



**Act!** act  
change  
transform



Biennial Report  
2010- 2011

# About Act!

## Act, Change, Transform (Act!)

is a Kenyan non-governmental organization registered under Section 10 of the NGO Coordination Act of 1990.

Its mission is to enable citizens and communities in Kenya and neighbouring countries to live a life of dignity by strengthening individuals and organizations to be effective agents of positive change. Act! employs a mixture of strategies with a view to realizing its mission. These include, capacity building, organizational development and grant making.

The capacity building services provided by Act! are designed to enhance the skills and capabilities of the organizations to enable them effectively realize their programming objectives. Grant making, on the other hand, provides the financial resources required to implement the organizations' approved development projects.

As an intermediary for development partners and funding agencies, Act! has provided grants and capacity building services to over 300 civil society organizations in Kenya and South Sudan.

Currently, Act! is providing support (capacity building, organizational development and grant making) to over 90 civil society organizations implementing programs/projects in Governance and Democracy; Peace Building and Conflict Transformation; Women Empowerment; and Environment and Natural Resources Management.

## Our Vision

To be an excellent Kenyan development non-governmental organization in support of responsible citizens enjoying equitable development in a clean and secure environment.

## Our Mission

To strengthen individuals and organizations to be effective agents of positive change.

## Our values:

**Accountable** - to each other, to clients, constituencies, beneficiaries, partners, peers, as well as to donors - for who we are, what we have, what we do and what we say

**Committed - to excellence** - in all areas of behaviour and operation, to supporting others to enable them to address their own goals and challenges, to equity and justice for all, to the rights of the poor - to dignity and control over their own lives, to local ownership and participation, to innovation and analysis basing what we do on good sound understanding and good practice, to being realistic grounding our approach and interventions on context and capacity

**Respectful of others** - acknowledging the worth and dignity of all people, of the laws of the land and of rules and regulations of donors and others, of the different roles and responsibilities of other actors both from government and non government, of different opinion and to diversity of culture and practice and of those who give us resources to do what we do and who trust us to deliver good services and programs.



Act! staff during a team building exercise.

## Our Excellence Agenda:-

In order to deliver high quality services to our partners and through them to the people of Kenya the Strategic Plan identifies 5 key areas of internal development, learning and growth.

These we call the 5 Qs.

- Q **uality staff**
- Q **uality systems**
- Q **uality service delivery**
- Q **uality stewardship**
- Q **uality selling of our impact and organisation to others**

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# Our Platforms



## Democracy & Governance

Contributes to the creation of an environment that enables the realization of the full human development in the social, economic and political spheres



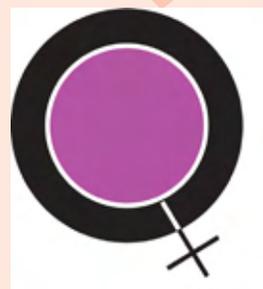
## Environment and Natural Resources Management

Champions the management of natural resources including water, land, agriculture, forestry and wildlife to sustainably preserve and improve the livelihoods of Kenyans



## Peace & Conflict Transformation

Contributes to the search for a comprehensive and sustainable peace and conflict transformation in Kenya



## Women Empowerment

Enabling and empowering women to take their rightful place in the socio-economic and political spheres of Kenya

## ORGANISATION INFORMATION

<b>DIRECTORS</b>	Chris Ngovi Anthony Kariuki Irene Gathinji Dennis Kabaara Hellen Tombo Francis Angila Titus Syengo	<b>Chairman, Board of Directors</b> <b>Chief Executive Officer</b>
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<b>REGISTERED OFFICE</b>	Umeme plaza Naivasha road Off Ngong road P. O. Box 76486-00508 Nairobi
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# From The CEO's Desk

The years 2010 and 2011 were momentous for Kenya. After a long and tortuous journey spanning more than two decades, the country promulgated a new constitution in August 2010. I am proud that Act! (then known as Pact Kenya) played one of the more remarkable roles in midwifing that change. Our role, recounted elsewhere in this report, couldn't have been possible without the support of our partners and staff. To them we are eternally grateful.

In September 2011, Pact Kenya marked its 10th Anniversary. But it was not going to be just another anniversary. It was a turning point, marking the beginning of a new journey as an independent Kenyan NGO. Henceforth, we were not going to be referred to as Pact Kenya, but Act Change Transform or simply Act!. Act! is grateful for mentoring and support from its parent organisation, Pact Inc, and to development partners that have been with us in the journey since 2001. For Pact Inc, the separation of Act! fulfills its agenda of building capacities world wide. Mr. Steven Sharp, the former Kenya Country Director of Pact acknowledged that Pact Kenya had come of age and rebranding to Act! was a huge milestone not only for Act! staff but also for Pact.

Our current strategic plan, which has served us well since 2008, expires on December 31, 2012. The development of the new Strategic Plan (2013 – 2017) offers us an opportunity to think bigger, to look within and out of Act! We shall be asking ourselves fundamental questions such as; where do we want Act! to be in 2017? What is it that we must do? What must be different in order to get there?

The need for the services and products that Act! offers has never been greater. Many citizens and marginalized groups across our region remain mired in poverty. Many are on the verge of losing hope as elected governments consistently fail to bridge the poverty gap and address the needs of the vulnerable. The Act! message, that of empowering citizens, particularly



the marginalized ones, to take charge of their governance, is the best way out of poverty and squalor. We believe we are on the right path at the right time and we are rightfully proud of the work we are doing.

In this report, we trace the footsteps of Act! from when it was registered in 2001, and its early work South Sudan where it facilitated Civil Society and

Citizens to participate in the comprehensive peace agreement (CPA). The CPA was officially signed in 2005 and South Sudan became the newest nation and member of African Union in 2010, after an overwhelming vote by its citizens. We take pride in seeing South Sudan take its place at the United Nations. As key partners in that journey, we give credit to Sudanese citizens for their resilience and vigilance.

