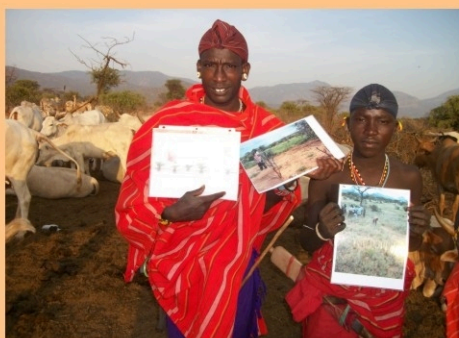


THE CONTRIBUTION OF THE RURAL ECONOMY OF LAIKIPIA as the BASIS OF A MODEL COUNTY



A discussion document designed as input to the
Laikipia County Government planning process

September 2013

BACKGROUND AND RATIONALE FOR THE STUDY

The contribution of the rural economy to the development of the County is not well documented. By increasing understanding of its strengths and weaknesses, opportunities for the County Government to harness and maximise its potential to help achieve the desired future for Laikipia can be identified.

This document summarises findings of a comprehensive study recently carried out within Laikipia using existing literature, some 200 interviews and expert knowledge. The study explored the financial, social and environmental contributions of the rural economy through the lens of current land uses. The sustainability and potential of land uses in the context of climatic constraints was also discussed.

At the heart of the document are two questions:

- **How does and how will the rural private sector support the County Government to work more effectively within Laikipia's geographical and climatic constraints?**
- **How can the County Government support the rural private sector to work more effectively and contribute further to achieving the County Government goals and the Laikipia Vision?**

'THE FUTURE WE WANT': A WORKING VISION FOR LAIKIPIA COUNTY

The vision articulated by the new County Government is
“a peaceful and prosperous model county”

Unpacking what Laikipians might want for their lives; what is required to sustain that; and what needs to be done to make it happen will help implement and achieve this vision.

What do Laikipians want to achieve?	What does Laikipia need to have to achieve the desired Laikipia?	What do we need to do to achieve the desired Laikipia?
<ul style="list-style-type: none"> • Good health (physical and emotional) • Stable families and communities • Peace and security • Prosperity • Respect for all, by all • Maintain open spaces • Pride in Laikipia 	<ul style="list-style-type: none"> • Food security • A productive environment (covered soils, high fertility, flowing water) • Good quality education • A meaningful occupation for all • Good services and infrastructure • Shared values • Enterprising people who know how to work together • Equal opportunities for all 	<ul style="list-style-type: none"> • Build a common sense of purpose • Restore and enhance land health • Good knowledge, information and decisions on the best options for Laikipia • Produce good leadership • Participation and responsibility by all in what affects them, and authority to take on these responsibilities • Strong networks linking groups of people

What is special about Laikipia?

- Laikipia is unique and attractive because of its **DIVERSITY**: diversity of people, cultures, landscapes, climate, habitats, wildlife, partners and opportunities. Diversity is an asset that can stimulate long term development, and ensures Laikipia is representative of Kenya as a whole.
- The new Governor has expressed the desire for Laikipia County to be a **MODEL** of sustainable development.
- Laikipia is a place where high levels of **PARTNERSHIP and GOODWILL** between different groups already exist; partnerships that can be further enhanced through the County system of government.

KEY FACTS AND FIGURES ABOUT LAIKIPIA

- Laikipia is 9,700 square kilometres, that is 970,000 hectares or 2.4 million acres.
- The rural economy of Laikipia is mainly based on farming, livestock and increasingly on tourism. Industry is still a small sector.
- Rainfall varies between 1200 mm (in pockets in Laikipia West) to 400mm in northern Laikipia. Life depends on two main water catchments, Aberdares range and Mount Kenya. Water is a scarce resource and over abstraction upstream creates conflicts.
- **90% of Laikipia is “high and dry”**: mostly too dry and/or too high for cultivation. The map below shows human population (red dots) and land use; and shows that the County falls mainly under agro-ecological zones LH5 ('Highland Ranching zone'), UM5 ('Livestock-Sorghum zone') and UM6 ('Midland Ranching zone'). The Nyahururu zone is the only area which has real natural potential for cultivation.
- Despite this, the highest proportion of land under cultivation occurs in the 'LH5' semi- arid ranching zone. As such, most of Laikipia's farming is marginal, with detrimental effects on people and environmental health.

