lag behind drinking water provision in the entire project. This implies that as a result of more connected households to drinking water, more waste water will be produced in the targeted area. This raises questions of how this increase in waste water will be managed and how the risk of increased waterborne diseases, will be mitigated. The ESIA lacks information and data to substantiate these risks and lacks mitigation measures to address impacts.

The ESIA mentions that the presence of breweries and dairy industry in the targeted area. It is not clear from the ESIA if current industrial waste water, from these locations will be treated by the existing municipal sewage treatment plants Nyeri and/or Gatei or will be treated by wastewater treatment plants constructed (or to be constructed) at the industrial sites. Industrial wastewater is far more concentrated than domestic wastewater from households and differs in terms of composition. This raises questions if the current Sewage Treatment Plants are designed for both industrial and domestic wastewater treatment and if these are sufficiently capable of treating these industrial waste waters without compromising its efficacy for the domestic wastewaters. This should be further specified and indicated with clear figures to avoid severe environmental problems occurring from possible capacity limitations at the municipal sewage treatment plants. The Environmental, Health and Safety Guidelines concerning wastewater<sup>4</sup> state clearly that both quantity as well as composition of waste water require adequate solutions and measures.

It is recommended that the ESIA provides more information on the impacts of increased water abstraction and consumption as a result of the proposed extension of water supply. The ESIA should provide clear information and data on people both actually connected to sewage networks and in the projected extensions plans. Furthermore, clarifications should be given if the increase in connections to the sewage network correspond with the projected extension plans. Also, the ESIA should make a clear distinction between industrial and domestic waste water discharges and indicate if existing treatment capacity at Nyeri and Gatei is sufficient for treating both sources and whether these are covered by actual or by the proposed extension activities. If the current waste water treatment capacity does not suffice to treat the increased amount of waste water and the different compositions of waste water, adequate mitigation measures should be presented.

### **Stakeholder identification and consultation**

The ESIA is lacking a Stakeholder Engagement Plan which would list all stakeholders and their particular interests in the project, as well as roles and responsibilities where relevant (reference is made on page 7 – Chapter 5, but no SEP is included). Consequently, key institutions and communities may not be in view, and human and financial capacity to meet stakeholders' rights may not be secured. Both the SEP and its process deliver essential input and guide the ESIA as to how stakeholders' involvement and support is guaranteed.

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<sup>4</sup> For more information on the EHS-Guidelines of the IFC: [https://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/sustainability-at-ifc/policies-standards/ehs-guidelines](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/ehs-guidelines).

The ESIA briefly mentions the most significant water agencies and experts but does not appear to include them in the (public) participation process. Nor does the ESIA make reference to other government stakeholders e.g.: Public Health, Ministry of Land, and the measure of their interest or involvement. Given the fact that the project will increase the total water abstraction and the treatment capacity, and thus an impact on water resources in the catchment is to be expected, WRA and the related WRUAs should have been consulted.

The ESIA refers to initial consultations with 22 individuals and one sub-location meeting attended by a further 22 people during the preparation of the ESIA. It would appear that both the ESIA and ESMMP were not adequately shared with public nor with its stakeholders. This prevents correct consultation and verification by the public to take place. The ESIA does not demonstrate a stakeholder engagement process whereby full project information or key issues were presented and discussed in public meetings with Project-Affected Peoples (PAPs) and stakeholders. The ESIA should further disaggregate participants to indicate how many were potentially directly or indirectly impacted, government or local authorities and who were members of a general public, and numbers of women and vulnerable groups.

Reading from the ESIA, it appears that certain stakeholders expect that the project has the following impact: "Increased agricultural productivity due to availability of water for irrigation". This raises the question whether stakeholders were well-informed on the actual objective of the project.

Furthermore, minutes of the meetings held do not describe sharing of information on employment opportunities: numbers of people to be employed, nature of jobs, encouragement to women, explanation of Employment and Gender Policies; nor cost of provision of water connections and supply. The ESIA does not provide a form nor objective of either a project-related or a labour Grievance Mechanism.

It is recommended that the ESIA include a full Stakeholder Engagement Plan which would identify all relevant authorities and institutions as well as impacted populations. This Plan could deliver important input for the ESIA as to how stakeholders' involvement and support is guaranteed. The public consultation process needs to be inclusive of all PAP's (including vulnerable groups, women and minorities) and provide evidence of compensation rates as well as a full description of related project and labour grievance mechanisms.