Act! and its development partner Pact Inc. came back to Kenya in 2006 to implement the Kenyan Civil Society Strengthening Programme (KCSSP). KCSSP is credited with playing a critical role in mobilizing civil society and citizens in the constitution making process before, during and after the Referendum, at which the draft Constitution was overwhelmingly endorsed by the Kenyan people. Civil society actors played a pivotal role in the process; engaging the Committee of Experts and educating Kenyans on the contents of the proposed constitution. We applaud them for their historic role. The passage of the new laws was indeed a win for all Kenyans.

During the period under review, the four platforms at Act! (Women Empowerment, Peace and Conflict Transformation, Environment and Natural Resources and Democracy and Governance) played increasingly visible roles in effecting change across the country.

The Women Empowerment programme continued to play its role of mobilizing rural women under its economic, social and economic pillars. As a result of the outstanding achievements of the Self Help Group Approach, Betty Kit-sao, a staff of the programme, was awarded the Prize for Women's Creativity in Rural Life 2011 by Women's World

Summit Foundation (WWSF) after being nominated by Act! for her splendid work with Self Help Groups. The new kid on the block, ChangieniRasilMali (CRM) Facility, which is under the Environment and natural resources Platform, seeks to transform the way natural resources are managed through active involvement of civil society and citizens in management and governance of natural resources.

Some of the activities, especially those which were funded under the KCSSP are coming to an end in 2012. But as they close, new programmes are also being unveiled. The future for Act! is indeed very bright. On the financial front, I am happy to report that a strategy to guide our fundraising for strategic planning period 2013 to 2017 is now in place. The strategy aims at realising a substantial funding portfolio each year to enable Act! realize its mandate. Our income records show that Kshs668,809,021 was raised in 2011 from grants and other sources compared to just about Kshs 399,751,831 realized in 2010. Surplus for the year stood at Kshs 271,407,600 in 2011 compared to Kshs 71,057,121 in 2010

During the last 6 years, Act! managed to fundraise from over 10 multilateral, bilateral, Government of Kenya and other development agencies. These include; Aga Khan Development Network, Kindernothilfe, European Union, Embassy of Sweden, United Nations Development Programme, Department of International Development, Finnish Embassy, Royal Danish

Embassy, Netherlands Development Corporation, International Labour Office, Partnership for Transparency Fund, Community Development Trust Fund, Tourism Trust Fund, Micro Enterprise Support Programme Trust and the Intergovernmental Authority on Development. United States Agency for International Development has remained one of our biggest donors, in partnership with Pact Inc. However in 2011 we entered into a cooperative agreement with the Embassy of Sweden (SIDA) and UKAID. The move has helped us to avoid over reliance on one donor in line with our strategy of diversifying our funding portfolio so that none of our donors contribute over 50% of our funds by 2013.

As we look to the future, I am inspired by the dedication of our partners and staff, that we are poised for even greater achievements. We look forward to a fruitful and engaging collaboration with citizens, non state actors and development Partners. Through this, we shall make long lasting difference in the lives of real people in real situations.

*Thank you  
Anthony Kariuki*

# Celebrating

## THE Act! act change transform SYMBOL



### A JOURNEY REPLETE WITH STORIES OF CHANGE

Popping red caps was a bold sign that something big was about to happen. The branding team had kept everyone informed about the developments in the branding process, but in the end everyone was equally surprised and awed by what they saw. Broader smiles were flashed when the bold 3-D brand was unveiled. It still puzzles many, even the branding team, how beautiful and eye catching the new Act! brand is.

The Act! launch song, "Act! Now" added rare flavour to the event, calling for immediate action on problems facing the poor in Kenya.

For the staff who had been part of Pact Kenya since its launch it was both a poignant and celebratory event as



the old brand was replaced with a new one. As an organization, we are prepared to behave and match up to the calling of the brand – ACT CHANGE TRANSFORM. Act! Now. (TENDA SASA).

Act Change Transform (Act!) is the new name of Pact Kenya. The new name came out of intense deliberation between staff, the board and partners of the former Pact Kenya. Initially, staff were invited to suggest the new name of the organization, and more than 50 names were suggested. A branding team elected by the staff took time sorting and selecting the new name.

The process involved voting for what might be the new name. The branding team then developed criteria of naming the organization. The new name had to be short, have resonance with the old name Pact Kenya, and be catchy and memorable. The name Act! was born.

Thereafter *young designers* were tasked to come up with a graphic presentation for the name. This was launched at an event marked by pomp and colour on 21st September 2011, the same day pact Kenya had been born ten years earlier!

### YES, WE DID IT!

This is what the proud staff of Act! said when launching the brand during the Birth Day Celebration of Pact Kenya.

The launch of Act! brand won the greatest admiration and brought smiles on the faces of many staff members. Sophie Mulama, the Front Office Administrator, appreciates the comments she constantly hears from visitors. To her, the brand is a real hit. She also likes the new aura around the office.

Sophie, who has been in Act! for more than three years, sees the launch of the new brand as the biggest milestone the organization has ever had.

### THE "ACT! NOW" SONG TELLS IT ALL!

The Act! launch song, "Act! Now" captures the spirit of the organization. "Act! Now" is a call to action. We

don't have to postpone what we can do today. "TENDA SASA. Act! Now. Act! for peace in our land, Act! for our trees and our seas. Act! today. Act! Now." Listen to it once and you will want to listen to it again.

**HOW WE WILL BEHAVE**

The branding team went further than launching the brand .They spelt out key ingredients of how the or-



ganization shall behave. Our behavior shall be measured by teamwork, which transcends programme silos. It also means reflecting our capacity building approach and assessing whether we measure up to the brand and to the standards we often prescribe for others.