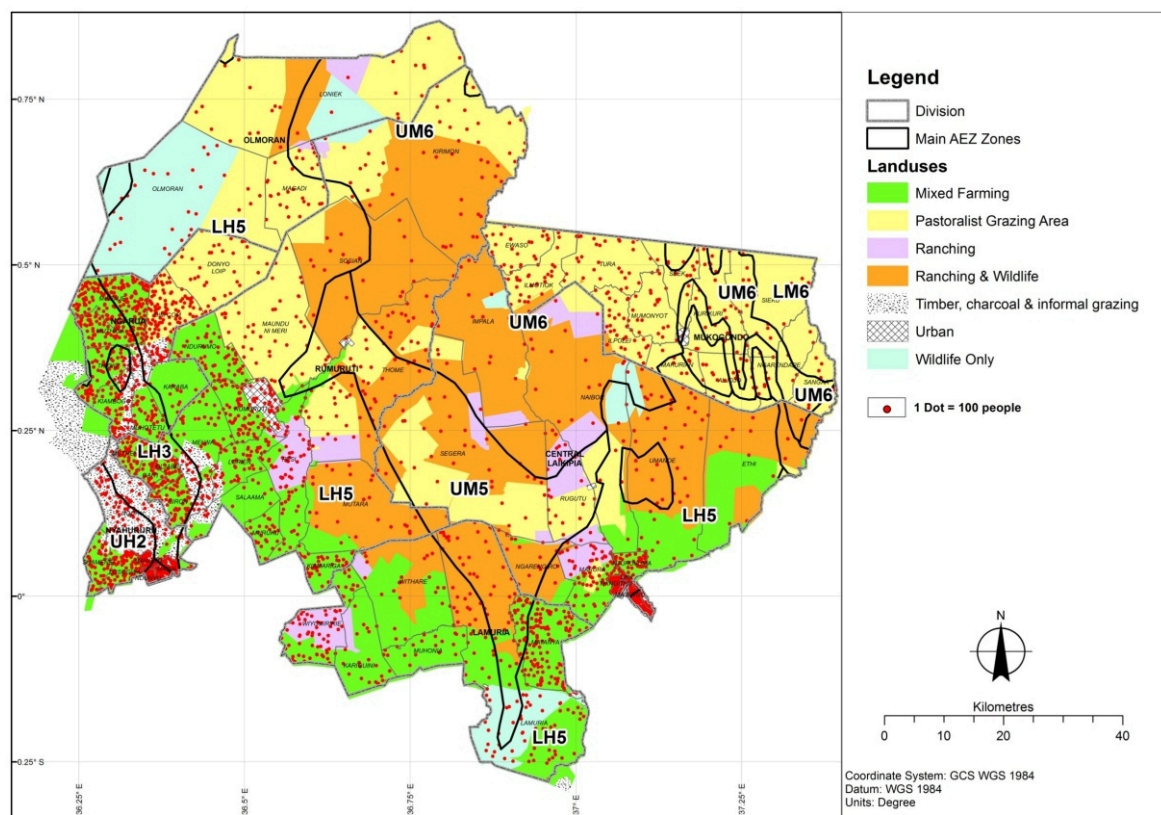
Land use in Laikipia as percentage of area

37% of Laikipia is under large scale ranching, with owners of both African and European origin, mostly in the ranching zone.

32% is under pastoralist grazing use, on group ranches and “abandoned” lands in semi arid and arid areas.

21% is under small holder farmers, mostly rainfed; and 0.1% is under large-scale intensive horticulture (flower & vegetable) farms. Farming occurs **mostly in the ranching zone which has low cultivation potential**.

Approximately 5% of the county is under wildlife tourism exclusively.



- A diverse population (Kikuyu, Meru, Maasai, Samburu, Turkana, European, Indian) of approximately 400,000 people, **projected to increase by 50% by 2030**. 50% live in Laikipia West (higher agricultural potential); **76% are rural**.
- **15.9% of Laikipia children under 5 are malnourished**. The least food secure areas are Mukogodo and Lamuria, with up to 50% of the population in need of food assistance. Nyahururu was the only food secure division in the County in the 2012 long rains.
- Education levels vary across the County. In the northern parts, 46% of the population has not been to school compared to 11-16% in other parts.
- Approximately 240,000 acres of land in Laikipia are abandoned by 85, 000 owners. The land was bought from land buying companies in the 1970s but, unsuitable for agriculture, was abandoned. Used by pastoralists mainly, abandoned lands create management vacuums where conflicts occur, especially at times of drought and dry seasons. The relatively free access to these lands also results in unsustainable resource use.

CONTRIBUTION OF THE RURAL ECONOMY TO LAIKIPIA'S SUSTAINABLE DEVELOPMENT

Key findings: Agriculture is the pillar of Laikipia's economy. Small-scale cultivation supports the most people; however, it is often not profitable and increasingly unviable due to the marginal climatic conditions it is carried out in. The anticipated impact of climate change over the next 30 years further threatens its viability. Currently, horticulture, mixed ranching, tourism are profitable and pastoralism to some degree. Horticulture, ranching and tourism provide most of Laikipia's taxes and have, to some extent, increasingly taken on responsibility for the county's social development. Small holder farming and communal rangelands (pastoralism) generate most of Laikipia's food value. Private ranches generate high values for ecosystem services (i.e. water supply, soil erosion regulation, water treatment, gas regulation, pollination and soil formation).

There is room for ranching and pastoralism to become more productive and profitable; tourism has the potential to grow significantly in future, given global trends and the uniqueness of Laikipia's tourism product; and small scale farming needs to become more sustainable, which will deliver greater productivity.

Small holder cultivation

Small holder farmers grow some 70% of the food they need; they rely on other sources of income for the balance; the majority of Laikipians are occupied in this sector; and local inputs make up approx. 50% of the value of their crops. Small holder farmers also employ casual labour at peak times providing sources of income for local people.

