

UNIVERSITY OF NAIROBI

INSTITUTE OF DIPLOMACY AND INTERNATIONAL STUDIES

**THE EFFECTS OF DONOR CONDITIONALITY ON EU/ACP POLICY
IMPLEMENTATION: THE CASE OF COMMUNITY DEVELOPMENT TRUST
FUND (CDTF)**

**ODONDI LYNETTE ADHIAMBO
(STUDENT NO. R50/74864/2009)**

Supervisor: Mr. Gerrishon Ikiara

September 2011

University of NAIROBI Library

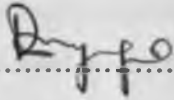


0532462 9

**This research paper is submitted in partial fulfillment of Master of Arts Degree,
International Studies**

DECLARATION

This is to confirm that this proposal is my original work and has not been presented to any other university.

Signature: 

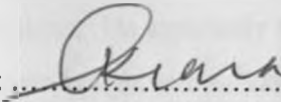
Date: 9TH NOVEMBER 2011

Name: Odondi Lynette Adhiambo

Registration Number: R50/74864/2009

This research paper has been submitted with my approval as University supervisor

Name: Mr. Gerrishon Ikiara

Signature: 

Date: 9/11/2011

ACKNOWLEDGEMENT

I would like to acknowledge my debt of gratitude to my family for the support they provided to me during the period I was undertaking this study. Due to the pressure of time, I was for a time not able to fulfill my obligations as a wife and mother, but they patiently bore with the situation, sometimes making excuses for me, and at other times filling in for me. Special appreciation to my husband, Dr. Maurice Odondi Orowe, for inspiring me to pursue further studies. He always said that there was value to an education, and encouraged me to undertake further studies. Being an academic and a scholar himself, he also took time to explain issues and when things got tough, he encouraged me to continue.

To my children Sheba, Elizabeth and George, I hope they will use this work as an example, following in mine and Daddy's footsteps in academia, to take their careers to the highest levels regardless of challenges and circumstances. George was worried that Mummy had to go back to school. It was a good opportunity to demonstrate to him and the girls that the search for knowledge never ends. For indeed, as Daddy always says, "*somo ber*" (education is important), it makes one a better person.

To my parents, Elizabeth and the Late Nehemiah Onyango; *Baba* and *Mama* believed in education and sacrificed their resources to ensure that we as a family had the best education. Dad, nurtured each one of us, overseeing homework and attending all school functions. He especially believed in his daughters, encouraging us on and referring to anything we bought him as '*daughter intellectual*'.

To my employer, the Community Development Trust Fund (CDTF), for allowing me to use the organization. The many times they allowed me time off to attend to academic and administrative issues at the University of Nairobi. The Programme Co-ordinator, Mr. Salesius Njoka Miu was especially instrumental in facilitating this study. It is my hope that this work will be useful to the organization and shall inform their future programming. I also hope that it shall be useful for other development initiatives elsewhere.

I would like to thank my supervisor, Mr. Gerrishon Ikiara, most sincerely for the guidance he provided during the writing of this proposal. For inspiring me to write on the issue of development policy because of the passion he showed for the subject, and the way he articulated issues related to it. I am also grateful to the administrative staff at the Institute of Diplomacy, namely Bertha and Francis. They were always on hand to deliver messages and provided logistics support as and when necessary.

DEDICATION

I wish to dedicate this work to my husband and friend, Dr. Maurice Odondi Orowe, who gently nudged the issue of further studies forward, month after month, year after year, ensuring that it was kept on the agenda, and offered all the moral and logistics support throughout the period of this research project. This piece of work stands as testimony of his love, patience, endurance and steadfast support. I hope it shall also be his pride.

ABSTRACT

The liaison between the African, Caribbean and Pacific states on the one hand and the European Union (ACP-EU) on the other is designed to facilitate provision of development assistance to the ACP states by the EU. In Kenya, the Community Development Trust Fund (CDTF) is one of the development agencies through which the EU provides this technical assistance and aid. The EU however in the implementation of the CDTF programme, employs rules and guidelines which rather than enforcing the objectives and principles of the ACP-EU Partnership Agreement, seem to undermine them. These rules and guidelines make certain assumptions and end up causing undue tension as a result are sometimes referred to as donor conditionality. This research study attempts to explain these assumptions and their implications for CDTF within the framework of the Modernisation Theory.

The Modernisation Theory is impinged on the premise that Third World states go through a specific series of developmental stages which lead to industrialization and higher economic development and its attendant benefits, one of which is literacy. It is based on this premise that the European Union assumes a certain level of development among CDTF's project communities and therefore expects them to have the capacity to participate in a complex project application process. Low literacy levels and lack of capacity characterize the poor communities in Kenya. In effect therefore, she argues that the poorer communities are therefore cut out of the CDTF project application process. A category of communities who are not really the neediest and are therefore not the ones CDTF intends to target with its funding, are the ones who end up receiving the project support.

This study carries out a review of the principles of the ACP-EU Partnership Agreement and their application in CDTF. It also reviews the specific instruments and tools used to implement EU policy. Some of these are the project application strategy and formats used. Views of stakeholders who are the EU, the CDTF Board of Trustees, Technical staff from CDTF and a community which has previously received funding under the Community Development Programme and CDP and are sought through questionnaires. A personal interview was conducted with the Programme Co-ordinator. This provides useful historical information which is not available anywhere else and serves to fill in gaps in the study.

Findings confirm that poorer communities in the ASAL areas receive less funding from CDTF. Demographic data and statistics also reveal that the literacy levels and poverty have a converse relationship. Stakeholders who participated in the study overwhelmingly chose poverty, human development and other relevant indices as a basis for targeting the poor. They also suggest that CDTF takes affirmative action to enable poorer communities to participate in the project application process. Findings of the study however confirm that the sectors in which CDTF focuses are the appropriate ones and are also in line with the Government of Kenya country strategy. Recommendation is that the EU reviews the project application tools with a view to making the process simpler to promote access by the poorer Kenyan rural and peri-urban communities.

LIST OF ABBREVIATIONS

ACP	African Caribbean and Pacific states
BCP	Biodiversity Conservation Programme
BoT	Board of Trustees
Cap	Chapter
CDP	Community Development Programme
CDTF	Community Development Trust Fund
CEF	Community Environment Facility
DANIDA	Danish International Development Agency
EDF	European Development Fund
EDP	Emergency Drought Programme
EEC	European Economic Community
EPS	Environmental Programme Support
ERD	External Resources Department
EU	European Union
GoK	Government of Kenya
KIHBS	Kenya Indicative Budget Survey
MoSPND&V2030	Ministry of State for Planning, National Development and Vision 2030
PMU	Programme Management Unit
SAGA	Semi-autonomous Governmental Agency
WMS	Welfare Monitoring Survey

LIST OF TABLES AND FIGURES

TABLES

Table 1:	Models and Elements of Partnership.....	18
Table 2:	CDTF Summarized Fact Sheet.....	55
Table 3:	CDP 3 Projects by Sector	74
Table 4:	CDTF Project Community Members Opinion on Priority Sectors	76
Table 5:	CDTF Board Members' Opinion on Priority Sectors ...	78
Table 6:	CDTF Technical Staffs' Priority Sectors ..	79
Table 7:	Education Level of a Sample of CDTF Community Members	82
Table 8:	Education Level and Poverty	83
Table 9:	Board Members' Views on Facilitation due to Education Level	83
Table 10:	CDTF Technical Staff Views on Facilitation due to Education Level	87
Table 11:	Community Members' Opinions on Facilitation due to Education Level	88
Table 12:	Ranking Overall Rural Poverty Over Time and Space ..	88
Table 13:	CDTF Funding to ASAL Areas in Kenya	89
Table 14:	Response Rate for Questionnaires	91
Table 15:	Respondents by Sex	91

FIGURES

Figure 1:	Flow of Relationships and Benefits Between Project Stakeholders	15
Figure 2:	CDTF Organogram.....	52
Figure 3:	CDP 3 Projects by Sector	75
Figure 4:	Priority Sectors for Project Community Members	77
Figure 5:	Board Members' Priority Sectors	78
Figure 6:	CDTF Technical Staffs' Priority Sectors ..	80
Figure 7:	Board Members' Views on Facilitation due to Education Level	84
Figure 8:	Technical Staff Views on Facilitation due to Education Level	85
Figure 9:	Community Members' Opinions on Facilitation due to Education Level	88
Figure 10:	Comparison of CDTF Funding to ASAL and Other Projects	91

TABLE OF CONTENTS

	Page No.
Table of Contents	i
Declaration	ii
Acknowledgement	iii
Dedication	iv
Abstract	v
List of Abbreviations	vi
List of Tables and Figures.....	viii

