



7<sup>th</sup> June, 2022

## PRESS RELEASE

### REINSTATEMENT OF ENVIRONMENTAL IMPACT ASSESSMENT AND RELATED FEES

The Institution of Engineers of Kenya is greatly concerned on the planned reinstatement of Environmental Impact Assessment & Related Fees by the National Environment Management Authority with effect from 1st June 2022. These fees shall be burdensome to developers and the construction industry as a whole and may stifle the recovery from COVID-19 slowdown.

There is no justification for the fees as NEMA is fully funded by the Government, has been operational and is able to continue operating without these fees. Moreover, fixing of the fees at 0.1% of project cost is not justified as projects are unique in nature. Additional costs to projects will discourage new developers as well as drive away the existing foreign ones from Kenya.

We also note with concern that a stakeholder engagement and public participation was not conducted before the decision to reintroduce the fees. We note that the cost of critical construction material such as steel and cement as well as transportation costs have sharply risen in the recent months. Developers therefore need to be cushioned rather than being weighed down further by additional charges.

The Strategic Environmental Assessment processing and monitoring fees should be funded separately as it is ordinarily carried out long before individual projects are assessed for Environmental Impacts. This will be a burden and unfair levy to individual development projects.

We strongly advice against the reinstatement of NEMA fees and urge the Government to reconsider the decision as this may be detrimental to the construction industry.

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President

**THE INSTITUTION OF ENGINEERS OF KENYA**