**FROM KENYA TO SOUTH SUDAN AND BACK**

Act! has made remarkable strides in the development sector both in Kenya and Southern Sudan. It operated solely in South Sudan from 2001 to 2006. When Pact Kenya officially rebranded as Act Change Transform (Act!) during Pact Kenya's 10th birth Day Celebrations, it marked a huge milestone to an organization that started with 3 staff in 2001 to more than 100 members of staff at the end of 2011.

The rebranding from Pact Kenya to Act! was inspired by the need to become a truly Kenyan organization working with others to push a Kenyan and African agenda. From a young organization to a mature local NGO, Act! has learnt many lessons that continue to inform and sustain our development processes in our core business or- ganizational capacity development, grant management,

advocacy and service delivery which are the funda-



mental approaches that permeate all our key platforms including Natural Resource Management, Democracy and Governance, Peace Building and Conflict Management and Women Empowerment



Although Pact Kenya was registered as a Kenyan NGO in 2001, its major assignment after being established was to support civil society engagement in the Sudan Comprehensive Peace Agreement process. Act! was the main NGO supporting the participation and contribution of civil society and citizens both in Sudan and diaspora to the Comprehensive Peace Agreement. The Agreement was signed between South Sudan and Sudan in 2004, culminating in independence vote and eventual separation between the two Sudans in 2010. South Sudan is a new nation that we take pride in as an organization having played, alongside others, a leading role in the realisation of the CPA.

## BUILDING CAPACITIES OF NON STATE ACTORS

Act! provides both capacity building and grant management services to more than 100 NSA at any one time.

In South Sudan, Act! was the lead NGO mobilizing Sudanese citizens in Sudan and the diaspora to contribute to the Comprehensive Peace Agreement in 2005. More than 200 CSO actors and hundreds of diaspora citizens engaged in the peace process.

In Kenya, Act! implemented a wide portfolio of activities with civil society including managing KCSSP jointly with Pact Inc. The programme has worked with more than 150 civil society actors, building capacity, managing and disbursing grants and supporting governance and advocacy initiatives in Kenya.

KCSSP played the leading role in Kenya's constitutional reform process culminating in the promulgation of a Constitution in August 2010. It continues to provide leadership to civil society in the development of relevant legislation and implementation of the Constitution.

## PELUM, A STORY OF TRANSFORMATION

PELUM-Kenya, a partner organization of Act! has a membership network with a presence in 28 counties in Kenya.

The Director of PELUM, Mr. Zachary Makanya, does not mince words when demonstrating the kind of capacity



they have achieved since the mid 1990s; from a fledgling one person organization supported from its parent office in Zimbabwe to a fully fledged NGO supporting a regional agenda on conservation and sustainable agriculture.

Zachary is proud that PELUM has more than four donors, 20 members of staff, and dozens of partners, thanks to the capacity building support provided by Act! and Pact Inc.

He requested that Act! "only change its name but not the way it does things", which to him had demonstrated many positive results, the capacity of his organization being an example

## BEYOND CAPACITY BUILDING

Our capacity development approach goes beyond trainings and includes coaching, accompaniment and mentorship. We provide local people, organizations and communities with the tools and knowledge to address issues and challenges that they face. We work with them to identify and secure the resources to overcome these



challenges. We spend time in our partners' offices observing their culture and asking ourselves whether we know enough about them or the community in which they operate as we seek to work with them to overcome challenges. We not only engage with them in a deeper way, but we also accompany them as long as necessary to know how they operate so that our coaching and mentoring can be practical and acceptable.

## MANAGING GRANTS

Act! manages grants on behalf of development partners and disburses them to community groups and non state actors with the aim of strengthening their capac-

ity to address problems and issues that they face in their communities. Grants are also meant to build capacity of these organizations as local agents of social change - for example, through hiring skilled personnel and buying equipment that they need to become more effective.



However, Act! views recipients of grants as partners with whom we seek to develop deeper and stronger partnerships as a means of fostering lasting change. We seek collaboration based on genuine and respectful long-term partnerships.

During the past 10 years, Act! managed more than \$120 million (\$50 million USD for the South Sudan programme, \$76 million from USAID through Pact/KCSSP and \$1.6 million from other donors including EU, Kindernothilfe, Government of Kenya (GOK), United Nations Development Programme (UNDP) and Embassy of Finland) in Kenya. Some of these programmes will continue to the end of 2012).



Act! also won Kshs1.2 billion from the Government of Sweden and DFID, for a defining Environment and Natural Resource Management facility in Kenya working with non-state actors. The facility, named Changieni Rasilimali (CRM) will support building of champions of nature and mobilise and strengthen citizen engagement in the governance and management of natural resources in Kenya.

### WOMEN EMPOWERMENT

The Women empowerment programme empowers women in the – social, economic and political pillars through the Self Help Group approach. The approach is borrowed from India where it has transformed the lives of millions of women, particularly reducing poverty, empowering them economically and reducing violence against women as well as the effects of the negative caste system.

The Self-Help Group approach started in Kenya in late 2005 with the support of Kindernothilfe (KNH), a child-focused German development organization. Since then, 17 local organizations in different parts of Kenya have been involved. By December 2011 the process had resulted in the formation of over 1300 self help groups, with a total membership of 24,526 women, mobilizing savings of 44 million Kenya shillings up from 14 million in 2008/09; an impressive 68% growth in 2 years.

This has boosted the welfare and living conditions of women and their families. Income generating activities have enabled them to acquire assets such as livestock, land, improve shelter and education of their children. It has also boosted entrepreneurship by enabling women access skills, support systems and soft loans, which they would not have received if they were not members of the groups.

SHG is a women's movement hosted at Act!. It works with development partners to continuously invest in mobilizing millions of women nationally and thus contribute to sustainable development.

The movement has also reduced social vices within the community. The groups have campaigned aggressively against illicit brews, gender inequality and retrogressive cultural practices like female genital mutilation (FGM) and early childhood marriages.