- Small holder mixed farming produces food with an estimated value of **9 to 18 Bn Ksh** per year (including own consumption).
- **4-7 Bn** is spent in supplies, inputs, salaries. **1 Bn spent on mostly casual labour.**
- **80,000** approximately involved in small holder farming, approx. 50% of small holder farmers employ casual labour at peak times.
- Overall average gross returns of **30,000 Ksh per acre** (including sales and own consumption of livestock products, crops, fuelwood collection with high variability 10,000-90,000 Ksh per acre).
- Returns per acre are **2-3 times higher under irrigation, where agricultural potential is highest (Nyahururu); and up to x2 where conservation agriculture** is practiced (low/no till, mulching, etc.).
- Small holder farmers pay VAT retail products but very little direct production taxes. The bulk of taxes paid in the sector are generated by traders moving products.
- Constraints: water scarcity, declining fertility due to unsuitable practices to climate and soil conditions, reduced profitability, market access in numerous areas, low quality of farm inputs, land fragmentation in some areas, only households in highest potential areas are food secure. Climate change is predicted to exacerbate these constraints.
- Small holder farmers feel they have potential to increase productivity, especially in high potential zones, by improving farming practices (conservation agriculture) and increasing inputs, except in Tigithi and Withare areas (LH5) where performance is perceived to be at the maximum possible.
- The sector is generally found to be **unsustainable** when considering social, economic and environmental factors, mostly because it is carried out in areas with low farming potential (Lh5).

Large-scale farming

Larger scale extensive farming returns are lower, but costs are lower and these are profitable in areas where small holder farming struggles. This is partly due to using conservation agriculture. In addition to paying national and council taxes and levies, larger scale extensive farming have surplus that they can invest in development of communities around them (education, water infrastructure, WRUA support, outreach with regards to farming practices).

Using suitable practices to the climate and soil conditions can have significant impacts on yields. For example, Lengetia farm is able to harvest crops when rains fail in the area, and gets a minimum of double the yield of other farms in the area in good rains.

Farming land in Laikipia generates **20 times more** food value than private ranching but is generally environmentally unsustainable and has low economic viability due to existing constraints.

The additional **ecosystem service value** of farmland (e.g. Soil formation, water retention and regulation, pollination, etc.) estimated to be **850 Million Ksh per year (approximately 1,720 Ksh per acre)**; equivalent to approx. 12% of the sector's average net food value.

Commercial horticulture

The horticultural sector provides the highest returns and employment rates per acre but there are high barriers to entry to this sector: large capital investment is needed in order to ensure water access and adequate infrastructure. Practices used in horticulture in Laikipia are often innovative to mitigate climatic constraints. Inputs are bought locally and nationally, they pay corporate tax, PAYE, levies and council taxes. Access to market is key for profitability of this land use (good roads network).

- Intensive horticultural land use generates an estimated **1.8 to 3.7 Bn** ksh per year and represents small acreages in Laikipia due to unsustainable and has low farming potential (5 farms).
- **1-2 Bn** is spent in supplies, inputs and equipment. Partly at the national level, partly at local level.
- **At least 500 Million spent on wages per year.**
- **Highest rate of employment per acre (1 to 4).** Estimated up to 6,000 people employed in the sector (including casuals) mostly from local area.
- Overall average gross returns of **2 to 4.4 Million Ksh per acre** (floriculture, export vegetables).
- Estimated **55 Million paid in taxes per year including VAT.**
- Constraints: requires high investments to enter the land use, in Laikipia it is partly carried out in semi arid areas with low potential for cultivation.
- Intensive agriculture is generally unsustainable environmentally especially in marginal lands due to high water needs; a relatively carbon footprint; and high input and fertiliser use causing pollution and soil degradation. Due to market, legal and peer pressures most intensive farms in Laikipia have adopted water storage and conservation methods to ensure efficient water management; they increasingly adopt sensitive chemical application regimes, integrated pest management systems and most recycle water to reduce pollution threats, preserve soil organic matter and increase sustainability.

Pastoralism

Livestock provides gainful occupation to the majority of people in pastoralist areas. Pastoralists employ labour, thus to a certain degree creating local jobs, and inject cash in the economy through purchasing inputs. They also pay council taxes through CESS and market taxes.

- Pastoralists produce food in semi arid and arid areas of **1 to 2 Bn Ksh** per year (including own consumption).
- **0.5 to 1.2 Bn** is spent on supplies, inputs, salaries. **52 Million to 200 Million per year is spent on labour.**
- 30,000 people approximately depend on pastoralism in Laikipia. **One third of pastoralist households employ herders and casuals (Approx. 9,000 people).**
- Overall average gross returns estimated to be **1,000-3,000 Ksh per acre** (including milk, meat, fuelwood collection for sale and own consumption).
- Pastoralist pay CESS to the County Council, however minimal other taxes, estimated at **32 million per year.**
- Pastoralists rely mostly on their livestock for income. However, they increasingly diversify income sources to cover livelihood needs. There is high food insecurity.
- Community based tourism generates, through operations and philanthropy, at least **117 Million Ksh** (10% from tourism activity, 90% from philanthropic sources). Income generated is used to fund Group Ranch development.
- Constraints: water scarcity; management practices; land degradation; increased reliance on agricultural products given declining terms of trade between livestock and agricultural products; decline of traditional support systems; insecurity of land tenure (in abandoned lands there is no security of land tenure, whilst the future of group ranches is uncertain).
- 50% of pastoralists interviewed feel there are opportunities to increase productivity by changing management practices, particularly conservation grazing.
- Overall the sector is found to be unsustainable on abandoned lands as well as Group Ranches when considering social, economic and environmental aspects.

