CIVIL SOCIETY ORGANIZATION
SUSTAINABILITY IN KENYA

A Report On Sustainability & Local Fundraising Among CSOs In Kenya

A SUMMARY OF KEY FINDINGS

The following four are implications of the study that the investigator considers as the most consequential for development practice given the state of the field and current international affairs.

Take a Pragmatic, Contextualized, and Holistic Approach to Civil Society Strengthening

Donor Engagement with Local Organizations

Funding and Implementation of Local Capacity Building

Establish a CSO/NGO “Watchdog” Agency/Mechanism

Efforts to build a strong, driven, independent, and self-sufficient community of civil society organizations in Kenya will require a collaborative, concerted, and holistic approach. Greater cooperation and the adoption of common standards, indicators, measures, etc., among stakeholders would likely go a long way to enhance the effectiveness of “capacity building” initiatives.

Some amount of investment directly in the organizations themselves rather than solely in the projects and services those organizations deliver will be required for any substantive change to take place. Donor agencies and international NGOs need to recognize this and apply to develop sustainable and effective local organizations as well.

The international NGOs and donor agencies that fund and implement capacity building programs designed to strengthen the sustainability and effectiveness of local organizations should strive to: (i) ensure the structure and form of their capacity building (CB) as well as the way in which that capacity building is provided (e.g., in-person training, self-paced learning) are designed to be more participatory, based on a process, journey that involves coaching, mentoring, and self-discovery; (ii) be more practical in terms of expectations and scope of implementation, etc., and (iii) be rigorously evaluated for their effectiveness, cost-effectiveness, etc.

Establishing a mechanism for rating and ranking local CSOs/NGOs according to criteria such as program effectiveness, cost-effectiveness, etc. 

This initiative is supported by the Aga Khan Foundation and USAID.

Yetu

Our communities. Our strength.

The Yetu Initiative empowers Kenyans to say:

“These are our concerns, these are our solutions and these are our contributions.”

Yetu Initiative supported by the Aga Khan Foundation and USAID.

A REPORT BY

Our communities. Our strength.

PUBLISHED WITH SUPPORT FROM

Aga Khan Foundation

USAID

FROM THE AMERICAN PEOPLE
The Yetu Initiative, which works to strengthen Community Philanthropy in order to support Local Development, outcomes commissioned a research on Sustainability & Local Fundraising among CSOs in Kenya. The complete findings of the report can be downloaded from www.yetu.org

1. **Current Funding For Local CSOs**

   Key Concerns By CSO Managers On Local Fundraising:
   - Local Fundraising efforts not profitable
   - Local Fundraising not worth the investment
   - Local Fundraising very difficult & time consuming
   - No capacity to undertake local fundraising

   Two-thirds of CSOs receive a minimum of 70% of their total funding from international donors

   **Local Fundraising by CSOs in Kenya**

   **Local Fundraising Activities**
   - Word of Mouth
   - Formal Appeals
   - Social Enterprise
   - Fundraising Events
   - Digital Media Fundraising

   **Challenges To Local Fundraising**
   1. Public Perception
   2. Internal CSO Management Issues
      (a) Applying to International Donors in Easier
      (b) Lack of Internal Capacity for Local Fundraising
      (c) International Funding has a Higher Return on Investment

   89% of CSOs have in one time or another engaged in some form of local fundraising

2. **Recommendations To Enhance Local Fundraising**

   - CSOs To Build Trust & Buy In Among Community Stakeholders
   - CSOs To Invest Their Income in Social Enterprise
   - CSOs To embrace New Technologies for Local Fundraising Purposes
   - CSOs To improve their Marketing Abilities To Market themselves Locally
   - Donors To Come Up with Policies That Reward Local Fundraising Over International Funding

3. **Factors Standing in The Way Of Building Sustainable Local CSOs**

   **FACTOR**
   - Public Perception
   - Ineffective CSO Board
   - Community Ownership
   - Projectized Approach To Development
   - Relationship with Politicians

   **EXPLANATION**
   - CSO seen as corrupt and untrustworthy
   - CSOs viewed as wealthy organizations & prestigious occupation
   - CSO boards have unqualified, underperforming directors
   - CSO board directors chosen based on connection rather than ability
   - Community ownership is non-existant in practice

   **IMPACT**
   - Kenyans not compelled to give to CSOs
   - Prestige tied to CSOs leads to rise of many CSOs leading to duplication of work
   - Most boards constituted due to donor demands
   - CSOs feel boards is a western concept & don’t appreciate its importance
   - Top down management approach by CSOs hinders Community Participation
   - Most donors use projectized approach to funding-funding is tied to project & not the CSOs
   - CSOs have an interdependent relationship with politicians
   - Politicians see CSOs as either threat or opportunities

   **RECOMMENDATIONS**
   1. Donor organizations should invest in organizational development as an end in itself.
   2. Funding should be directed, in part, to developing means for local CSOs to generate income.
   3. Priority should be placed on the development and funding of a national accountability and standards-setting body that can certify local CSOs as trustworthy for investments.
   4. Concerted effort should be devoted to promoting increased collaboration among existing CSOs to reduce duplication of effort.
   5. Externally funded/implemented Organisational Capacity Building should be more practical and answer the needs of the organization.