For the first time in Kenya, women's organizations in the Coast province established a federation that brings together about 2000 women and their families so that they can decide and push for justice, peace and security. SHG has enabled women participation in leadership and taking key decision-making positions within the community. For example two SHG members are now assistant chiefs and many others sit in decision-making forums for their respective Constituency Development Fund (CDF), School Management and District Development Committees.

**AN EMPOWERED WOMAN EMPOWERS FELLOW WOMEN!**

When Betty Munga-Karisa began to work with rural women in Mtwapa, Kilifi District in Kenya six years ago, all she earned was KSh. 2,000, barely enough to cover her travel costs in the field. It was a struggle for her and her family. What she did not see coming was that her job



would be rewarded handsomely six years later with an acclaimed international award.

Betty was awarded the Women's World Summit Foundation's Prize for Women's Creativity in Rural Life 2011 after she had been nominated by Act! for her splendid work with Self Help Groups.

Betty was among 10 Laureates selected by the WWSF International in July 2011. On awarding her, the WWSF said: We hope that the award...will encourage you to continue your creative work and development projects in favour

of the rural population in your region. Our gesture of goodwill and support is meant for your work and your community.

The award is not only in recognition of her tremendous work to improve the livelihoods of women in Mtwapa but also a tribute to an approach that we believe has potential to transform lives of millions of rural women in Kenya and beyond.

The Self-help approach provides a platform for women themselves create wealth out of little savings that they make on a day to day basis; some as low as KSh.20 a week.

This is an approach that Act!, working with its development partner Kindernorthilfe, seeks to scale up to reach millions of women in Kenya.

**DEMOCRACY AND GOVERNANCE**

Arguably the adoption of the Proposed Constitution in the referendum held in August 2010 is considered a watershed for many who have been fighting for a just, fair and democratic Kenya. This is one of the longest struggles the country has ever had.

The promulgation of the Constitution by President Kibaki, in the presence of world leaders on August 27 2010, was a fitting tribute to liberation icons such as Jaramogi Oginga Odinga, JM Karuki, Masinde Muliro, Waangari Maathai, Martin Shikuku and Dr. Willy Mutunga (currently Kenya's Chief Justice), among others.

Act! through KCSSP has supported constitutional reform since 2008 – with initial grants to the Kenyan Section of the International Commission of Jurists (ICJ) and the Socio-economic Rights Foundation (SRF). In 2009, the number of partners working on constitutional reform was increased to more than 30 to include a number of civil society coalitions and other organizations with the ability to track the process and advocate on various aspects of the content of the new law. These included, among others, the Kenya Land Alliance (KLA), Institute for Education in Democracy (IED) and the G-10 Coalition. For over one and a half years, this diverse range of partners mobilized citizens to advocate on specific is-

sues (such as land, elections, decentralization, and the legal status of women) in workshops, through the print and electronic media as well as social media; enhanced awareness about the proposed law; and engaged the Committee of Experts (CoE) in drafting the new constitution. Closer to the referendum, they were instrumental in raising awareness about the content of the proposed New Constitution and clarifying common misconceptions on its content. KCSSP also provided in-kind assistance to the KatibaSasa! Campaign, another civil society coalition that later emerged, to engage with key stakeholders in the process – especially the Parliamentary Select Committee on Constitutional Review.

The passage of the Constitution was worth many years of struggles, sweat, blood and tears. It promises a greater future for Kenya and the entire region and the legal, administrative and policy changes enacted after the passage of the constitution, such as the hiring of civil servants, vetting of judges and separation of duties and responsibilities between the three arms of government (Judiciary, parliament and Executive) are clear indications that the country has taken a positive turn.

To safeguard the promises of the Constitution and ensure that the country continues on its trajectory towards becoming a state governed by constitutionalism, rule of law and respect for human rights, vigilance by Kenyans is paramount, to ensure that the process of implementation of the new social order is faithful to ideals of the champions for the second liberation and meets the expectations of the people of Kenya. Act! will continue its partnership with and support to non-state-actors as well as collaboration with state agencies to ensure that the promises of the Constitution of Kenya are realized.

## **VOUCHING FOR TRANSPARENCY & ACCOUNTABILITY**

### **ACT-PTF PROGRAMME**

In February, 2011, Pact Kenya (now Act!) and the Partnership for Transparency Fund (PTF) entered into a partnership to manage PTF's Kenya Country Programme. The Kenya National Anti-Corruption Strategy for PTF is based on four thematic areas. They are:

- 1. Public Procurement (Procurement of Goods and Services).**
- 2. Leadership, Values and Integrity.**
- 3. Public Service Employment.**
- 4. Management of Public Funds.**

### **The PTF Projects at a glance**

All the PTF projects are designed to contribute to improved accountability and management of public funds.

1. The project by Youth Agenda (YAA) works with youth groups in three different counties, through the use of technology (specifically an SMS platform using mobile phone technology) to identify areas of corruption in the education sector, and to bring about change by working with local authorities, once the corrupt practices have been identified. Given the wide access and use of mobile

### **FROM SOMALIA TO KARAMOJA: PEACE II LEAVES AN INDELIBLE MARK**

The 2007/2008 post-election violence that led to the death of more than 1000 people and displacement of more than 300,000 others marked an ugly turning point for Kenya, a nation that was hitherto referred to as "an Island of Peace in a Sea of Conflict."



The violence ended after the signing of the National Accord, which led to the establishment of a coalition government between political rivals, Mr. Mwai Kibaki of Party of National Unity (PNU) and Mr. Raila Odinga of the Orange Democratic Movement (ODM). The need for peace building and conflict management in Kenya is therefore critical and Act! through KCSSP provided the much-needed resources to several partners in many parts of the country to support constructive peace building and conflict management work. Through the program, commonly known as peace II, more than 20 Peace Building and Conflict Management grants were

issued in Rift Valley, Nyanza, Nairobi and Coast. The grants were accompanied by capacity development of organizations to strengthen the capacity of



CSOs to mitigate, prevent and manage conflict. Act! believes that local actors are best-positioned to bring about lasting conflict transformational and peace. The program ensures that communities are organized in a manner that systematically works towards bringing about transformative peace processes. Act! provides its support through local peace committees, advisory councils, clubs, community youth and women groups. The key consequence of this massive support to grassroots peace building initiatives is the reduction in tensions between communities in hitherto hotspot areas, and alertness of government machinery to factors that exacerbate conflict such as hate speech and political machinations, among others. The fact that there was no violence during the constitutional referendum of 2010 is testimony that peace is beginning to take root in once troubled areas.