The estimated value of **ecosystem services other than food** generated by communal rangelands is **510 Million Ksh per year**, approximately **690 Ksh per acre**; equivalent to approx. **45% of the sector's average gross food value.**

Commercial livestock ranching / and mixed livestock-wildlife ranching

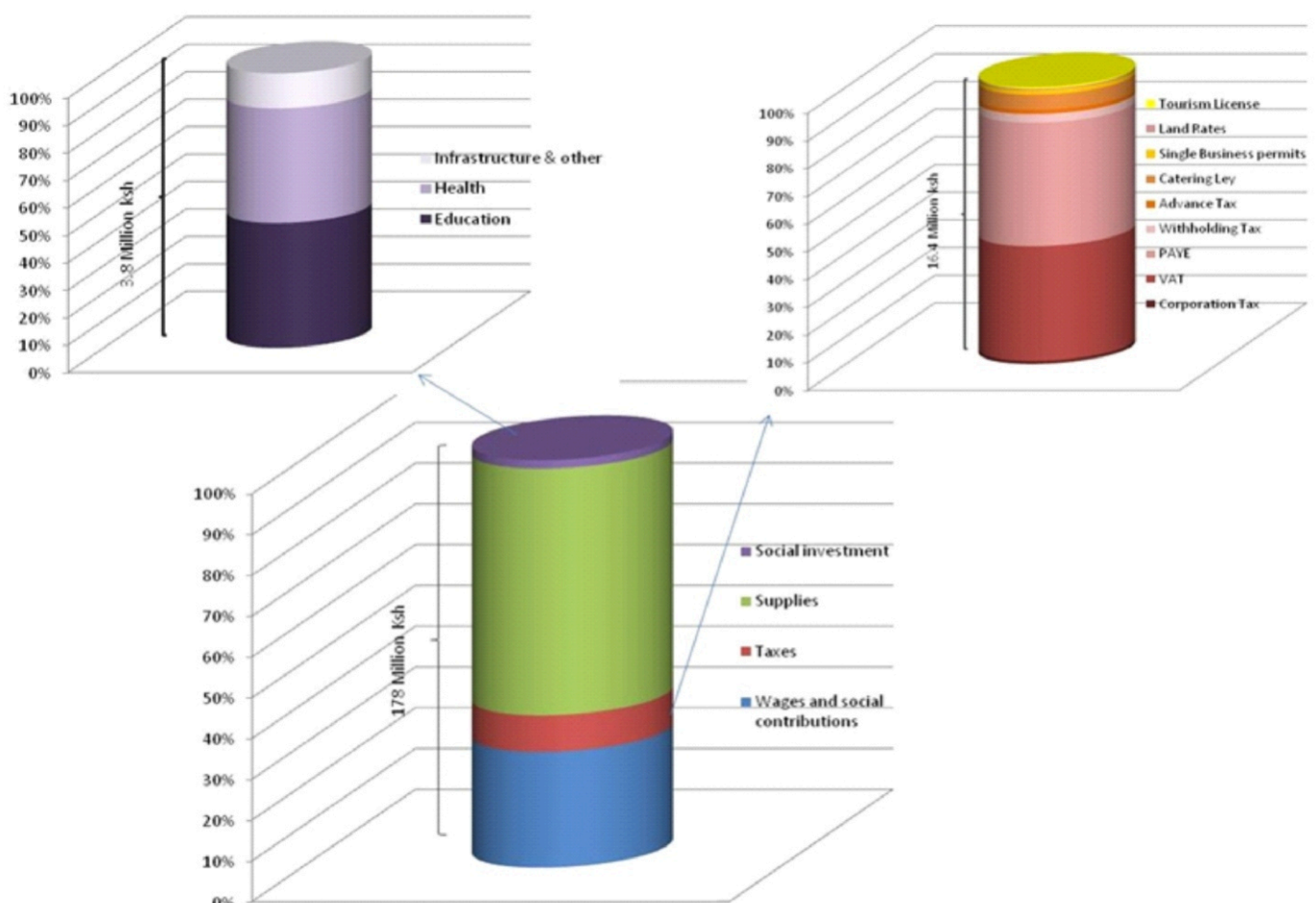
Extensive ranching was divided **into two land uses**: pure ranching and mixed ranching. Pure ranching land use produces livestock products exclusively whilst mixed ranching properties (usually larger scale) have diversified activities including wildlife conservation, wildlife based tourism, livestock, British Army training leases. Due to their management practices, ranches and mixed ranches often have better grass and tree cover than community lands and often provide access to grass to communities during the dry season.

- **“Pure Ranches”** produce meat, milk and other livestock products on an extensive basis in semi arid and arid areas. There are few remaining pure livestock ranches, and most large land holdings have diversified. Estimated to generate at least **82 Million Ksh** per year (100,000 acres approximately).
- **50 Million** spent in supplies and inputs.
- **Estimated 16 million is spent on wages, up to 100% locally employed.**
- **Estimated 6 people employed per 1000 acres**, employing approx. **600-1,000** people.
- Estimated gross returns of **700-1750 Ksh per acre.**
- Ranches are estimated to pay at least **7 Million Ksh of taxes** per year (national and local taxes).
- Ranches feel they work at optimum level.
- Currently found generally environmentally sustainable.