CHAPTER ONE BACKGROUND TO RESEARCH STUDY

1.1	Introduction	1
1.2	Statement of the Research Problem	2
1.3	Objectives of the Research Study.....	3
1.4	Justification of Study	3
1.5	Conceptual and Operational Definitions.....	5
1.6	Literature Review	7
<i>1.6.1</i>	<i>Introduction to Literature Review</i>	<i>7</i>
<i>1.6.2</i>	<i>Perspectives on Foreign Aid</i>	<i>8</i>
<i>1.6.3</i>	<i>Foundations and Basis of Foreign Aid</i>	<i>9</i>
<i>1.6.4</i>	<i>Designing Project Interventions</i>	<i>12</i>
<i>1.6.5</i>	<i>The Role of Stakeholders in Development</i>	<i>13</i>
<i>1.6.6</i>	<i>Models of Donor/Aid Recipient Partnership</i>	<i>14</i>
<i>1.6.7</i>	<i>Foreign Aid and Economic Growth</i>	<i>19</i>
<i>1.6.8</i>	<i>Historical Foundations and Impact of Conditionality</i>	<i>22</i>
<i>1.6.9</i>	<i>Conclusion</i>	<i>24</i>
1.7	Theoretical Framework.....	25
1.8	Research Hypotheses	30
1.9	Research Design and Methodology	30
<i>1.9.1</i>	<i>Research Design</i>	<i>30</i>
<i>1.9.2</i>	<i>Methodology</i>	<i>30</i>
<i>1.9.3</i>	<i>Scope, Data Collection Methods and Techniques, and Limitations of the Study</i>	<i>32</i>
<i>1.9.4</i>	<i>Target Population</i>	<i>33</i>
<i>1.9.5</i>	<i>Sampling Procedure</i>	<i>34</i>
<i>1.9.6</i>	<i>Data Analysis and Interpretation</i>	<i>34</i>
1.10	Chapter Outline	34

CHAPTER TWO THE ACP-EU DEVELOPMENT FRAMEWORK

2.1	Creation of the European Economic Union (EEC)....	36
2.2	Origins of the ACP-EU Partnership Agreement	37
2.3	Principles of the ACP-EU Partnership Agreement ...	38
<i>2.3.1</i>	<i>Objectives of ACP-EU Partnership</i>	<i>38</i>
<i>2.3.2</i>	<i>Eradication of Poverty</i>	<i>40</i>
<i>2.3.3</i>	<i>Sustainable Development</i>	<i>40</i>

2.4	Fundamental Principles of the ACP-EU Partnership Agreement	41
2.4.1	<i>Equality of Partnership and Ownership of the Development Strategies</i>	41
2.4.2	<i>Multisectoral Participation</i>	42
2.4.3	<i>Dialogue and Fulfillment of Mutual Obligations</i>	43
2.4.4	<i>Differentiation and Regionalization.....</i>	44
2.5	EU Policy Instruments and Tools	44
2.5.1	<i>Programme Implementation Tools</i>	45
2.5.2	<i>Timelines for Project Implementation</i>	46
2.5.3	<i>Procurement Procedures</i>	46
2.5.4	<i>CDTF Administrative Budget and Staff Establishment.....</i>	47

CHAPTER THREE STRUCTURE AND OPERATIONS OF CDTF

3.1	Introduction	49
3.2	Creation of CDTF	50
3.3	Organizational Structure	51
3.4	CDTF Programme Direction	56
3.5	Project Implementation Approach	58
3.5.1	<i>Views of Stakeholders on CDTF's Project Implementation Strategy</i>	61
3.5.2	<i>Views of Stakeholders on Project Application Forms</i>	62
3.5.3	<i>Access to Media</i>	63
3.5.4	<i>Facilitation of Government of Officers</i>	65
3.5.5	<i>Special Concessions for Remote Locations</i>	66
3.6	Comparative Advantage of CDTF	67
3.6.1	<i>Programme Efficiency and Delivery</i>	67
3.6.2	<i>Human Resources Skills and Capacity Building.....</i>	69
3.6.3	<i>Funding Procedures and Budgets</i>	69
3.6.4	<i>Wide Network and Reach</i>	70
3.7	Conclusion	71

CHAPTER FOUR DETERMINANTS OF SECTORAL CHOICES, INSTRUMENTS AND TOOLS

4.1	Introduction	73
4.2	Sectoral Priorities and Choices of CDTF	73
4.2.1	<i>CDP 3 Funding by Sector.....</i>	74
4.2.3	<i>CDTF Project Communities.....</i>	75
4.2.4	<i>CDTF Board Members</i>	77
4.2.5	<i>CDTF Technical Staff</i>	79
4.2.6	<i>Suggestions for Additional Sectors for Future CDTF Programmes.....</i>	80
4.3	Education Level	81
4.3.1	<i>Community Members by Education Level</i>	81
4.4	Geographical Dimensions of Poverty	86
4.4.1	<i>Adequacy of Funds for ASALs</i>	88

4.5	Gender and Development	89
4.5.1.	<i>Response Rate for Questionnaires</i>	90
4.5.2	<i>Respondents by Sex.....</i>	90

**CHAPTER FIVE
CONCLUSION AND RECOMMENDATIONS**

5.1	Introduction	91
5.2	Level of Education	92
5.3	Targeting Strategy of CDTF	93
5.4	Sectoral Priorities and Choices of CDTF	95
5.5	Recommendations	97
6.1	List of References	99

CHAPTER ONE

BACKGROUND TO RESEARCH STUDY

1.1 Introduction

This research study evaluates the effects of donor conditionality on projects implemented by the Community Development Trust Fund (CDTF). It proceeds on the premise that rules and guidelines on foreign aid funded development programmes influence the achievement of the stated objectives. Thus, one of the main arguments in the study is that these guidelines may also affect the attainment of the objectives of the ACP-EU Partnership Agreement which targets poverty eradication and sustainable development.

Donor conditionality are rules and procedures set by parties offering development assistance to facilitate efficient and effective use of the resources they provide. The said rules and procedures are mainly meant to foster attainment of certain specific policy objectives. They, however, do not always end up doing this for various reasons. This may be due to either their nature or the way in which they are applied. The broad framework of liaison between the states of the European Union and the African Caribbean and Pacific countries (ACP-EU) was established to facilitate development assistance by EU states which mainly have highly developed economies, to the ACP states, most of which are 'Third World'¹ states which have been struggling to eradicate

¹ States referred to as the 'Third World' is mainly African and South American, Asian and Caribbean countries which have struggling economies characterized by extreme poverty. They have not been able to industrialized and have most of their citizens living below the poverty line surviving on less than a dollar a day.

poverty and bring about sustainable development, bridging the gap between the rich and the poor.

The main focus of this initiative was for the EU states to provide development assistance to individual ACP states most of which are their former colonies, through different development programmes targeting poverty. The CDTF receives funding from the EU based on a financing agreement signed with the Government of Kenya under this broad framework.

1.2 Statement of the Research Problem

The issue of donor conditionality is a sensitive subject which has raised suspicion and caused anxiety between donors and recipients of development assistance. A lot has been said and plenty of research carried out on the subject, but little research reviewed seems to have focused on the details of how this happens and to chart the way forward for solutions through which the anxieties around it can either be reduced or done away with altogether. What the scholars seem to do is to carry out research to identify and define conditionality. They also describe its nature and how it manifests itself. The researchers go further to establish that donor conditionality has the potential to interfere with realization of project objectives depending on how it is managed. The researchers also delve into the perspective the interplay between donors' and recipients' interests and how the said interests influence the extent to which objectives of development programmes can be achieved.

The focus of this study, and thus the area in which there is a knowledge gap, is on the instruments or methodology of aid delivery, and how they impact on the achievement

of objectives of development programmes. Hopefully, the results of the study will add to the body of knowledge on the subject and thus assist to ease the tension which usually surrounds mention of the issue of donor conditionality.

1.3 Objectives of the Research Study

The objective of this study is to:-

- (i) examine the major provisions of ACP-EU Partnership Agreement;
- (ii) evaluate the extent to which policy instruments applied by the EU in implementation of the CDTF programme, support the principles and objectives of the current ACP-EU Partnership Agreement;
- (iii) make recommendations for alignment of the CDTF programme implementation strategy with the EU-ACP Partnership Agreement's principles and objectives.

1.4 Justification of Study

This study is important from two perspectives. The first is that it fulfills an academic requirement towards Masters in International Studies. Secondly, it is important within the development context as its findings will contribute towards the development discourse, specifically on the issue of donor conditionality. A lot of important research work has been done on donor conditionality. Senior scholars like T. Killick, P. Burnell, J. M. Cohen and others quoted in this study and yet others outside, have articulated their thoughts on the subject. Eminent Kenyan scholars like G. K. Ikiara and P. Alila have also presented their perspectives. Results of the study will hopefully add knowledge on

the place of donor conditionality in the delivery of foreign aid, and specifically, how assumptions on the level of a community's skills capacity influences choice of project selection instrument or methodology.

This study seeks to reinforce the spirit of use of empirical data as a basis for arguments. It seeks to improve the approach to issues in the development sector which is in many instances informed by the very nature of the work – having to move quickly to forestall emergencies around the world, with development of sound internal administrative and programme delivery systems taking second priority. There are a lot of issues concerning development assistance which could be answered through research. Development agencies even as they concentrate on their core business of aid delivery need to also support research and refine their monitoring and evaluation systems as components of their activities, to improve service delivery.