Across the borders of Kenya, the PEACE II programme led in transformative peace building process that has paid dividends among the Karamoja and Somalia clusters. The programme continued with its peace work with cross border peace committees and development of shared peace dividends (schools, health clinics and water points) by communities in conflict. The result has been reduced tension and fewer conflicts.

The Osotua Ecotourism lodge, a 16-bed facility located

at the foot of Kikuyu escarpment in Nakuru County was also launched as a peace and conservation venture. The lodge seeks to strengthen peace between communities that were hitherto in conflict over water and pasture. The land belongs to the Maasai community while mainly members of the Kikuyu community mobilized resources for the construction of the lodge.

Act! will continue supporting these transformative peace processes that many have called revolutionary and socially transforming.

### MY ENVIRONMENT, MY LIFE!

Act! in partnership with Pact. Inc. has been engaged in the environment and natural resources sector in Kenya since the late 1990s. The earliest program that the two organizations undertook was the Conservation of Resources through Enterprise (CORE), which was funded by USAID and implemented in partnership with organizations such as Africa Wildlife Foundation (AWF), Africa Conservation Center (ACC) and Kenya Wildlife Service (KWS) among others. The Kenya Coastal Management Program (KCMP), focusing on marine conservation, was implemented after CORE, in collaboration with agencies such as Coast Development Authority (CDA).

Lessons from the implementation of the above programs led to the current initiative that focuses on key sectors such as forestry, fisheries, climate change and tourism. This is a major shift from an initial focus on wildlife. The initiative is part of KCSSP, a 7-year program, coming to an end in 2012.

Since commencement, the program has made major milestones with significant impacts on community participation and natural resource conservation.

In the Forest Sector 8 management agreements were signed between Community Forest Associations (CFAs) supported by KCSSP, and the Kenya Forest Service (KFS) in line with the Forests Act (2005). Two of the KCSSP supported CFAs were allocated 2,500 hectares of forest land for Plantation Establishment & Livelihoods

Improvement Schemes in recognition of their superior organizational capacity. In addition, 8 structures for community-government forest co-management were established and 492,000 hectares of biologically important areas put under improved management.



In the wildlife sector, two structures for community-government wildlife co-management were established and a progressive Wildlife Bill & Policy developed and subjected to a national stakeholder workshop.

Major accomplishments were also realised on climate change with the creation of a national framework for climate change mitigation and adaptation. A Climate Change Bill was developed and is presently awaiting debate in Parliament while a national structure for CSOs engaged in national climate change agenda was also set up.

To support the creation of sustainable tourism sector, a national structure for small and medium tourism sector actors was established and 3 amendments to the Tourism Bill 2011 effected through lobbying efforts of the coalition.

Act! also focused its efforts on economic incentives for communities as a means for realizing sustainability. Towards this end, 11 nature-based enterprises, fully owned and managed by communities were set up. The results have been commendable including the launch of 3 consumer products in the market, the establish-

ment of a thriving trout fish industry with a value chain of 13 actors. To date Ksh.45 million has been generated from these ventures.

To consolidate these gains, a number of critical actions will be required both in the short and medium term. Some of the required actions include the formulation of a policy for the implementation of Article II of CAP 5 of the Constitution and a restructuring of the NRM Sector in line with the Constitution.

### BUILDING CHAMPIONS FOR NATURE

The Natural Resource Management programme has adopted the slogan “building champions for nature” for its CRM facility. The facility that started in mid 2011 seeks to improve citizen’s participation in the governance and management of natural resources. It targets four sectors – agriculture, land, water, environment and climate change.

Changieni Rasilimali Facility has already funded 32 projects and targets 70 projects in the next three years. Besides the CRM facility, Act! has been involved in various natural resource management projects in Kenya through the Kenyan Civil Society Support Programme (KCSSP). Through this support, Act! has worked with communities, particularly in building their capacity to benefit from the provisions of the Forest Act (2005), which require participatory management of forest resources and equitable sharing of benefits. As a result, nine (9) participatory forest management plans, eight (8) in Western Mt. Kenya forests and one (1) in Kakamega Forest were developed. Out of the nine, seven have been signed by the Director of the Kenya Forest Service (KFS) and four Community Forest Associations (CFAs) have entered into an agreement with KFS to implement their plans.

### MANAGEMENT AGREEMENTS

The Management plans provide a framework for resource user rights, access and sharing of forest benefits. The plans also provide a co-management framework that reduce conflicts over NRM and enhance community engagement in conservation. The user groups in Western Mount Kenya for instance, mainly practice pruning, ecotourism, Plantation Establishment and

Livelihood Improvement (PELIS), tree nurseries, bee keeping and trout fish farming. The latter is a key conservation economic activity as its success depends on availability of clean and cold waters (below 130C). The community therefore must maintain the integrity of the water systems and maintain riparian vegetation around rivers in order to commercially benefit from trout.

With the support of Act!, the Jitunze Self Help Youth Group, one of the user groups, sells fingerlings to the neighbouring fish farmers as well as to the government's Fisheries Department.

A major milestone of the program is the emergence of *Mondia Tonic* from the Kakamega Forest. *Mondia tonic* is developed from the famous *Mondia whytei*, better known in the local dialect as *Mukombero*. The natural tropical root powder used as an antidepressant and antioxidant, has been developed with the help of Act!, ICIPE, Kenya Forestry Research Institute (KEFRI) and the Kenya Wildlife Service (KWS). The product, which is considered a revitaliser and appetizer, is available in local supermarkets with a 12g bottle trading for KSh.20 (about 20 US cents).