The more profitable ranches are generally mixed ranches. Mixed ranches as with pure ranches buy their inputs and supply in the County; and pay corporate tax, catering levies, CESS and other county level taxes. Being large scale, management efficiency is generally higher than in small scale setting, and enables surplus income to be generated. This is typically reinvested into further development of properties and/or invested in development of neighbouring communities and infrastructure (education, land management, water, enterprise development, health etc).

- **Mixed ranches:** generate at least **2 Bn Ksh** per year overall.
- **600 Million** is spent on supplies and inputs.
- **Estimated 750 million is spent on wages, up to 90% local.**
- **3 to 15 people are employed per 1000 acres**, employing approx. **7,000-10,000** people.
- An overall average of **2,000-4000 Ksh per acre** gross income is generated.
- Mixed ranches are estimated to pay at least **180 Million Ksh of taxes** per year (national and local taxes).
- It is estimated that more than **157 Million Ksh** is spent per year in the form of development projects and outreach, using surplus and philanthropy generated funds.
- Constraint: political pressure and national policy create land tenure uncertainty for large land holdings, especially those involved in conservation.
- Current practice on mixed ranches considered environmentally sustainable.

Example of the cost anatomy of a mixed ranch:



Some mixed ranches provide a platform for the British Army training. The presence of the British army has significant impact on the Laikipia economy, estimated expenditure being approx. **10 Bn ksh** per year in Laikipia County.

Pure wildlife-based tourism

Wildlife-based tourism as a land use is typically carried out on smaller land holdings (<5000 acres). These represent a minority of tourism operations in Laikipia, most of which are based on private mixed ranches and group ranches. Wildlife base tourism properties buy most of their inputs and supplies in the County and pay corporate tax, catering levies and other county level taxes. Surplus is typically invested in development of neighbouring communities and infrastructure (education, land management, water, enterprise development, health etc).

- Tourism properties generate a **minimum of 320 Million** per year overall in the semi arid and arid areas of Laikipia.
- **They spend 150 Million** on supplies, a high percentage locally.
- **Pay 55 Million in wages, with up to 90% of employees being local.**
- **8 to 20 people are employed per 1000 acres**, employing approx. **800-2,000** people.
- There is high variability in gross returns per acre: **2,400-18,000 Ksh per acre** (including tourism income, conservation fees and tourism donations for projects).
- **Tourism land use contributes at least 13 Million Ksh of taxes** per year (national and local taxes).
- It is estimated that more than **72 Million Ksh** is spent per year in the form of development projects and outreach, using surplus generated by tourism operation and philanthropy generated funds.

Private ranch lands (mixed ranch, tourism, pure livestock) were found to provide an anchor for continued ecosystem services (eg erosion control, soil formation, water retention and regulation, pollination, biological control, recreation, etc.) Food production value is significantly lower than that generated by croplands and communal rangelands, but additional ecosystem service values are estimated to be **9.7 Bn ksh**. This is approximately **10,320 Ksh per acre, 15 times more than communal rangelands and 6 times more than farming lands per acre.**

Tourism and conservation in Laikipia as a whole

Some facts about Laikipia Tourism sector as a whole

- 43 active tourism facilities and 1230 beds, with at least 1250 people employed.
- Visitor numbers multiplied by x14 between 1996 and 2009.
- Expenditures injected into the Laikipia economy multiplied x4 in 5 years (100 Million Ksh in 2005, 500 Million in 2009).
- 6 community lodges generate 117 Million Ksh per year.
- The sector relies on Laikipia's unique unspoiled landscapes and its wildlife diversity, including endangered species (black rhinoceros, Grevy's zebras, wild dogs).
- The sector attracts significant funds from conservation NGOs and international agencies (minimum 250 Million Ksh per year).

Wildlife tourism properties, most **mixed ranches** and some group ranches invest in wildlife conservation, protecting internationally and nationally important endangered species (eg black rhinoceros); which contributes to maintaining Kenya as a favoured tourism destination, and ensures Laikipia's attractiveness as an international destination. In addition, wildlife conservation has been a platform for conservation NGOs to become involved in Laikipia including investment into the development of Laikipia communities. It is estimated that conservation **NGOs spend at least 250 Million Ksh per year in Laikipia** (based on annual budgets) on wildlife conservation, natural resource management, education, security, water supply, human/wildlife conflict mitigation etc.

Political pressures and land tenure uncertainty may affect the future profitability of large scale private properties where most wildlife is hosted. In addition tax disincentives for wildlife conservation may threaten the willingness of some to maintain this national asset and its habitat.