### **Environmental and Social Management and Monitoring Plan (ESMMP)**

The impacts described in the ESIA are generalized and do not correspond consistently with the ESMMP, thus it is difficult to correlate proposed mitigation measures with a clear matrix of risks. With the ESIA lacking certain information e.g.: size of labour force, it is difficult to ascertain the scale and scope of all potential needs and therefore associated risks e.g.: impacts of any influx of labour, HR needs, Waste Management Plan, Traffic Management Plan, grievance procedures, Codes of Conduct PPE and Gender Plan. The ESIA should provide more insight of the potential needs, the ESMMP needs to address the associated risks and to be specific on compensation rates and numbers of people eligible.



Furthermore, The ESMMP does not provide a project organisational structure which defines roles and responsibilities and authority to fulfil designated responsibilities. Various stakeholders and organisations are mentioned in the ESIA, but no clear distinction of their respective responsibilities is stated nor their capacity to fulfil the related tasks in the ESMMP.

The ESIA would benefit from a clear overview of the relevant governance structure and the institutional setting, inclusive of any operational consequences and the allocated responsibilities in the ESMMP.

It is recommended that the ESMMP is reformatted to include details of each risks identified in the ESIA and attendant mitigation measure, as well as assigning clear roles and responsibilities to agencies whose financial and human capacity has been considered in the ESMMP. This should also include a clarification on the roles and responsibilities of all the stakeholders involved and give more insight into the institutional setting in which the project operates.

### 3. Detailed findings

The ESIA includes a general summary of each of the IFC Performance Standards<sup>5</sup>, with a reference to the respective chapter in the ESIA. However, the assessment and proposed mitigation does not meet the relevant IFC Performance Standards.

The NCEA has considered the ESIA for the project with regards to the IFC Performance Standards and concludes that Performance Standards 1– 6 are relevant for this project. PS 7 does not seem to apply. In Annex 3, a Sample Chance Find Procedure to correctly address PS 8 is included. This ensures that during the construction works, the encounter of cultural heritage will be handled according to IFC PS 8.

In the following sections, the objectives of the respective IFC PSs are presented in a box<sup>6</sup> followed by the shortcomings in the ESIA.

The NCEA recommends remedying these shortcomings in the next version of the ESIA study.

#### 3.1 PS 1 – Assessment and Management of Environmental and Social Risks and Impacts

**Objectives PS 1:**

- To identify and evaluate environmental and social risks and impacts of the project.
- To adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimize and where residual impacts remain, compensate/offset for risks and impacts to workers, Affected Communities, and the environment.
- To promote improved environmental and social performance of clients through the effective use of management systems.
- To ensure that grievances from Affected Communities and external communications from other stakeholders are responded to and managed appropriately.
- To promote and provide means for adequate engagement with Affected Communities throughout the project cycle on issues that could potentially affect them and to ensure that relevant environmental and social information is disclosed and disseminated.

To comply with PS 1, the following should be addressed:

- Neither the ESIA nor the ESMMP seems to have been shared with PAPs and stakeholders.
- The Report does not describe a project organisational structure which defines roles and responsibilities and authority to fulfil designated responsibilities;
- The ESIA lacks the Stakeholder Engagement Plan (referred page 7, Chapter 5) which would include a complete list of stakeholders which identifies and considers their respective interests in the project, roles assigned and capacity to deliver on those roles. Both the Plan and its process could deliver important input for the ESIA as to how stakeholders' involvement and support is guaranteed.

<sup>5</sup> For a full description and explanation of the IFC Performance Standards: [https://www.ifc.org/wps/wcm/connect/Top-ics\\_Ext\\_Content/IFC\\_External\\_Corporate\\_Site/Sustainability-At-IFC/Policies-Standards/Performance-Standards](https://www.ifc.org/wps/wcm/connect/Top-ics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/Performance-Standards).

<sup>6</sup> Each Performance Standard that is addressed and of which the objectives are stated, is derived from: IFC Performance Standards on Environmental and Social Sustainability, IFC World bank Group, January 2012.