The study also throws a challenge to bureaucrats and ordinary citizens in Third World states, even those working outside the development sector, that each one of us has a role to play in the development of our respective countries, and that the best place to do it is not necessarily on political platforms accompanied by funfair. There is a lot that we could do in our respective environments and in our individual and collective capacities. All have an opportunity – it is for us to recognize it and apply ourselves creatively for the betterment of our countries. We need to be active participants rather than passive observers in the development process.

1.5 Conceptual and Operational Definitions

Equity: Fairness

Exchequer: Government Treasury through which funds are received and disbursed

Founders: Founders of CDTF are the European Union (EU), the National Authorizing Officer (NAO) of the External Resources Department (ERD) of the Ministry of Finance and the Ministry of Planning

Infrastructure: This is the basic form, system or framework within which development initiatives or project work is carried out

Instruments: These are applications and tools which are used to carry out programme work. They include forms and other written materials

Investment Budget: These are direct project costs for example for purchasing materials used for construction of classrooms and other physical facilities

Policy Framework: This is the raft of laws, policies and procedures which apply within the development and other sectors

Programme Estimates: These are annual workplans and budgets approved by the EU and DANIDA and the CDTF Board of Trustees²

Project Sustainability: This is the ability of the development intervention or project to continue operations beyond the formal funding period.

Stakeholders: These are the parties who play a role in development, and include donors, recipients of funding, host government and contractors

Target: This is the focus of attention or the subject of the development initiative. It can be a specific population or what is to be done to improve the circumstances of the said population

Templates: These are prescribed formats which are supposed to ease processes in project application and implementation

Tranche: This is an installment of aid provided either in cash or in kind

Waiver: Exclusion or exemption from a set of rules which usually apply

² Memorandum of Understanding between the EU & the Embassy of Denmark in support of CDTF 2010-2014. pp.5

1.6 Literature Review

1.6.1 Introduction to Literature Review

This section of the study explores the works of different scholars on foreign assistance³ and donor conditionality, reviewing the different perspectives they offer on the subject under investigation. The study looks at different definitions offered by the scholars. Arguments for and against conditionality from both donor and recipient perspectives are reviewed. Debates on semantics or terms used to define and explain the concept conditionality are also considered. There are also debates about the different ways in which donors apply rules and procedures to attain their objectives. Discussions on semantics are for purposes of this study mentioned in passing, as they highlight the sensitivity of the subject.

Literature highlighting the role and responsibility of government in development is reviewed. Works of some scholars who believe that donor conditionality are part of a system in which aid delivery is distorted is also cited. The place of donor conditionality with the entry of new donors from the Eastern Asian countries, to whom many Third World countries are turning to for aid and who offer less stringent terms of funding than Western donors, is also considered. The success stories of development among these East Asian countries which are in this context referred to as the 'Asian Tigers' because they managed to lift their respective states out of poverty to join the league of industrialized developed states, are also visited. This study's main focus however is different models of aid delivery, level of participation of the donors and recipients, and

³ Foreign assistance includes both material and technical assistance. The former comes in the form of cash and food aid which the latter is technical expertise usually in the form of personnel, loaned for defined periods of time.

how this impacts on programme implementation and development's overall objective of economic growth.

1.6.2 *Perspectives on Foreign Aid*

Odhiambo⁴ argues that conditionality refers to technical requirements and policy prescriptions. Conditionality he explains, is tied to specific funding mechanisms, programmes and tranches, where certain obligations had to be fulfilled either before the release of a first or subsequent tranches of funds. He posits that the term 'conditionality' is not a term that officials in aid agencies like to use, especially since it has negative connotations. He argues that they prefer to use the terms "*principles*" and "*guidelines*".

Killick⁵ explains the concept from two perspectives: first, he classifies it into two sets – the ones which are relate to "*prior actions*" and those which constitute "*performance criteria*". The former are requirements which the donor demands that the recipient of funds fulfill before they receive funding. The latter relate to action the said donor recipients are required to take during programme or project implementation. Secondly, the author defines the rules as "*hardcore*" and "*proforma*". The former are policies the donor requires changed before either grants or loans are released or subsequent tranches of funds disbursed. The latter are general mutually agreed provisions which donor and recipient of funds bring into the programme. The less the incentives there are in agreement for the recipient Governments, and the more donor

⁴ Odhiambo, M. *The Influence of Foreign Aid Conditionalities on Domestic Policy Making: a Case Study of Kenya, 1995 to 2005*. MA Research Project. University of Nairobi, 2007).

⁵ Killick, T. 'Principals, Agents and the Failings of Conditionality'. *Journal of International Development*, Vol 9 No. 4, pp.483

objectives dominate, the greater or stronger Government resistance is likely to be and the more diminished the success of the aid programmes.

Wall⁶ defines foreign aid as “... *government enforced international income redistribution*”. The author views aid from a positive perspective, arguing that it relieves human suffering. He posits that it should be given to those who need it most, and goes further to make a case for efficient use of the said aid. The author in echoing a common saying, “...*he who pays the piper calls the tune.*” argues that greater control of aid by donors ensures meaningful results. He also recommends that aid be directed where it brings more development or has a greater impact.

1.6.3 Foundations and Basis of Foreign Aid

According to Rubin⁷, the Organization of Economic Co-operation and Development (OECD)'s Development Assistance Committee (DAC) was created to co-ordinate aid initiatives, initially under the Marshall Plan after the Second World War in Europe, and later with the Third World countries. He posits that the Marshall Plan required European countries which had benefited from assistance under the initiative to re-direct their efforts to reciprocate the generosity afforded them by pledging at least about 1% of their annual income to development. It also required that aid providers give concessions to recipient states in order to facilitate debt servicing.

⁶ Wall, D. *The Charity of Nations*. (London: The MacMillan Press Ltd., 1973) pp.3.

⁷ Rubin, S. J. *The Conscience of the Rich Nations: the Development Assistance Committee and the Common Aid Effort*. (New York: Harper and Row Publishers, 1963) pp.62

Poats⁸ argues that according to data obtained from the UN, World Bank and the OECD, key indicators of development are reflected through economic growth, capital formation, food production, per capita income and social progress or human advancement. Adult literacy and primary education and secondary school enrollment are also indicators of development. In echoing the aforementioned indicators of development, Wall⁹ argues that even with economic progress, abject poverty can occur in some locations within the same area. He argues further that the cost of aid programs is not proportionate to their benefits. Because of these dynamics, donors must be aware of the direction their aid programs take hence the stringent rules.

Kariuki¹⁰ argues that the main objective of foreign aid is to increase the GDP of the recipient countries. Findings of the author's study however, indicate that there is no direct link between internal economic growth and foreign aid. He argues that aid can only stir economic growth if funds disbursed to the Government are not diverted for other uses, for example, consumption. Also, donor prescriptions and Government priorities would have to coincide, for any meaningful development to occur. The author posits that economic and political reforms demanded by donors have raised the cost of Government expenditure through retrenchment packages and worsened human welfare through removal of subsidies and introduction of cost sharing. The author concludes that meaningful economic growth can only be achieved through productive investment rather than foreign aid. He (Kariuki) argues that whereas domestic savings are also critical for economic growth, aid can only be useful in development projects with strong monitoring

⁸ Poats, R. M. *Development Co-operation: Efforts and Policies of the Members of the Development Assistance Committee (DAC)*. (Paris: OECD, 1982) pp14.

⁹ Wall, D. *The Charity of Nations* (London, UK: The MacMillan Press Ltd, 1973) pp.3-6

¹⁰ Kariuki, T. K. *Effectiveness of Foreign Aid: The Case of Kenya*. Masters Thesis. University of Nairobi, 2006.

systems. The results of the study are significant for this research paper as it is carried out in Kenya.

Todaro¹¹ argues that the bulk of aid is given out based on political, strategic and economic considerations and not on moral or humanitarian grounds. The conception that aid is supposed to promote development may therefore not necessarily hold true. The author posits that available empirical data indicates that less than half of the world's foreign aid goes to the forty six countries which merit the said foreign assistance most. Some of the funds given as aid goes back to the donors as it is used to purchase specified goods from the said countries (tied aid), and is thus repatriated. He gives an illustration of two perspectives of donor aid, one being the more popularly known and acknowledged donor perspective and the other being the less discussed recipient perspective.

The Treaty of Rome¹² provides for an association between the developed countries and what it refers to as the 'territories' with relationships resulting in economic, social and cultural benefits to the latter group. It provides for the Most Favoured Nation (MFN¹³) treatment for the said territories in the conduct of trade. Like the Treaty of Rome, the UN provides for foreign aid by developed countries to developing ones, which it refers to as 'investments'.

Wall¹⁴ argues that for the USA and other countries, foreign aid serves their national interest. It fosters national security through military support to strengthen other nations and by so doing promote peace and stability in the world. It also provides humanitarian

¹¹ Todaro, M. P. *Economics for a Developing World*. (Harlow: Pearson Education, 1992). pp. 401

¹² The Treaty of Rome. Part Four: (Rome: Association of the Overseas Countries and Territories. Article 131 and 132, 1957). pp. 46

¹³ The MFN principle requires the developed countries to treat their trading partners from the developing countries as they would their closest or most desired or liked trading partners from the developed world.