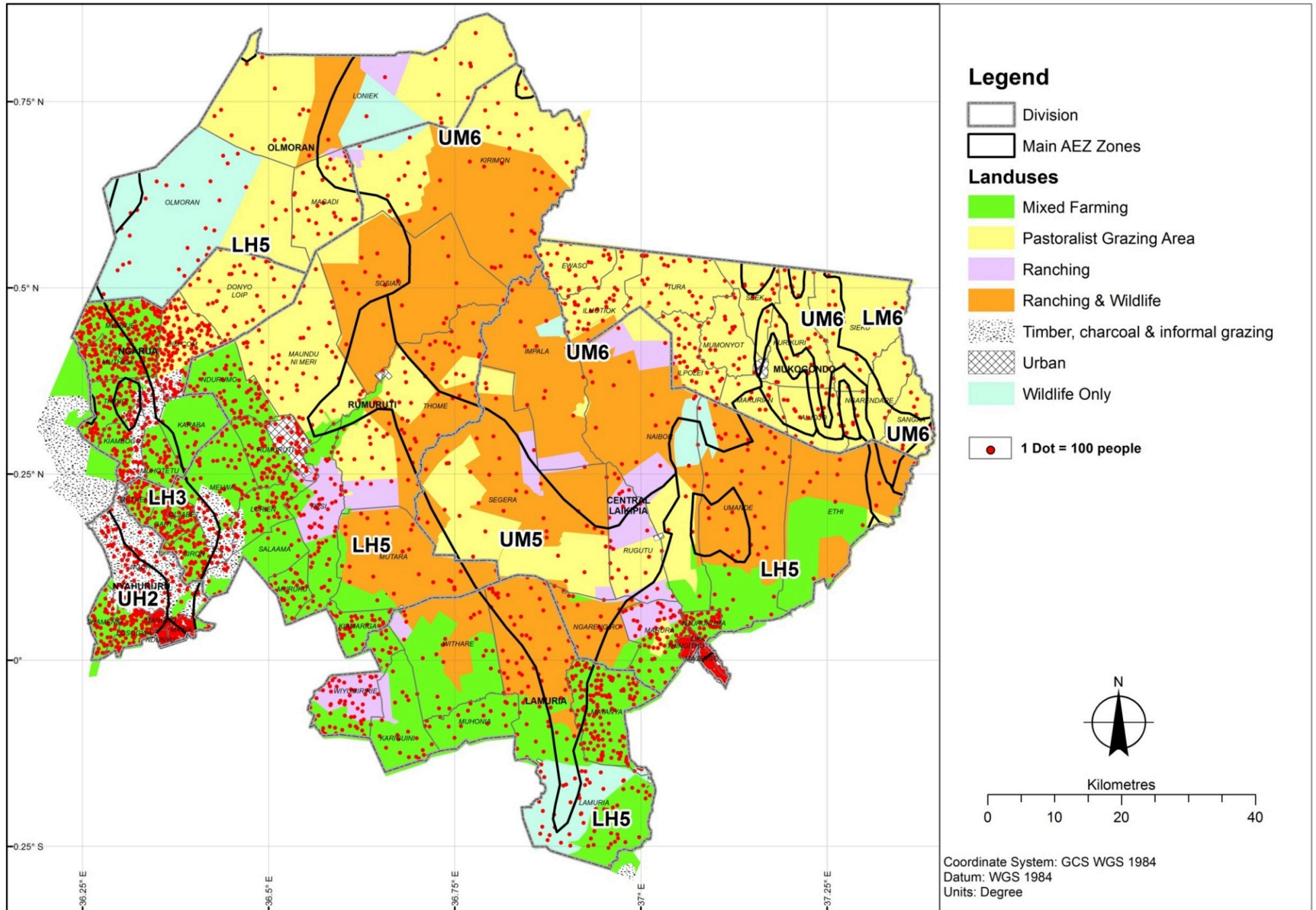
Land use	Strengths			Weaknesses		
	Financial	Environmental	Social/political	Financial	Environmental	Social
Small holder mixed farming	<ul style="list-style-type: none"> Supply bulk of food / wealth to people in sector (70%). 	<ul style="list-style-type: none"> Non-intensive inputs. 	<ul style="list-style-type: none"> Gainful occupation for majority. Strong networks- cooperation. Openness to discussion and ideas. Relatively good health. Good working conditions. Access to services. 	<ul style="list-style-type: none"> Very low efficiency. Risk prone: no savings. Little surplus. Low stability- can't invest. Low bargaining power. Sub-optimal plot size (too small). 	<ul style="list-style-type: none"> Currently Low water use efficiency in water stressed environment. Unsustainable soil management. Decreasing yields. 	<ul style="list-style-type: none"> Reliance on off-farm employment for food security. Low social security.
Pastoralism	<ul style="list-style-type: none"> Supply bulk of food and wealth to the sector. Returns made on minimum investment. 	<ul style="list-style-type: none"> Most appropriate land use for conditions. 	<ul style="list-style-type: none"> Gainful occupation for majority. Openness to discussion and ideas. Social safety net structures still in place despite lack of social cohesion. 	<ul style="list-style-type: none"> Depend on food purchase. Rising demand for cash due to modern aspirations, without accompanying investment to generate cash. Risk prone. Low stability for most. Low bargaining power. 	<ul style="list-style-type: none"> Low water use efficiency in water stressed environment. Unsustainable soil and vegetation management, fairly severe Decreasing yields. 	<ul style="list-style-type: none"> Malnutrition. Insecurity/lack of control of resources (higher degree in abandoned lands). Poor governance both in group ranches and abandoned land in inequitable distribution of resources. Youth drain. Politically marginalised.
Ranching / Tourism	<ul style="list-style-type: none"> Viable land holding size. Financially stable. Significant contributions to local and national economy. Diversification through tourism. Internal investment. Large multiplier effects: wildlife-related external investment & British Army training. Provide stability to Laikipia. 	<ul style="list-style-type: none"> Most appropriate land use for conditions. Conservative stocking rates mean less unsustainable pressure on resource base. Pastoralists rent grazing during dry season, providing critical coping mechanism. Secure world-class landscapes, open space. Biodiversity banks. 	<ul style="list-style-type: none"> Good working conditions. Food security. Good social services / support internally and externally. Many provide additional forage for pastoralists. Resulting good relations with pastoralist sector. Drivers behind Laikipia Wildlife Forum as a county level facilitator bringing people together to work together, with many good results. 	<ul style="list-style-type: none"> Conservative stocking rates result in lower returns. Relatively low savings rates as a result. 	<ul style="list-style-type: none"> Land health degrading in areas due to over-rest. 	<ul style="list-style-type: none"> Perceptions ranches are under-achieving in terms of food production. Inequity compared to the bulk of the population. Political marginalised / non-engaged.
Horticulture	<ul style="list-style-type: none"> Large economic turnover. Large contributors to national and local economy. High return per acre. Large economic multiplier effects eg taxes, employment generation, expenditures. 	<ul style="list-style-type: none"> Small land area in Laikipia. High water use efficiency. 	<ul style="list-style-type: none"> Large service provision and social investment internally and externally. Large employers. Good working conditions. High level of transparency, standards adherence and improvement. 	<ul style="list-style-type: none"> Volatility in world demand can have sudden financial and social impacts eg significant layoffs. 	<ul style="list-style-type: none"> High input reliance. Possible issues with water use in the context of increasing downstream scarcity. Pollution caused by high fertiliser/pesticide/inputs use. High carbon footprint resulting from intensive energy use and export (aircraft fuel) 	<ul style="list-style-type: none"> Attracts in-migration, potentially increasing the burden on county services. In-migration potentially socially destabilising, particularly when a result of large lay-offs.