- Despite its reference to a Grievance Mechanism, the ESIA does not describe the composition, structure or procedures of any project related Grievance Mechanism.
- Public consultation was inadequate, limited to one-to-one questionnaire interviews, lacking discussion with all PAPs and stakeholders, description of project to PAPs in all areas, expression of public concerns, discussion of mitigation / compensation / opportunities.
- Upstream and downstream populations / water users are not considered nor appear to have been consulted.
- The ESMMP should list each of the risks identified and propose measures for everyone in order to achieve a specified desired outcome as a measurable event that can be tracked. In addition, the ESMMP should assign roles and responsibilities to each given task and provide an estimate of financial and human resources required to fulfil the project obligations. As such, the ESMMP is incomplete.
- The ESMMP (Section 7) relates to risks identified in the ESIA (Section 6) but does not specify them in its matrix, making it difficult to correlate the information.
- Monitoring schedules must include checks for additional environmental and social risks emerging during a project cycle and propose further mitigation measures. These would then be added to the ESMMP and reported on as part of the ongoing monitoring exercise.

### 3.2 PS 2 – Labour & Working Conditions

#### **Objectives PS 2:**

- To promote the fair treatment, non-discrimination, and equal opportunity of workers.
- To establish, maintain, and improve the worker-management relationship.
- To promote compliance with national employment and labour laws.
- To protect workers, including vulnerable categories of workers such as children, migrant workers, workers engaged by third parties, and workers in the client's supply chain.
- To promote safe and healthy working conditions, and the health of workers.
- To avoid the use of forced labour.

The size and composition of staff to be recruited, will determine the scale of HR- and attendant policy requirements. However, the NCEA notes that this aspect is not yet fully addressed. The following is lacking:

- The ESIA provides no information regarding the projected size or requirements of the labour force, nor the employment period, which information would determine the scale of project requirements for HR and employment, number of sub-contractors, gender, child labour policies.
- There is no statement nor procedure regarding training and recruitment of local labour. Although the Report states that most labour will be drawn from local community.
- Information on Contractor's Human Resources capacity, training opportunities, scale of medical support is absent and should be provided.
- Regardless of the size of the labour force, the project is required to establish a grievance mechanism for workers which should be described in the ESIA in terms of accessibility, composition and means for addressing the disputes.
- On page 50, physical hazards and need for Health and Safety Plan are identified. This plan should be included in the ESIA documents.

### 3.3 PS 3 – Resource efficiency & Pollution Prevention

**Objectives PS 3:**

- To avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from project activities.
- To promote more sustainable use of resources, including energy and water.
- To reduce project-related GHG emissions.

Concerning PS 3, the following observations are made:

- The project will lead to an increase in abstraction of water from the Chania river water. The increase is well within the existing water abstraction permit, however the NCEA has not been able to ascertain if and how the potential impact of this level of abstraction was considered for the permit decision. No information was provided on the impact assessment undertaken for the permit. Consequently, the ESIA should address the potential impact of the increase in water uptake on the streamflow and water resources available for environmental use and other uses downstream. On the basis of the information that has been provided so far, the NCEA supposes that the amount of water to be extracted is limited, in relation to the size of the river. This could mean that the potential negative impacts are likely to be negligible, and that detailed assessment (such as environmental flow calculations) are not necessary. However, such a conclusion will need to be substantiated in the ESIA. And if it cannot be substantiated, the additional assessment of impacts on other water uses will need to be undertaken.
- Given the fact that water consumption will increase, PS3 requires that the client proposes technically feasible water conservation measures within the client's operations, to guarantee efficient use of water resources. Possibly NYEWASCO has such water conservation program already in place, but then these should be mentioned and summarized in the ESIA.
- Increased wastewater production owing to increased (household) connections will increase pressure on the current and future wastewater collection and treatment capacity. Since the number of new water connections exceeds the number of new sewer connections, the mismatch between water supply and wastewater collection further aggravates. From the ESIA it is not clear what will be done with the excess of wastewater.
- Non-controlled discharges of non-collected wastewater may lead to human and environmental health constraints. In addition, uncontrolled stabilisation of wastes in environmental sinks may result in uncontrolled methane emissions to the atmosphere. Considered the huge impact of the greenhouse gas methane (28 times CO<sub>2</sub> impact, on a 100 year horizon), potential uncontrolled methane emissions need to be addressed.
- According the ESIA, industrial wastewaters coming from a brewery and a dairy industry will be included into the extended sewerage network. It is, however, not clear whether the mentioned industries will pre-treat their wastewater on their own premises before discharge to the sewer. It must be noted that industrial wastewaters from the mentioned industries are a factor 10–20 more concentrated than domestic sewage. In addition, their specifications are very different from household wastewater. Therefore, the discharge of raw (non-pre-treated) industrial wastewaters may severely impact the functionality of the existing wastewater treatment systems. The impact of these wastewaters on the current wastewater treatment plant should be better described. In case the industries do pre-treat their wastewater, the ESIA should present information how and who will control the industrial discharges into the sewer in order to prevent problems at the municipal sewage treatment plants.