### FARMING AT SEA

For years, Kenyans living on the Indian Ocean Coast never imagined that it was possible to do any other economic activity in the ocean other than fishing. Two years ago, it dawned on them that they could do a lot more beyond fishing and sailing. They could actually farm, just like they do on land.

In 2010, the Sea Weed Project funded by the (EU) intended to create employment and eradicate poverty in Msambweni District of Kwale county was officially launched in Mkwiro Island. The three-year initiative aims at improving the local economy of the poor and the underserved persons through introduction of innovative and better agribusiness practices.

The project aimed at creating over 5000 new jobs in the value chains of the two sub-sectors, bee keeping and seaweed. It also expected to increase incomes for 250 households by a minimum of 40% through increased honey production. Already 70 beehives and their accessories have been bought and installed in Bati and Kibuyuni villages.

This is expected to realize over 22.5 tons of honey per annum. An increase in seaweed production for 400 households is also expected by 1,000 tons per annum.

This will raise household incomes by 40% from KSh. 45,000 per household per annum to KSh. 65,000 per household per annum over three years. Sea weed has been used across the globe for ages and modern science has only multiplied its uses. It is a popular additive in dairy products for example ice creams. It keeps them smooth and creamy by preventing ice crystals from forming when freezing and slows down the speed at which ice cream melts. Seaweed extracts are also used to thicken and stabilize sauces, syrups, soups, salad dressings, toothpaste and yogurt. It is also a source of food both in its raw form and when cooked.

### IMPROVED MARINE FRESH FISH PROJECT BRINGS HOPE AT THE COAST

In November 2011, the EU, through the Micro Enterprises Support Programme Trust (MESPT), provided a KSh.10 million grant to Act! to support fishers and traders along the Kenya Coastline create a platform to push for market access. The funding was utilised to mobilize fishers and traders to form an apex association and four cluster level associations, provide hygiene fish handling, entrepreneurship, business management and planning skills and build the association's capacity to engage the market and mobilise sufficient fish from its members to meet market demand.

Thus the Pwani Fish Marketing Association, which was launched on August 27, 2012 by the Coast Provincial Commissioner, Mr. Samuel Kilele, was formed. The association works with four cluster level affiliate associations namely: Bamburi, Kilifi, Ngomeni and Shimoni. Other landing sites are expected to join the association in the near future.

The project seeks to tap into the available local and international market by creating a strong platform for market access and building institutional capacity of fishers and traders to meet the demands.

## CREATING A FAVOURABLE MARKETPLACE FOR SMALL HOLDER PRODUCERS THROUGH USTADI

In 2010 Act!, in partnership with the Kenya Community Development Trust Fund (KCDF) and funding from SNV, launched the Kenya Local Capacity Development Facility (USTADI).

USTADI is an independent development organization currently being hosted and mentored by Act!. It was established as a market mechanism for capacity development services in rural areas.

The sellers are referred to as service providers (SPs) and are experienced personnel in specific sectors while the buyers are referred to as grantees seeking assistance. The buyer presents a proposal indicating his/her business needs while the Service Provider is given an opportunity to review the proposal, identify gaps and propose how the gaps can be filled to realize increased productivity.

USTADI connects people and makes market information, skills and services accessible. It involves civil society, government, private sector and development partners. One of its key deliverables is to help people and organizations develop, test and fund ideas and innovations. It provides information on finance providers and criteria for co-funding opportunities.

The program's overall objective is poverty alleviation. It seeks to turn people's ideas into realities by connecting buyers and sellers of goods and services.

## RESOURCE MOBILISATION

During the last 6 years, Act! has managed to fundraise from over 10 multilateral, bilateral, Government of Kenya and other development agencies. These include; Aga Khan Development Network, Kinder-nothilfe, European Union, Embassy of Sweden, United Nations Development Programme, Department of International Development, Finnish Embassy, Royal Danish Embassy, Netherlands Development Corporation, International Labour Office, Partnership for Transparency Fund, Community Development Trust Fund, Tourism Trust Fund, Micro Enterprise Support Programme Trust and the Intergovernmental Authority on Development. United States Agency for International Development has remained one of its

biggest donors, in partnership with Pact Inc, until 2011 when Act! entered into a cooperative agreement with the Embassy of Sweden (SIDA) and Department of International Development (DFID). To avoid over reliance on one donor, Act! is diversifying its funding so that none of its donors contribute over 50% of its funds by 2013.

Among its fundraising strategies, Act! is creating competent partnerships with other development agencies. It is doing this by demonstrating its unequivocal capacity in thematic areas of focus to attract and retain credible donors and other development partners. During this year alone Act! has sealed deals with international and regional agencies, including ACIDI/VOCA, IGAD and Sponsored Arts for Education (S.A.F.E). Act! is pursuing and open for partnership consultations with many other local, regional and international development partners who share its vision, mission and core values.

## NEW BUSINESS DEVELOPMENT FOR ACT!

In the realisation of the changing global funding environment, Act! established a New Business Development Unit in April 2012. Act! recognises that fundraising is no longer a preserve of the private sector but a mandatory function for any organisation that would want to remain vibrant in the 21st century.

The Act! New Business Development Unit has developed a draft strategy to guide its fundraising for strategic planning period 2013 to 2017. The strategy aims at retaining a funding portfolio of more than sh400 million a year to enable Act! realize its mandate. Act! income records show that Act! raised slightly above sh500 million in 2011. This should re-energize its efforts in resource mobilisation in order to maintain the current momentum.

## ORGANISATIONAL DEVELOPMENT

**During the period under review, Organisational Development (OD) department** developed the Organizational Network Analysis Tool (ONAT) to assess networks, an OD matrix that explains the characteristics / stages of organizational development for Civil Society Organizations and an end of Grant Capacity Development Evaluation tool. The department reported 50% of all KCSSP grantees achieving over 80% of their OD priorities.