¹⁴ Wall, D. (1973) *The Charity of Nations*. (London: The MacMillan Press Ltd., 1973). pp. 32

relief or assistance to mitigate catastrophe and reduce human suffering. It is therefore a means of providing support with the objective of realizing long term economic and social development for the lower income countries. Because the aid comes from taxes of citizens of the donor countries, they have an obligation to demonstrate the aid is utilized efficiently.

As if to echo Todaro, Goldstein¹⁵ argues that one of the motives of foreign assistance is to secure future advantage for the donor or party providing the aid over the recipient. He posits that under such circumstances, the donor secures leverage, which he refers to as 'power'. Within the Dependency school of thought, such power ensures control of the developing countries by the developed nations, perpetrating dependency of the periphery on the centre.

1.6.4 Designing Project Interventions

Clause 3 (ii) of the Paris Declaration on Aid Effectiveness¹⁶ sets a broad framework of donor/aid recipient countries engagement. It stipulates that donors align aid with priorities of respective partner countries, their systems and procedures. The ACP-EU Partnership Agreement¹⁷ reinforces this further, by stating that "... ACP States shall determine the development strategies for their economies and societies in all sovereignty" . Cohen¹⁸ argues that international donors are however increasingly using their positions of power to dictate the course of development in the Third World without

¹⁵ Goldstein, J. et al (2010). *International Relations* (New York: Longman Pearson), pp. 484

¹⁶ *Paris Declaration on Aid Effectiveness and the Accra Agenda for Action 2005/2008*. 2005. (Paris: OECD, 2005). Clause 3 (ii)

¹⁷ *ACP-EU Partnership Agreement: 'Fundamental Principles'*. Cotonou 23rd June 2000. (Brussels: Directorate-General for Development, 2000). Brussels. Article 2, Clause 1.

¹⁸ Cohen, J. M., et al. 'Foreign Aid Conditions Precedent'; *Political World Development*, Vol. 13, No. 12. pp. 1211. (Cambridge: Pergamon Press Ltd. 1985).

taking into account the local context and priorities. He posits that this is one of the reasons that most of their initiatives fail to bring about positive results. He argues further that research into inefficient administrative systems and inappropriate policy may raise the potential for adoption of donor suggestions for reforms.

In a critique of the Bill and Melinda Gates Foundation's strategy for eradication of malaria in Sub-Saharan Africa, Mamdani¹⁹ argues that it is important to diagnose the problem or risk designing wrong interventions hence misapplying millions of dollars. The author emphasizes the importance of strategies for diagnosis of problem as a priority. According to Maluki²⁰, a sound monitoring and evaluation system will measure the extent to which human needs have been met. He argues further that a system which seemingly supports injustice is not sustainable as it may lead to civil strife. He advocates for a system which has mechanisms for sharing of benefits by all. As if to echo Kolodziej, Maluki²¹ argues that development emphasizes social justice and thus advocates for equitable distribution of resources. He posits further that it must also highlight importance of order, welfare and legitimacy. Beyond this, it should also stress value of human capital development.

1.6.5 The Role of Stakeholders in Development

Moysey²² argues that beyond ensuring that technical goals of projects are achieved, it is important to take into account the interests of stakeholders to ensure the success of

¹⁹ Mamdani M. *Contextualising Post-Reconciliation on Violence: Globalization, Politics and Identity in Africa*. (Paper presented in a workshop on 20th January 2011 at the Japanese Embassy, Nairobi).

²⁰ Maluki, P et al. *Models and Emerging Paradigms of Development*. (Unpublished Paper). 2008, pp.3.

²¹ Ibid. pp. 5

²² Moysey, S. 'Recognizing Stakeholders in the Design of Effective Community-level Geophysics Programmes. *The Leading Edge (TLE)*, Vol 30 No. 4. (April 2011), pp 422-424

projects. The United Nations Development Programme (UNDP)'s recommends involvement of the project communities in project planning and design. This improves acceptance and sustainability of projects. The role of stakeholders in the process of project management should be appreciated. Positive intentions and favourable project implementation methods and logistics notwithstanding, it is crucial that feedback is solicited from stakeholders as the said feedback is as important to programming as other scientific and logistical concerns. It is also important to build the capacity of the participants of the projects, to improve their ability to both implement the said projects, and also for purposes of project sustainability. Poats²³ argues that according to the OECD to which the Bretton Woods institutions subscribe, whereas terms of aid delivery should be highly concessional, closer consultations between the donor countries and the recipient states may yield positive results.

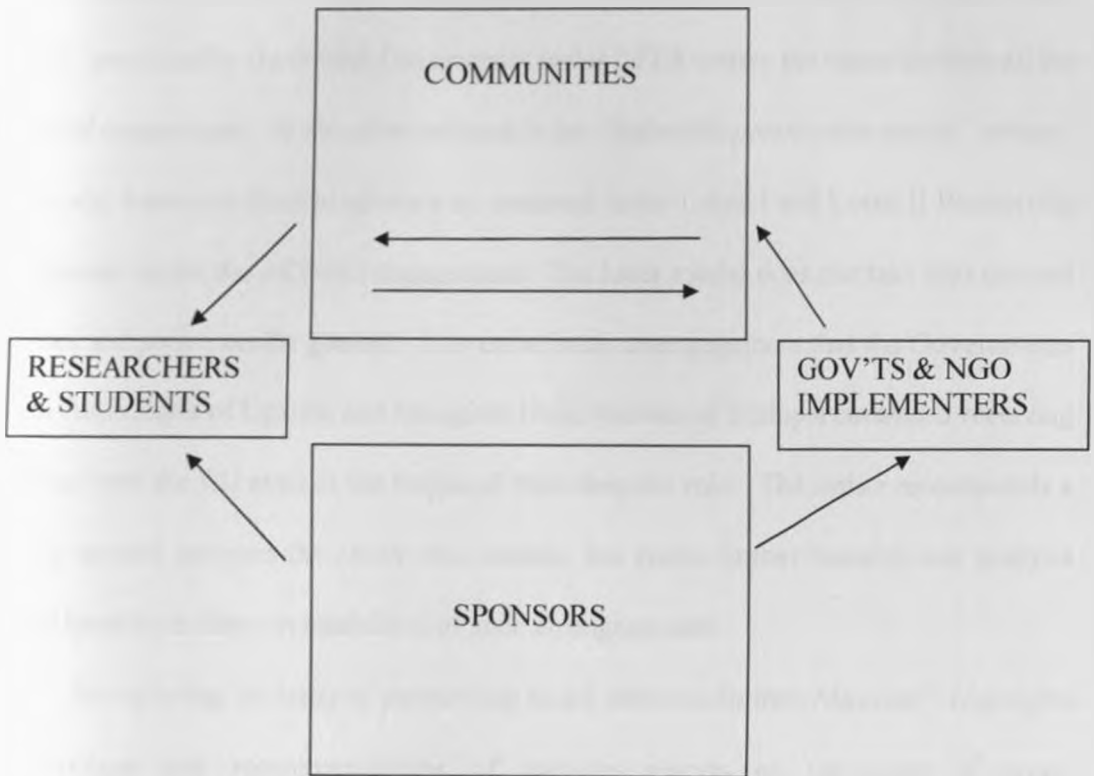
1.6.6 Models of Donor/Aid Recipient Partnership

Moysey²⁴ reiterates the importance of partnership and participation. He argues that it is important to understand the motivation and resources of stakeholders in order to recognize and use their comparative advantage for the benefit of the programme. This would have a bearing on their level of their participation in the said programme. Figure 1 below illustrates the cycle of interactions between different participants or stakeholders in community projects.

²³ Poats, R. M. *Development Co-operation: Efforts and Policies of the Members of the Development Assistance Committee (DAC)*. (Paris: OECD, 1982) pp121.

²⁴ Moysey, S. Recognizing Stakeholders in the Design of Effective Community-level Geophysics Programmes. *The Leading Edge (TLE)* Vol.30, No. 4. April 2011. pp.422-424.

Figure 1 : Flow of Relationships and Benefits between Project Stakeholders



Adapted from: Moysey, S. (2011). Clemson University

Smillie²⁵ argues that set targets may be attained without realizing the overall objectives of the programme. He cites the example of digging a well and installing a pump, but villagers carry the water in dirty buckets. Here, the overall result of improved health for the community may not be met in spite of the well having been completed to the satisfaction of the project implementers. The ultimate goal of the project has not been achieved.

²⁵ Smillie, I. *The Alms Bazaar: Altruism Under Fire - Non-Profit Organizations and International Development*. (Ottawa, International Development Research Centre, IDRC, 1995) pp.159.

Maxwell²⁶ explore different forms or patterns of donor/aid recipient relationship, based on how the rules are set. At the one end of the scale is the “*Hollow partnership model*” practiced by the British Government under DFID, where the donor dictates all the terms of engagement. At the other extreme is the “*Inflexible partnership model*” where flows and forms are fixed in advance as practiced in the Lomé I and Lomé II Partnership agreements under the ACP-EU engagement. The latter model does not take into account politics and policy on the ground. It is under such an engagement that the Governments of Idi Amin Dada of Uganda and Mengistu Haile Mariam of Ethiopia continued receiving funding from the EU even at the height of their despotic rule. The author recommends a middle ground between the above two models, but posits further research and analysis would have to be done on modalities of such an engagement.