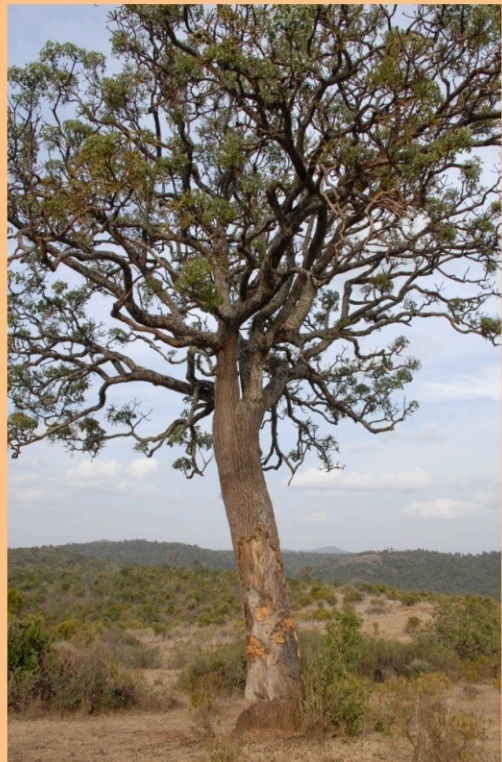
Land use	Opportunities			Threats		
	Financial	Environmental	Social	Financial	Environmental	Social
Small holder mixed farming	<ul style="list-style-type: none"> • Development organisations' focus. • Willingness of large scale farms to engage / partner as outgrowers. • Knowledge on financial planning. • Infrastructure development. 	<ul style="list-style-type: none"> • Proven and available improved practices can increase yields and water efficiency by a factor of 2-3. Adoption can be achieved at low cost - mainly training and extension. • Significant potential for sustainable water management technologies development (esp. rain water harvesting) to boost productivity. 	<ul style="list-style-type: none"> • Willingness of large scale farms to engage/partner in social investment. • Private land tenure safeguards investment. • Amalgamation of small plots into viable units under professional management. 	<ul style="list-style-type: none"> • Environmental and social threats translate into worsening financial situation. • Wildlife in some areas. 	<ul style="list-style-type: none"> • Decreasing water availability. • Decreasing soil fertility. • Climate change. 	<ul style="list-style-type: none"> • Continued land subdivision. • In-migration and land purchases.
Pastoralism	<ul style="list-style-type: none"> • Proven best practice has the potential to rehabilitate land at low/no financial cost and increase forage yields by a factor of 4 upwards. • With increases in effective rainfall (capture and retention) of x 10 upwards. • Economies of scale. • Increased sales margins through more efficient / increased exposure to marketing. • Tourism especially cultural-based is a strong complimentary diversification option. • Infrastructure development. • Knowledge on financial planning. 	<ul style="list-style-type: none"> • Proven and available best practice examples can transform soil fertility and water availability to plants, livestock, people and rivers. • Adoption can be achieved at low cost - mainly training and extension. 	<ul style="list-style-type: none"> • Strong networks & potential for cooperation. • Willingness of large scale ranches to engage/partner in social investment. 	<ul style="list-style-type: none"> • Deteriorating terms of trade (food vs livestock). • Environmental and social threats translate into worsening financial situation. • Subdivision of group ranches. • Continued inappropriate land tenure regimes. 	<ul style="list-style-type: none"> • Decreasing water availability (eg upstream abstraction). • Continued land and water degradation. • Subdivision of group ranches. • Continued inappropriate land tenure regimes. 	<ul style="list-style-type: none"> • Continued self interest in the context of shared resources - decision making/action etc. • School attendance deprives key input to viable livestock production (herders). • Subdivision of group ranches. • Continued exodus of youth (push and pull factors). • Open access in abandoned lands. • Proliferation of guns in abandoned lands. • Continued inappropriate land tenure regimes.
Ranching / tourism	<ul style="list-style-type: none"> • Improved sales margins through improved marketing and value added (eg processing). • Improved grazing practice to increase forage production and water availability. • Increased livestock stocking rates. • Tourism likely to increase over the longer-term as destinations with the qualities of Laikipia become rarer & more in demand. 	<ul style="list-style-type: none"> • Proven best practice grazing can increase soil fertility and soil water retention significantly, in a water-stressed environment. Water available for plants, livestock, people and recharging rivers. 	<ul style="list-style-type: none"> • Become more engaged in county policy dialogue / decisions. • Channel current social investment into County agenda. • Help align LWF to support the county agenda. 	<ul style="list-style-type: none"> • Aspirations and needs at county level may target ranches for funding. • Development threatens the tourism product (open, unspoilt vistas). 	<ul style="list-style-type: none"> • Decreasing water availability: river flow and/or lower water table (eg upstream abstraction). • Detract from natural beauty of Laikipia and tourism product. 	<ul style="list-style-type: none"> • Implications of the new Land Bill. • Less open to change. • A more impoverished Laikipia population will bring more pressure to provide / share resources. • In-migration into Laikipia will add pressure.
Horticulture	<ul style="list-style-type: none"> • Constant transparency and review identifies areas of improvement on on-going basis. 			<ul style="list-style-type: none"> • World market volatility. 	<ul style="list-style-type: none"> • Resource competition, particularly water. 	<ul style="list-style-type: none"> • Potential social dislocation.