- The ESIA presents a brief and limited climate change assessment. It seems that the expectation is that rainfall will increase, which could lead to an improvement in water availability. However, it is correctly stated that it is generally expected that climate change will increase extremes, which may lead to flood events damaging the planned infrastructure and periods of no rainfall/droughts that may impact water demands. The ESIA should thus consider this risk in the design where necessary, by including a higher safety margin.

### 3.4 PS 4 – Community Health, Safety & Security

**Objectives PS 4:**

- To anticipate and avoid adverse impacts on the health and safety of the Affected Community during the project life from both routine and non-routine circumstances.
- To ensure that the safeguarding of personnel and property is carried out in accordance with relevant human rights principles and in a manner, that avoids or minimizes risks to the Affected Communities.

In reference to PS 4 the following observations are made:

- Public Health Services (devolved function of the County Government) should assist in the process of identifying as well as assessing project-related risks and costing of mitigation measures. These are noted in the ESIA but not explored, for example: solid waste management / disposal; contaminated air emissions; water pollution, traffic congestion and dust.
- The ESIA refers to risks of HIV from the influx of workers and the local population but it is not clear who is ultimately responsible to provide medical support or awareness. No description of Policy, intended training support; or potential role of Public Health department is indicated.
- ESIA does not mention any risk of communicable diseases other than HIV, not only as a result of labour influx but also the risk of increased waterborne diseases, particularly if sewerage provision does not match the increased water supply to the area.
- What risks are associated with either private or public security personnel? And how will grievances about their arrangements and behaviour be addressed?
- Hygienic quality parameters need to be checked for the periphery of the network. The control assays seem to lack pathogen analysis, which is necessary to safeguard the quality of drinking water (paragraph 2.8, page 19).
- On page 21, storm water channels are mentioned to be prone to clogging. Therefore, regular maintenance to prevent clogging is proposed, but it is unclear how this will be arranged in practice.

### 3.5 PS 5 – Land Acquisition & Involuntary Resettlement

#### Objectives PS 5:

- To avoid and, when avoidance is not possible, minimize displacement by exploring alternative project designs.
- To avoid forced eviction.
- To anticipate and avoid or, where avoidance is not possible, minimize adverse social and economic impacts from land acquisition or restrictions on land use by (i) providing compensation for loss of assets at replacement cost and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected.
- To improve, or restore, the livelihoods and standards of living of displaced persons.
- To improve living conditions among physically displaced persons through the provision of adequate housing with security of tenure at resettlement sites.

In contrast of what is stated in the ESIA, PS 5 applies to this project and should therefore be incorporated in the assessment and the following observations are made:

- The ESIA states that there will be no need to acquire private land permanently for the Project as all infrastructure development will be on public land. However, all potential land use and local impact needs to be explained in detail. This includes both the private or public need for acquisition of land, and land needed for structural as well as temporary use (borrowed for quarries, construction campsite and access roads)
- The ESIA does not expand on the minimal information regarding Land acquisition for reservoirs that is referred to in Table 2.1 of the ESIA report. An ESIA requires full details of current and anticipated land use, affected populations, risks and mitigation including a possible Resettlement Action Plan and attendant costs/compensation for both physical and economic displacement.
- The ESIA refers to the majority of the affected population having title to land. It does not refer to the possible rights of the non-titled population, such as customary rights or those which may have been granted to the IDPs (Internally Displaced Persons in Kieni Constituency, mentioned in the introduction). Over 85% farmers have Title Deeds, thus 15% are non-titled. 8% of the population are landless. An ESIA requires clear statement as to how these populations may be affected and, if resettlement required, what steps are taken to resettle / compensate whether titled or non-titled. It is possible that some may have been occupying public land for farming for generations and will have certain rights that need to be assessed. A Land Use Plan for the extent of the project works would help to understand this better.
- The ESIA refers to temporary disruption to traders including removal of structures and loss of livelihood (p71). IFC PS-5 refers to economic as well as physical displacement, temporary or permanent restrictions on land use and encourages voluntary negotiation with those affected as well as full compensation for loss of assets. The ESIA refers only to the need to make compensation. It requires reference to compensation rates, and the ESMMP should provide an estimated cost.
- There is no evidence of public collaboration on design of any Resettlement and Livelihood Restoration Plan, nor the proposed compensation rates and how these are established / agreed, nor grievance mechanism to resolve disputes arising.