In exploring the issue of partnership in aid relations further, Maxwell²⁷ highlights the findings and recommendations of previous reports on the issue of donor conditionality. He cites the Pearson Commission on Aid and Development of 1969, which was the blue print of aid operations for many years, puts the formation and execution of development policy within the domain of the recipient of foreign aid. He argues that the UN Charter²⁸ upholds this international principle of the state self-determination as enshrined in the UN Charter. Maxwell²⁹ posits that the Pearson report states that donors have a right to give their input and also to be informed about important events and decisions concerning the aid they disburse to the developing countries. The Brandt Commission of 1980 states the importance of involvement of developing

²⁶ Maxwell, D. et al. *Conditionality or Contract: Perspectives on Partnership for Development*. Vol. 10 (1998) pp.257-8.

²⁷ *Ibid.* pp258.

²⁸ Charter of the United Nations. (New York: United Nations, 2006).Chapter I, Article 2. pp.5.

²⁹ *Ibid.* pp258.

countries in the decision making process as a way of facilitating their participation as stakeholders in international political and economic arena. The DAC of the OECD on its part advocates for development of “.... *locally owned strategies and targets*” formulated by national governments in liaison with international development partners where both parties discuss their common objectives. Programmes would then be implemented within locally developed structures which emphasize local participation and capacity building, thereby strengthening local commitment and ownership.

As if to echo a 1993 publication by Roger Riddell, Maxwell³⁰ presents further arguments about the viability of partnership. He posits that it (partnership) engenders a strong sense of equality. He contrasts this with the relationships of horse and rider, and that of master, servant; and funder and funded. The author considers the latter sets of relationships as being unequal. In order to demonstrate the weak partnership of the DFID model and the stronger version of ACP-EU models discussed earlier, the author draws a table, an adaptation of which is illustrated in Table 1 below:

³⁰ Maxwell, D. et al. Conditionality or Contract: Perspectives on Partnership for Development. *Journal of International Development* Vol. 10 (1998) pp.258. John Wiley & Sons Ltd.

Table 1: Models and Elements of Partnership

MODEL OF PARTNERSHIP	ELEMENTS OF PARTNERSHIP
Weak Partnership ³¹	<ul style="list-style-type: none"> • Information sharing • Policy Dialogue
Strong Partnership ³²	<ul style="list-style-type: none"> • Jointly agreed country programmes • Multi-annual (periodic) financial agreements

Source: Maxwell, D. et al. Conditionality or Contract: Perspectives on Partnership for Development. *Journal of International Development*

The author argues further that the Lomé Conventions facilitate “contractual³³” relationships in which there is no provision for policy dialogue and information sharing. The EU offices in the respective countries participate in the process as the institutions which implement the aid programmes. With time and experience, contract terms have been tightened due to variance in philosophy between the EU and respective ACP states, and also because of human rights violations and other issues.

³¹ Little participation of recipients of donor funds.

³² Greater participation of both donors and recipients of funds.

³³ A contractual relationship means that the role, rights and responsibilities of the parties to the contract are clearly spelt out in a formal written agreement, which is negotiated and agreed upon by the said parties. The parties then append their signatures to the agreement as an indication of their commitment.

1.6.7 Foreign Aid and Economic Growth

In setting the development agenda in Kenya, the first post independence development plan, Sessional Paper No. 10 of 1965³⁴ provided for acceptance of technical assistance and foreign aid “...with no strings attached”. The document emphasized exercise of independence in choice of application of methods which are suited to local conditions as determined by experience. According to Kenya National Bureau of Statistics (KNBS)³⁵, Kenya’s Economic Recovery Strategy for Wealth and Employment Creation (ERSP) development strategy covering the period 2003 to 2007, focused on poverty, disease and education. It set a clear framework for action, placing a demand for data from the KNBS. Poats³⁶ posits that the 1972 Stockholm Conference brought an additional agenda, the environment, into the mainstream of development discourse. According to Kenya’s current development plan, Vision 2030³⁷, poverty eradication and environmental conservation continue to occupy a central place in the country’s development agenda.

Bringing gender arguments into the development debate, a UNICEF³⁸ report argues that education breaks generational cycles of poverty and illness, providing a foundation for sustainable development. They posit that quality education rooted in gender equity improves lives. In discussing the development challenge, a USAID³⁹ report presents the

³⁴ Government of Kenya. *Sessional Paper No. 10: African Socialism and its Application to Planning in Kenya*. (Nairobi: Government Printers, 1965). pp. 8.

³⁵ Kenya National Bureau of Statistics. *Basic Report on Well-Being in Kenya*. (Nairobi: The Regal Press, April 2007). Pp. 13.

³⁶ Poats, R. M. *Development Co-operation: Efforts and Policies of the Members of the Development Assistance Committee (DAC)*. OECD Paris 1982 pp121.

³⁷ Ministry of Planning, National Development and Vision 2030. *Kenya Vision 2010, the Popular Version*. (Nairobi: Government of Kenya, 2007) pp. 6

³⁸ UNICEF. *Basic Education and Gender Equality*. <http://www.unicef.org/education/>. 12th July 2011

³⁹ USAID. *Education from a Gender Equality Perspective*. (USAID’s office for Women in Development, EQUATE Project, 2007.) pp 1.

argument that whereas education is one of the most effective development investments, and investment in education achieves most development goals, educating girls achieves even greater results. The new Constitution of Kenya⁴⁰ acknowledges this view and entrenches gender equity through affirmative action in the Bill of Rights.

Ikiara⁴¹ makes a comparative analysis of the East Asian development experience also referred to as the 'Asian Miracle', and that of Kenya. He posits that the said analysis shows that the former succeeded using high economic growth to reduce poverty and inequality. Japan, Hong Kong, South Korea, Singapore, Taiwan, China, Indonesia, Malaysia and Thailand all applied varied strategies based on the unique challenges in each one of the countries. In each case, growth policies were directed and managed alongside policies giving adequate attention to fair distribution of the earnings from the economic growth. Kenya's failure to develop in the post-independence period is largely blamed on inappropriate policies, laxity in implementation of economic reform and misuse of public resources. Policies which stimulate redistribution of earnings from economic growth have also not been applied.

Poats⁴² argues that during the late 1960s and the period between 1973 and 1979, Kenya, Ivory Coast, Malawi and Ghana were among a group of Third World non-OPEC countries, non-communist countries with market-oriented philosophies which achieved

⁴⁰ Constitution of Kenya. (Nairobi, Government Printers, August 2010). Article 27, clauses (3) and (8). Pp 26.

⁴¹ Ikiara, G. K. Economic Restructuring and Poverty in Kenya. From Sessional Paper No. 10 to Structural Adjustment: Towards Indigenizing the Policy Debate. Institute of Policy Analysis and Research (IPAR). Pp. 312-314, 1995.

⁴² Poats, R. M. *Development Co-operation: Efforts and Policies of the Members of the Development Assistance Committee (DAC)*. (Paris: OECD, 1982) pp18.

real economic growth. Onjala⁴¹ argues the period of the 1980s were characterized by the Structural Adjustment Policies (SAPs) which were administered in the lending by the Bretton Woods Institutions, the International Monetary Fund (IMF) and the World Bank. He posits that because of the stringent conditions they imposed on the countries borrowing the funds from them, countries would borrow from them as a last resort. Goldstein⁴⁴ argues that unlike the Bretton Woods institutions, China which has experienced immense economic growth in recent years offers foreign aid to the Third World without political conditions like those of the West. He (Goldstein)⁴⁵ argues further that issues the SAPs were designed to address were in existence in Kenya at the time of independence, though at a smaller scale. The problems had however escalated by the 1980s due to misdirected economic policy. Rather than focus on domestic savings, loans, aid or direct external investments to grow the GDP, inflow of foreign private capital had been prioritized. A shift was also made in the education sector to equip the public sector with personnel who had functional skills, to run the economy.

Wall⁴⁶ argues that some donors assume that aid will automatically result in economic growth. This is however hampered by many factors. It is because of these factors that donors institute policy prescriptions to attain development. The author cites Robert McNamara, former President of the World Bank and Prof. Hollis B. Chenery as propounding that development assistance to the Third World was mistakenly modeled around the Marshall Aid Plan instituted in Europe to assist with reconstruction after the

⁴¹ Onjala, J. O. 'Economic Growth and Development in Kenya Since Independence'. *From Sessional Paper No. 10 to Structural Adjustment: Towards Indigenizing the Policy Debate*. (Eds Njuguna Ng'ethe et al). (Nairobi: Institute of Policy Analysis and Research, IPAR, 1995). pp 59-60.

⁴⁴ Goldstein, J. S. et al. *International Relations*. (New York: Longman Pearson, 2010). pp.464.

⁴⁵ *Ibid*. pp 60-62.

⁴⁶ Wall, D. *The Charity of Nations* (London, UK: The Macmillan Press, 1973) pp.32.

Second World War. They argue that development needs a different model as it is not the same as reconstruction.

