OVERVIEW: NATURAL RESOURCES
BENEFIT SHARING BILL, 2018

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CONTENT

Bill for Introduction into the Senate —

The Natural Resources (Benefit Sharing) Bill, 2018 .......................................................... 561
PART I—PRELIMINARY

1—Short title.
2—Interpretation.
3—Application of the Act.
4—Guiding principles of benefit sharing.

PART II—FUNCTIONS OF THE COMMISSION ON REVENUE ALLOCATION

5—Functions of the Commission.

PART III—COLLECTION OF ROYALTIES AND FEES

6—Imposition of royalties and fees.
7—Kenya Revenue Authority to collect royalties.
8—Revenue sharing ratio.

PART IV—BENEFIT SHARING AGREEMENT

9—Benefit sharing agreement.
10—Establishment of a County Benefit Sharing Committee.
11—Functions of a County Benefit Sharing Committee.
12—Approval of a Benefit Sharing Agreement.
13—Local Community Benefit Sharing Forum.

PART V—FINANCIAL PROVISIONS

14—Natural Resources Royalties Fund.

PART VI—MISCELLANEOUS PROVISIONS

15—Use of retained funds.
16—Offences.
17—Transitional provisions.
18—Power to make Regulations.
Establish *system of benefit sharing* of Natural Resources exploitation between exploiters, the national government, county governments & local communities
Which Natural Resources?

a. Sunlight
b. Water
c. Forests, Biodiversity & genetic resources
d. Wildlife
e. Industrial fishing
f. Wind

(Minerals, fossil fuels, surface and ground water excluded)
Institutions Involved

1. Ministry of Mining
2. Commission on Revenue Allocation
3. Kenya Revenue Allocation
4. County Benefit Sharing committees
5. Local community Benefit Sharing Forum
Benefit Sharing Ratio

100% Natural Resource Royalties

- 20% Sovereign Wealth Fund
  - 60% Future Funds
  - 40% Natural Resources Funds

- 80% National & County Governments
  - 60% National Govt
  - 40% County Govt
  - 40% Community Project
  - 60% County projects
Key Issues to Consider

1. Uncertainty on nature of exploitation/use of the NRs subject to benefit sharing (commercial, subsistence)

2. Some NRs considered private or community owned or managed e.g. forests, & wildlife

3. NRs benefit sharing management under the Cabinet secretary for mining

4. Functions of Commission on Revenue Allocation too broad
Key Issues to Consider (contd)

1. Silent role of national agencies managing and licensing NRs exploitation/use
2. Process to develop benefit sharing agreements
3. Multiple institutions involved in the benefit sharing
4. Multiple funds at national level (Natural Resources Royalties Fund, Futures Fund, sovereign wealth fund, Natural resource fund)
9. Role of county government to develop benefit sharing agreements for NRs under national government responsibility e.g. wildlife

10. High benefit sharing ratio to national government

11. Very minimal benefit ratio to communities especially those involved in managing the natural resource

12. Communities minimal bargaining power on benefit sharing ratio

13. Limited independence of communities to develop and manage their local benefit sharing forum

14. Unclear and Inconsistent definitions with relevant natural resource laws e.g. affected entity, communities, exploitation,
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