During the period, OD conducted design clinics for partners, which resulted to funding of 40 grantee proposals addressing environmental advocacy and inclusion of PWDs, among others. Over 200 CSO staff were trained resulting in meaningful engagements in public policy forums, influencing policy revisions and drafting of new ones and development of nature based enterprises at community level, which has seen increased incomes for households.

However, a number of challenges continued to affect the efficient delivery of services. The notable challenges include absence of clear benchmarks to gauge CD performance periodically, absence of a specific capacity development budget for interventions outside the CSO grant and slow uptake of CD interventions by partners due to financial constraints. Some of the interventions proposed after the OCA were either not budgeted for or the amounts allocated were too low.

### Opportunities

The challenges were, however, tempered by a number of opportunities for CD including growing demand for CD interventions / services within the CSO sector in Kenya, the availability of unique and tested CD tools such as OCA, ONA and MCA tool, the increase in number of CSOs, the growing need for network strengthening, devolved governance structures under the Constitution (2010) and increasing donor interest in CD interventions.

The expected recruitment of a Head of Capacity Development & Quality Assurance is expected to contribute to the harmonization of CD efforts and interventions carried out by all Act! Platforms.

## MONITORING, EVALUATION, REPORTING & LEARNING

During the 2010 / 2011 Financial Year, Monitoring, Evaluation, Reporting & Learning (MERL) continued to provide valuable technical support to programmes, helping them to track and report success thereby optimizing value for money.

**Building capacity of partners in MERL:** The MERL team supported over 50 CSOs through training and mentoring over 170 of their staff to improve skills in monitoring, evaluation, reporting and learning within their organizations. This was done by undertaking individual CSO training needs assessment, which helped Act! to customize its training to cater for different CSOs needs in an effort to ensure relevance and quality of the training.

**Technical support to partners:** In an effort to institutionalize MERL within partner organizations, the MERL team provided technical support to partners' core staff members in the development of results frameworks (during programme design phase) and establishment of MER System and procedures for their programmes. These have helped the partners to appreciate results-based management, learning and adaptive decision-making to improve programme delivery.

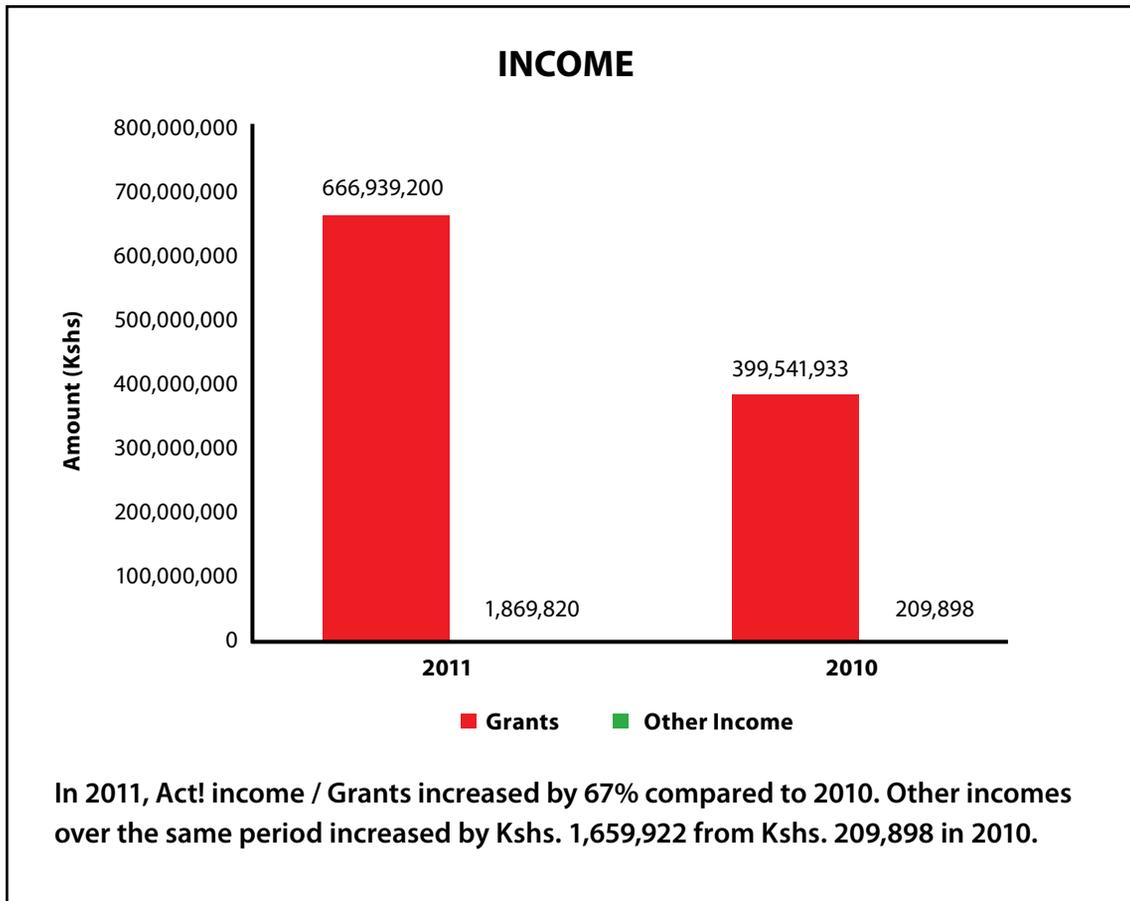
**Standardization of data collection and reporting tools:** Another milestone is the standardization of data collection and reporting tools across programs to ensure data is collected consistently and efficiently by both Act! staff and partners. This has not only streamlined information sharing across programmes but has also standardized the quality of the reports as well as what is documented in the reports.