Poats ⁴⁷ argues that failure to both record and “...*correctly drawing lessons from experience in development...*” poses a challenge to the improvement of implementation of the development programmes. According to Todaro ⁴⁸, in order to tackle the problem of poverty effectively, policies need to be developed which attack it directly. Knowledge about the location, extent and characteristics of poverty are vital for this initiative. Most statistics available from the Third World suggest that between 70% and 80% of the poor live in the rural areas. Policies designed to tackle poverty should therefore be directed towards rural development.

1.6.8 Historical Foundations and Impact of Conditionality

It is important to note that in the past, little attention has been paid to the issue of donor conditionality, especially with reference to the EU. Attempts were made to discuss the issue at the level of the DAC through its committees but other priorities took over the agenda. The latter commissioned the Pearson Committee in 1969, but the committee did not make much progress on the issue. Subsequent committees did not achieved much, only identifying some procedural obstacles and recommending that countries make appropriate changes to remove those that hinder effective aid delivery⁴⁹. Hopefully, the results of the study shall assist to shift the focus of from project implementation only, to embrace the broader scope of corporate governance as it relates to dynamics of decision

⁴⁷ Poats, R. M. *Development Co-operation: Efforts and Policies of the Members of the Development Assistance Committee*. (Paris: OECD, 1982). Pp.14-18.

⁴⁸ Todaro, M. P. *Economics for a Developing World*. Pearson Education Ltd. 1992. pp.158

⁴⁹ Cunningham G. *The Management of Aid Agencies*. (London: Croom Helm and Overseas Development Institute, 1974). Pp.63.

making within the CDTF administrative and project implementation framework. This will serve to enhance equitable distribution of resources.

The viability of donor conditionality has come into question not only in the context of Kenya, but within sub-Saharan Africa. Leandro⁵⁰ argues that whereas they were successful in fostering development in the Asian countries, they have failed as a development strategy in sub-Saharan Africa. He partially blames this failure on the way donor conditionality has been applied, stating that it has been “... *intrusive, short sighted and ineffective in improving economic policies in recipient countries.*” The author emphasizes the importance of the countries concerned owning the reform programmes and not seeing them as an external imposition. He argues that ownership is a fundamental ingredient for the success of the said reform programmes. He also cites intermittent donor support as a factor in aggravating the impact of conditionality on the one hand, and failure to stop disbursement of aid to defaulting countries on the other. The latter case which is the more common is referred to as “*the donor dilemma*”. The response of the donors has been to institute additional rules, which have not yielded positive results because of weak administrative systems on the ground. Focusing his vision at the end of the tunnel, the author concludes that whatever happens, aid without conditionality will be an unlikely occurrence in future as there is an ever-increasing shortage of resources to give. Taxpayers in the donor countries would also demand greater accountability for their funds. He recommends a new approach to conditionality which fosters recipient ownership, focuses on issues of longer-term sustainable reforms and better donor co-ordination.

⁵⁰ Leandro, J. E. et al. Towards a More Effective Conditionality: An Operational Framework. *World Development*, Vol 27, No. 2. Elsevier Science Ltd, 1999, pp.285-6.

Smillie⁵¹ argues that some of the contracts with donors steer the organizations or NGOs from their set objectives. He posits that they are however forced to enter into the contractual relationships in order to either stay afloat or remain competitive. He cites the example of the SAPs and their negative impact on countries like Ghana and Uganda. In both cases, new programmes to mitigate the impact of SAPs were initiated through NGOs like Action Aid and World Vision International. The author argues further that the said contracts may sometimes cause distortions in the operations of development programmes, steering them away from their intended course. They would in the process deviate from their fundamental principles and values. In taking a more “business-like approach” in the bid to “professionalize”, changing their orientation from programme to service delivery. Such an organization while being more attractive to the donors due to increased efficiency, would compromise essential features of humanitarian assistance. Smillie⁵² cites yet another example which is the Logical Framework Analysis (LFA) which was introduced by USAID in the 1970s to clarify programme goals, objectives, inputs and implementation.

1.6.9 Conclusion

That development programmes need to observe the highest standards of performance in their operations in order to remain relevant and be sustainable, is a foregone conclusion. But even as efforts are made to adopt the most efficient systems of aid delivery, it is important for both donors and recipients of development support to

⁵¹ Smillie, I. *The Alms Bazaar: Altruism Under Fire – Non-Profit Organizations and International Development*. (Ottawa: IDRC. Intermediate Technology Publications, 1995).pp. 170.

⁵² Smillie, I. *The Alms Bazaar: Altruism Under Fire – Non-Profit Organizations and International Development*. (Ottawa: IDRC. Intermediate Technology Publications, 1995).pp. 147-148

keep their focus on their overall objectives. Fundamental principles or values should not be sacrificed. Indeed it is these values which define humanitarian programmes. It is the same principles and values which also drive the missions and visions of the said organization, enabling them to attain their objectives and by so doing fostering real development.

1.7 Theoretical Framework

The dynamics of donor conditionality and their impact on implementation of the ACP-EU policy can be explained within the broad framework of Development Theory. The latter is a set of theories which explain the continued inability of many Third World States to emerge from a perpetual state of poverty and inability to wean themselves from dependence on the West even after attaining self-governance. Todaro⁵³ argues that sole reliance on natural forces of economic growth may not be a solution to reduction of extreme poverty in developing countries. He argues that economic growth is a factor of who participates in it, specific sectors given priority, and institutional strategies employed, that determines the extent to which it is successfully achieved. He posits that this is a central issue for development theory.

There are various definitions of the term development. One school of thought regards it as the ability of a country to meet the basic or welfare needs of its citizens. At state level, some scholars have equated development to western education, technological advancement and industrialization. Rodney⁵⁴ describes it as a “many-sided process”.

⁵³ Todaro, M. P. *Economics for a Developing World*. Pearson Education. Harlow. 1992. pp. 159

⁵⁴ Rodney, W. *How Europe Underdeveloped Africa*. (Nairobi: East African Educational Publishers, 1982). pp. 3-4.

Todaro⁵⁵ defines development as a “*multi-dimensional*” process. He argues that national and international development is related and that the realization of national development depends to some degree on adjustments in the international economic and social system.

Todaro⁵⁶ highlights three successive conceptual dimensions of development namely ‘*stages of economic growth*’, ‘*international dependence*’ and ‘*free market*’. Other authors from different disciplines using varied approaches have discussed the aforementioned development theories. The Modernization Theory, which was propounded by W. Rostow, S. Huntington, and A. F. K. Organski; and the Dependency Theory which was propounded by Andre Gunder Frank, Henrique Cardoso, Walter Rodney, and Samir Amin and which counteracts the Modernization Theory. Other theories within the Development Theory, which are extraneous to this study though not necessarily totally irrelevant, are the World Systems Theory, State Theory, Theory of Uneven and Combined Development, and the Development Economics Theories (Comparative Advantage, Rostovian take-off Model, Harrod-Domar Model and Dual Sector Model). The proponents of the above mentioned theories also use various approaches to explain this phenomenon. The said proponents or scholars also belong to different disciplines which include Anthropology, Sociology, Political Science and Economics. In discussing the principals, agents and shortcomings of donor conditionality, Killick⁵⁷ argues that the Bretton Woods institutions have since independence changed tact. They shy away from use of political stipulations which are

⁵⁵ Todaro, M. P. *Economics for a Developing World*. (Harlow: Pearson Education, 1992). pp. 98-99

⁵⁶ Ibid.

⁵⁷ Killick, T. ‘Principals, Agents and the Failings of Conditionality’. *Journal of International Development*. Vol. 9, No. 4 (1997) pp. 483-495

applied overtly. He however posits citing the example of the East Asian experience that the policies attain positive results when applied appropriately.

According to the Modernization Theory the developed countries went through a series of developmental stages to attain their current economic status. It assumes that Third World countries would also undergo a pattern similar to the one applied by the Developed countries as in the Rostovian model, in its growth and development. Leys⁵⁸ however disputes this argument. He posits that the pattern of development in the Third World was "... *forcibly shunted off its normal course, distorted and crippled to suite the purposes of Western imperialism*". An elite class in the developing countries which Leys refers to as the developed countries to exploit the resources of former colonies use the "Comprador bourgeoisies". It is this scenario which sets the stage for dependency beyond political independence for the Third World.

Hale⁵⁹ analyses the Modernization Theory from the perspective of what she refers to as "... *Spencer's model of societal change*". The latter model sees change as a systematic uni-linear process, starting from simple and graduating to more complicated structures. The author argues that a centralized political order and large-scale organization underpins the modernization process. The author argues further that society is integrated to the extent that what happens in one part of the world affects the rest of the world. This approach advocates for technological transfer and donor funded aid projects as an avenue through which development can take place. The said approach also focuses on small scale development projects.

⁵⁸ Leys, C. *Underdevelopment in Kenya: The Political Economy of Neo-Colonialism*. (London: Heinemann Books Ltd, 1976) pp.4-5

⁵⁹ Hale, S. M. *Controversies in Sociology*. (Toronto: Copp Clark Pitman Ltd., 1990) pp. 456-457.