OPPORTUNITIES FOR GREATER AND MORE EFFECTIVE CONTRIBUTION

Given the pressure of numerous County needs and demands, and the challenge of constant budget gaps, the following opportunities for balancing needs with funds are outlined:

- 1. Sustainable development:** Laikipia's economy depends on agriculture, therefore **sustainable development is intrinsically tied to sustainable agriculture**. Evidence shows that agriculture-led growth in Kenya is more than twice as effective in reducing poverty as growth led by industry; whilst it is widely recognised that there are strong linkages between poverty and environmental degradation.
- 2. Sustainable agriculture:** Laikipia is 'high and dry': more than 90% is too dry or too high for cultivation, and is more suited to extensive livestock production. As a result, measures that strengthen the productivity and efficiency of non-cultivation land uses will generally be more viable than measures that seek to transform them into viable cropland.
- 3. Development and adoption of a County Land use Plan** is critical in order to build investor confidence, and target investment results; particularly given land tenure security issues affecting both abandoned lands and ranches, and the expansion of unviable cultivation that also negatively impacts other potentially viable options. Ultimately a land use plan will guide the County on which appropriate land uses to encourage in specific zones, and investigate adequate incentives to achieve this.
- 4. High-impact, low-cost options:** the two most important determinants of Laikipia's future wealth and well-being are **soil fertility** and **soil water retention**. Proven best practice measures have the potential to deliver a two to three-fold increase in both existing crop and livestock production across the county; are available, easy to adopt, at relatively low cost: mainly training and extension. This would potentially move the bulk, if not all, of Laikipia's population into food security, gainful occupation and employment, wealth-building and social contribution. Two additional relevant gains are (i) less vulnerability to the effects of climate change (ii) carbon sequestration as a by-product.
- 5.** At the same time, the majority of mixed wildlife-livestock ranches have the potential to become more productive in terms of livestock production (food supply) and/or tourism (revenue).
- 6.** Tourism is a compatible land use, promoted and developed without government funds: Laikipia has developed itself into one of Africa and Kenya's premier tourism destinations. Given stability, future trends indicate 3 to 4 times more visitors to Kenya, with the Laikipia-Samburu region having the potential to become the top destination in Kenya. Related to this, Laikipia is attracting significant external investment from within and outside Kenya, mainly driven by the quality of the landscape.
- 7. High-impact, high-cost options:** large dam projects and infrastructure have great potential gains; but typically also involve significant negative unintended consequences, in addition to high investment costs which will be borne by Laikipia residents.
- 8. Increased tax generation:** the very real challenge presented to government of a **narrow tax base is recognised**. Hence a fine line must be developed between taxing productive sectors in order to meet county demands, whilst not weakening their productive ability; at the same time slowly increasing the county's tax base. Efficient tax distribution mechanisms and planning between central and county governments is critical to achieve this.
- 9. The power of partnership:** worldwide research and experience increasingly concludes that sustainable development can only be achieved through communication and coordination processes that involve stakeholders i.e. civil society-private-public partnership. This implies that greater levels of partnership lead to more effective service planning and delivery. This is especially relevant given the current budget restrictions of the new county governments. Laikipia is fortunate in that high levels of partnership already exist; which can be further enhanced, led by the county.
- 10. Private and NGO social investment activities internalised at the county government level:** a joint planning platform can be developed to ensure NGO and private stakeholder activities align with government priorities, with positive savings generated for county budget expenditures. This can incorporate existing non-government activities and support. Existing investment in education, health, infrastructure, environmental management is estimated to be **at least 1.2 billion** Ksh per year through private ranches, conservation and development NGOs, excluding BATUK. This compares to the current working county budget of approx. 3.8 billion shillings.





Submitted by Laikipia Wildlife Forum



Laikipia Wildlife Forum

communications@laikipia.org

www.laikipia.org