**Institutionalization of learning and knowledge management culture:** At organizational level, the quality assurance department is leading a number of processes to improve learning in the organization. These include periodic internal joint reviews of programmes and the development of a knowledge management strategy to enhance Act!'s documentation, sharing and learning from its work. Within the strategy, the department envisions use of Information and Communication Technologies to promote collaboration amongst staff across all Act! offices, and share lessons and good practices with other practitioners in our thematic platforms.

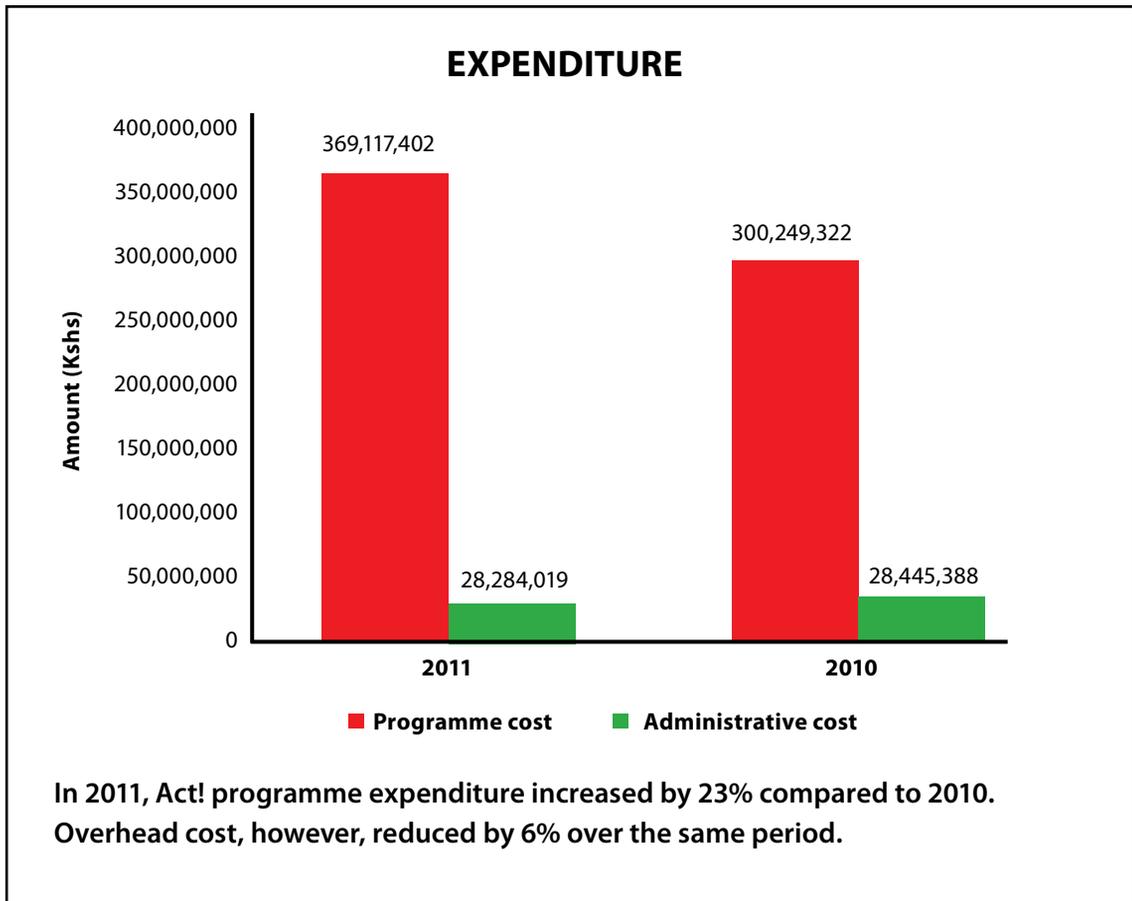
**Opportunities:** There are a number of opportunities that MERL can tap into at this time when emphasis is not only on accountability to our donors but to the beneficiaries as well. Learning from our work has and will continue to inform and shape our future programs, overcome challenges faced in the past and scale up best practices. Furthermore, as many organizations are now appreciating the value of MERL in their programmes, opportunities for consultancies are expanding, providing a big potential for diversifying revenue base of the organization.

**Challenges:** One of the obstacles encountered during the capacity development process of partners is that MERL is still considered a difficult and specialised field by civil society organizations rather than a process that should be integrated in operational plans to facilitate continuous reflection, learning and adaptation. Most partners consider building an M&E system for their organizations to be more technical and theoretical which should be done by a consultant. However the MERL department has been able to demystify these perceptions whereby over 70% of our partners now embrace MERL as a way of enhancing implementation.

**Fig 1: Comparative Income / Grants Growth**



**Fig 2 : Expenditure Analysis**



## ABBREVIATIONS

AKDN	Aga Khan Development Network
CEF	Community Environmental Facility
CEO	Chief Executive Officer
CRM	Changieni Rasili Mali
CSO	Civil Society Organisation
CLA	Cluster Level Association
DG	Democracy and Governance
ENRM	Environment and natural resources management
EU	European Union
FINNISH	Finnish Embassy
GEF	Global Environment Facility
INDRCT O/H	Indirect Over Heads
KCSSP	Kenya Civil Society Strengthening Programme
KLCDF	Kenya Local Capacity Development facility
KNH PK	Kinder Not Hilfe-ACT
MSA	Mombasa City
NCWK	National Council for Women In Kenya
NGO	Non Governmental Organization
NGO IDEAs	Non Governmental Organization-Impact on Development Empowerment and Action
NRM	Natural Resource Management
ODCC	Organization Development on Core Competencies
RECOMAP	Regional Coastal Management Programme
RELPA	Regional Enhancement livelihood
SHG	Self Help Group
SIDA	Swedish International Development Cooperation Agency
TTF CBP	Tourism Trust Fund
UNDP	United Nations Development Programme



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