Within the Kenyan context, Alila⁶⁰ identifies the implementation of the Modernization Theory in the institution of the Community Development approach (CD). Through social mobilization, the Government focused on education, agricultural production, improvement of infrastructure, health and hygiene as ways to change traditional social order and patterns of behaviour. The primary objective was to “... *reduce hunger, disease and ignorance through planned comprehensive social change*”. The CD approach takes place within a centralized government system which guides activity and controls resources.

According to the Dependency Theory, the developed world attained their superior economic status by exploiting the resources and labour from the Third World. The former also employs various strategies to maintain the status of dependency of the latter because of the immense benefits they reap from the system. They counter all attempts by the Third World to break away from the chain and realize real development for themselves. The Dependency Theory further sees foreign assistance as one of the vehicles through which the Developed countries try to maintain an exploitative relationship with the Third World. Rodney⁶¹ argues that structural dependence is one of the dominant features of underdevelopment, brought about by integration of African economies into the capitalist economies of the West. The Africans he posits went into the relationship as unequal partners. The scholar argues that the colonialists applied different strategies in the social, economic and political spheres to retard development thereby entrenching dependency. Rodney cites the example of education which he posits

⁶⁰ Alila, P. et al. *From Sessional Paper No. 10 to Structural Adjustment: Towards Indigenizing the Policy Debate*. (Eds. Ng'ethe, N. et al). (Nairobi: Institute of Policy Research and Analysis. The Regal Press Ltd, 1971). pp. 101-102

⁶¹ Rodney W. *How Europe Underdeveloped Africa*. (Nairobi: East African Educational Publishers, 1982). pp. 25-26.

was a key sector used by colonialists to prepare Africans for subservient roles in the colonial bureaucratic system. He argues further that whereas modern conditions necessitate interdependence among states, states need to be able to exercise a certain measure of autonomy which is reflected in their ability to make decisions regarding their relations with other states.

Burnell⁶² explains the Dependency Theory further. He posits that foreign aid created the North/South conflict between the developed and developing nations. He argues that the alliance of the developed countries was formed as a decision making body to enable it to exert its collective strength against the Third World.

The theoretical framework which best explains the concept of donor conditionality and its application under the EU engagement with CDTF is the Modernization Theory. Whereas the official provisions of the ACP-EU Partnership Agreement provide for poverty eradication and sustainable development as its broad objectives, the instruments applied by the EU seem to guide the CDTF programme away from attainment of the said objectives. This is because the EU assumes a certain level of competence among Kenya's rural and peri-urban communities, which in reality may not have been attained. The communities are therefore not able to participate in CDTF's project application process effectively. Whereas the motive for provision of aid may be noble⁶³, the strategies and instruments employed distort the picture and may even make the positive intentions of the EU become subject to misinterpretation.

⁶² Burnell P. et al (2004). *Foreign Aid in the New Global Economy*. (Cheltenham, UK: Edward Edgar Publishing Ltd., 2004) pp. 53-69.

⁶³ Some scholars have argued that foreign policy of states is driven to a large extent by their self-interest. The principles of the ACP-EU Partnership agreement see development as a basis for world peace and security, which is in the interest of all countries in the world.

1.8 Research Hypotheses

This study attempts to test the following hypotheses:

- (a) EU rules and guidelines contradict the fundamental principles of ACP-EU Partnership Agreement;
- (b) EU rules and guidelines have a negative impact on CDTF's primary objective of poverty alleviation;

1.9 Research Design and Methodology

1.9.1 Research Design

The study seeks to examine the effects of conditionality imposed by the EU on CDTF's programming strategies. It seeks to test the viability or feasibility of the approaches which have been applied, specifically the prescribed tools and formats in the project application process. The main focus is to test the extent to which the prescriptions steer the programme towards achieving the intended objective of the ACP-EU and which is also the main focus of CDTF, which is poverty alleviation.

1.9.2 Methodology

The study applied both primary and secondary data. A personal or face to face interview was carried out with the Programme Co-ordinator of CDTF. A copy of this interview questionnaire is attached to this report under **Annex I (a)** Twenty five questionnaires were also administered to a selected project community members who had implemented a project under the CDP 3 and was in the process of developing a full proposal for the CEF II component. The said community members were therefore

familiar with the CDTF project application process. Two questionnaires were also administered the EU and DANIDA⁶⁴ as donors, and eight questionnaires to the Board of Trustees of CDTF⁶⁵ through the Programme Co-ordinator of CDTF. The total number of members of the Board is twelve. The reason why only eight Board members were sent questionnaires is that only the ones who had been active and consistent in their attendance were selected because they would have more meaningful feedback. Questionnaires were sent to the respondents among the Board and CDTF technical staff by email while those for the project community members were sent by courier. The questionnaires are attached as **Annex I(b)** which is the Board of Trustees questionnaire, **Annex I (c)**, CDTF technical staff questionnaire and **Annex I (d)** the questionnaire administered to the project communities.

Secondary data on the CDTF Board of Trustees and CDTF technical staff participating in the study was reviewed to augment information the respondents filled in the questionnaires. The secondary data included statistics on the projects funded by CDTF, CDTF Quarterly and Annual Progress Reports, Programme Evaluations for CDI and CEF, minutes of Board and Heads of Departments meetings, CDTF information leaflets and programme briefs and data from the official CDTF website were reviewed. Official Government of Kenya statistics from the KNBS, poverty maps, and other relevant reports. The research is both analytical and descriptive. EU and DANIDA policy documents and guidelines for financial and administrative procedures, official

⁶⁴ DANIDA is a member of the EU and co-funds CDTF. It participated in the research study as a member of the CDTF Board of Trustees as it has signed a separate agreement with the Government of Kenya.

⁶⁵ The CDTF Board of Trustees comprises of representatives of the Permanent Secretaries of the Ministries of State for Planning, National Development and Vision 2030 (Chair), Environment and Mineral Resources, Local Government (Special Programmes) and Office of the President (Special Programmes), Finance (External Resources Department), Action Aid Kenya, Kenya One World Linking Forum, Kenya Wildlife Service, National Council of NGOs in Kenya and the Programme Co-ordinator of CDTF (Secretary to the Board).

correspondence on policy issues were also reviewed. A select sample of data was analyzed using tools for statistical analysis for social sciences and bar-charts and graphs drawn to track relationships.

1.9.3 Scope, Data Collection Methods and Techniques, and Limitations of the Study

The scope of the study was the stakeholders of CDTF who are all within Kenya. At the time the study was being done, apart from the four staff of CEF II who were away in the field carrying out field appraisal of projects, the CDI were all in the Nairobi office doing desk appraisal of CDI project applications. The researcher recorded notes during the interview with the Programme Co-ordinator. The latter was given a copy of the questionnaire to enable him prepare for the interview. The interviewee was selected for this interview because of his in-depth knowledge of the programme having been involved in the discussions at the time of its initiation. He had also one of the pioneers of the CDTF programme and was therefore familiar with the historical background and other details of the programme. The questionnaires to the CDTF staff were sent by electronic mail. Some returned hard copies while others sent their responses by email. Hard copies of questionnaires sent to the members of the CDTF project community members were returned by courier.

Secondary data was collected from the reports and other records from CDTF and publications from donors. This information was compared with data from different survey reports and demographic data on poverty levels. The study involved review of the templates provided by the EU in Brussels. EU templates were posted on both the EU website and that of the CDTF. Policy documents from important donor meetings were

also reviewed. These include the ACP-EU Conventions, Paris Declaration on Aid, and the Treaty of Rome, among other relevant documents. The purpose of reviewing these was because they are the blue print of donor funded activities. Books and literature on the issue of conditionality will also be reviewed.

The initial challenge with the questionnaires was that some of the CEF II officers were away on field missions. They all however have access to internet as they have laptop computers and modems with which they travel. The respondents were reminded to fill in the questionnaires and return them by telephone.

1.9.4 Target Population

The target population or sampling frame for this research was some of the stakeholders of CDTF. The Alternate Chairman⁶⁶ of the CDTF Board of Trustees, representatives of the EU and DANIDA on the CDTF Board of Trustees, and Programme Co-ordinator of CDTF and CDTF technical staff. Questionnaires were administered to staff of CDTF PMU, who play a key role in management of the programme and administrative (this portfolio included procurement). Policies of the ACP-EU, the EU and other donor consortium agreements were reviewed. Surveys undertaken by the KNBS were also reviewed. Reports and physical and computerized databases from both CDTF and the EU and DANIDA were reviewed and data from there analyzed. Books and journal articles were also be reviewed as part of the data.

⁶⁶ The current alternate Chairman to the CDTF Board of Trustees is the Head of the Directorate of Rural Planning, Ministry of State for Planning, National Development and Vision 2030.

1.9.5 Sampling Procedure

The study applied a combination of non-probability sampling procedure or purposive sampling and probability sampling techniques. For the laws and the policies from the ACP-EU and the EU and DANIDA, non-probability method was applied, as these were specific and definitive.

1.9.6 Data Analysis and Interpretation

Data was analyzed using the Social Sciences Statistical Package. Information was presented using bar and line graphs, pie charts and other illustrations for greater clarity. The findings were also presented using descriptive language and tables in the form of a typed report and hard copies. A soft copy of the report was preserved for future reference.