### 3.6 PS 6 – Biodiversity Conservation & Sustainable Management of Living Natural Resources

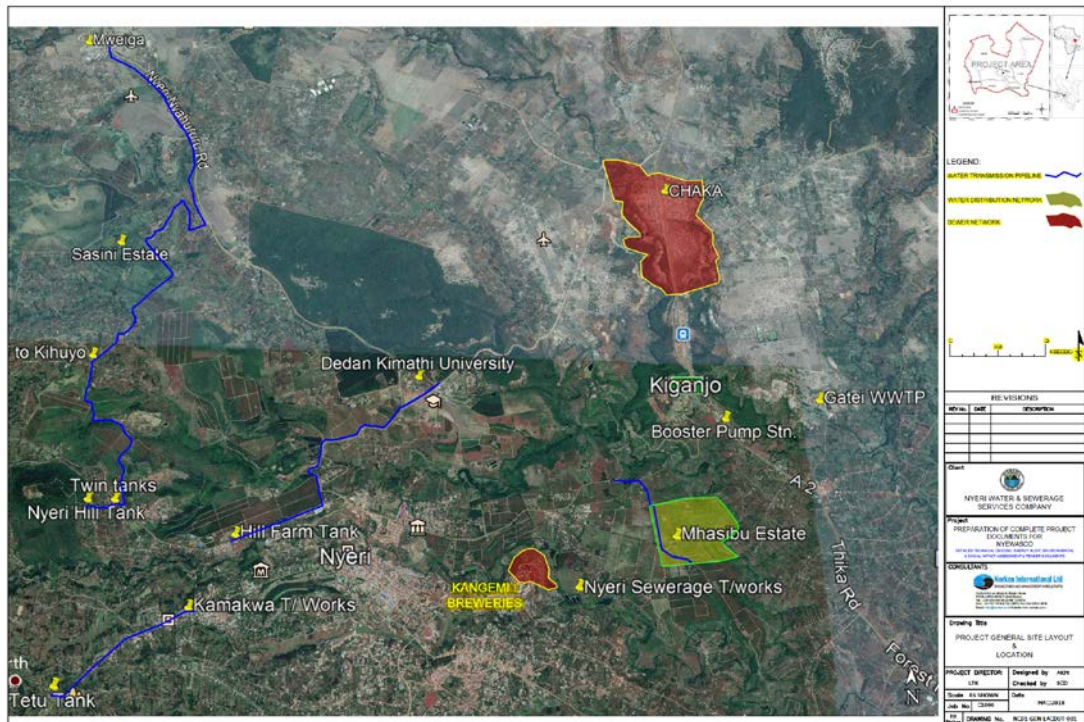
**Objectives PS 6:**

- To protect and conserve biodiversity.
- To maintain the benefits from ecosystem services.
- To promote the sustainable management of living natural resources through the adoption of practices that integrate conservation needs and development priorities.

Concerning PS 6, the following observations are made:

- The ESIA contradicts itself, stating that biodiversity issues do not play a role at all for this project and that PS6 is not triggered. At the same time the ESIA states that “Riparian vegetation associated with rivers Chania and Nairobi and other seasonal rivers in the project area is considered the most sensitive vegetation in the Project area. These habitats might be affected by laying of project infrastructure and creation of access roads.” This contradiction should be corrected and adequate mitigation described.

## Annex: Project location



Source: Environmental and Social Impact Assessment Report, Proposed expansion of water and sewer services to unserved and underserved areas in Nyeri County, Norken International Ltd. – August 2018 (Annex 2)