1.10. Chapter Outline

Chapter 1: In order to set the stage for the study, this chapter gives a brief background on the topic. It also gives a general overview of donor conditionality and the role it plays in the development programmes. It also highlights the pitfalls of the said conditionality. The chapter further outlines the statement of the research problem (the knowledge gap the research is supposed to fill), justification, theoretical framework, literature review, hypotheses and the methodology of the study.

Chapter 2: Outlines the historical background and rationale behind the ACP-EU development framework. Discusses the principles of the ACP-EU Partnership Agreement and donor rules, instruments, tools, formats and templates and how they impact on the operations of CDTF. The issues are discussed within the broad framework of Development Theory, specifically the Modernization Theory.

Chapter 3: Review of CDTF as a programme, its programming strategy, and general operational orientation. It also discusses CDTF's comparative advantage.

Chapter 4: Discusses the determinants of instruments applied. Specifically it reviews CDTF's sectoral priorities and factors influencing their selection, and the relationship between education and poverty and how this impacts on participation of communities in the project selection process. It also reviews the implications of gender and equity for CDTF.

Chapter 5: findings of the study are summarized and conclusions drawn. Recommendations are made based on the findings of the said analyses. Issues which have come up and are peripheral to this study, and which would be of interest in adding knowledge to the topic of this study, are proposed for further research.

CHAPTER TWO

THE ACP-EU DEVELOPMENT FRAMEWORK

2.1 Creation of the European Economic Union (EEC)

The European Economic Community (EEC) was created in 1957, under the Treaty of Rome. Apart from facilitating trade among member states and their respective colonies and also newly independent sub-Saharan Africa, Caribbean and Pacific (ACP) countries, Part Four of the Treaty of Rome provides for establishment of the European Development Funds (EDFs). The latter provides technical and financial assistance to specific countries with which the EEC member states had links.

The formation of the EEC⁶⁷ which was later to be transformed into the European Union (EU) was characterized by many years of deliberate and directed effort – from 1951 when the Treaty of Paris was signed establishing the European Coal and Steel Community, to 1991 when the Maastricht Treaty was signed. The driving force behind its formation was the belief that regional integration would result in distribution of Global wealth and improved human welfare. In spite of the fact that the primary goal of European unity has been political integration, the primary means through which this has been done is through economic liaison. At the bottom of this initiative was the contention that if the member states could substitute previously hostile relations with cooperation on economic issues and by so doing foster peace. Interests of all parties would under this umbrella be negotiated and agreed⁶⁸.

⁶⁷ The European Economic Community (EEC) later changed its name to the European Union (EU) part of whose broad mandate was to pursue European Economic and Monetary Union. The EU also adopted a single European currency known as the Euro.

⁶⁸ Gilpin, R. (2006). *The Challenge of Global Capitalism*. (Pg. 192). Princeton University Press New York

2.2 Origins of the ACP-EU Partnership Agreement

The partnership between the European Union and African Caribbean and Pacific countries (ACP-EU) which facilitates provision of development assistance by the EU countries to the ACP countries and which subscribes to the philosophy of promotion of positive relations, was officially launched in February 1975 through the signing of the Lomé I Convention in Togo. It was preceded by the signing of the Georgetown Agreement which brought African, Caribbean and Pacific states together to take care of development interests of member states. The signatories to the Georgetown Agreement were mainly countries from the Third World.

The Lomé I Convention, which marked the commencement of the first phase of the ACP-EU agreement, comprised of a framework of rules, which were agreed on and signed by all member states. It (the Lomé I Convention) contains the guiding principles and a multiplicity of articles covering different elements of ACP-EU co-operation. The EU signs development support agreements with individual ACP countries for purposes of providing varied benefits to them. These are negotiated directly with the said countries. The EU signed such an agreement with the Government of Kenya. It is under this framework of multilateral co-operation that the EU provides development support to CDTF.

2.3 Principles of the ACP-EU Partnership Agreement

Whereas the ACP-EU Partnership Agreement has clear provisions for operations, when the EU formulates policy instruments for application within the ACP-EU

framework, the said instruments seem to guide the process away from the intended path. The EU seems to assume a certain level of competence by the communities who apply for CDTF funding and yet one of the issues of development in Kenya and which the ACP-EU Partnership Agreement sets out to address is the issue of unequal development. They set out to develop initiatives to bridging the gap between the rich and the poor. The overriding theory which is relevant to this study is the Modernization Theory.

Whereas it is true that they (EU policy implementation instruments) create unprecedented challenges, are sometimes said to hamper the very processes they are supposed to facilitate, the objective of this chapter is to highlight the objectives and principles of the ACP-EU Partnership Agreement and then proceed to review specific EU policy instruments, highlighting their attributes with due regard to the theoretical underpinnings of the study. Their implications for this study will also be discussed and appropriate research analyses illustrated.

2.3.1 Objectives of ACP-EU Partnership

The ACP-EU Partnership Agreement's primary objective is poverty eradication and sustainable development. The latter is supposed to improve the livelihoods of the citizens of the ACP states while the former leads to improvement of economies of the said states resulting in their eventual inclusion into the world economy. Dimensions they focus on are economic, cultural and social spheres, with a view to promoting peace and security resulting in a fairly stable political environment. Environmental aspects of development are also to be taken into account in the development agenda. Fundamental principles include *"...equality of partners and ownership of the development*

strategies...”. This essentially means that the ACP countries are supposed to have the upper hand in determining the types of programmes to be implemented in their respective countries. This is based on respect for the right to self determination espoused in the principle of sovereignty and human rights under the ACP-EU Partnership Agreement.

Another principle which guides the member states is that of multisectoral participation. Here, actors from the private sector, central government as lead partner, civil society, are supposed to be involved in the programmes to encourage integration. Dialogue and fulfillment of obligations arising from the dialogue is another fundamental principle espoused in the ACP-EU Partnership Agreement. The agreement also advocates for differentiation and regionalization to the effect that parties’ status of development and other peculiarities, shall be taken into account in the liaison. Vulnerable or disadvantaged groups are also to be given special treatment. It is important to note that the above mentioned objectives and principles are supposed to inform all aspects of the development initiatives undertaken by the ACP-EU partners. Whereas CDTF may not be in a position to undertake programmes in all sectors proposed by the ACP-EU Partnership Agreement, the ones they undertake should be in line with the said agreement.

2.3.2 *Eradication of Poverty*

The ACP-EU development initiative seeks to address poverty by developing social infrastructure implemented through CDTF. There are monitoring and evaluation systems in place, which measure the implementation projects. There are also external audits which are geared more towards finding out if the resources are utilized as planned.

Whereas the communities concerned may have improved in the different respects after the completion of said projects which are mainly schools, health facilities and water and sanitation projects, there is currently no way of relating the project targets achieved within CDTF to the overall economic growth of Kenya.

2.3.3 Sustainable Development

Within the context of CDTF programming, the concept of sustainability is integrated into the project application process. Capacity building takes up a fair portion of the resources available to each project. The aim of this is to enable the communities to implement their projects more effectively and also for them to manage their projects beyond the period of formal funding by CDTF. Sustainability is one of the criteria taken into account when evaluating project applications.

The gender perspective of development is taken into account at PIC level with provision for at least one-third of the PIC to be female. There is no provision or requirement for gender equity within the actual projects themselves, or example no statistics are taken in the projects even to confirm the level of female participation beyond the PICs, school enrollment of the girl child, number of women working in the project sites, and other data reflecting participation by gender.

HIV/AIDS and environment are also other aspects which are left to the PICs but are not followed through from a programmatic perspective. There is however no facility within the CDTF programming schedule for checking that sustainability is confirmed to be actually happening beyond the period of formal engagement with CDTF. No resources are allocated in the projects for ex-post evaluation.

At the time the project communities are applying for projects to be funded, they are required to demonstrate the measures taken to make their projects sustainable. They have to show the steps they have taken to ensure the survival of the projects beyond the period of funding or engagement with CDTF. Thus water projects are supposed to have elements which show that they are able to generate some income for maintenance of the water facilities so that the breakdowns do not result in the closure of the project. A typical way of doing this is the construction of a water kiosk through which token amounts of money is paid for the water.

2.4 Fundamental Principles of ACP-EU Partnership Agreement

This partnership is guided by a number of principles to which both parties of the agreement are supposed to adhere to. The principles are discussed below in the light of their relevance to the CDTF programme as follows:

2.4.1 Equality of Partnership and Ownership of the Development Strategies

This principle gives the ACP countries the right to determine the kind of programmes they implement based on fundamental right to self determination. This promotes ownership of the development programmes by the respective ACP states. CDTF is Semi-autonomous Government Agency (SAGA). The head of the policy making unit, which is the Board of Trustees, is the Permanent Secretary of the MoSPND&V2030. Important decisions outside the Board of Trustees are delegated to the Boards technical committee. Otherwise, the Founders of CDTF who are the EU, the NAO of the EDF under the Ministry of Finance and the Chairman of the Board who is

the Permanent Secretary of the MoSPND&V2030 have to sanction all funding and policy decisions. The CDTF secretariat implements decisions of the Board of Trustees and those of the Founders.

2.4.2 Multisectoral Participation

The ACP-EU Partnership Agreement stipulates that a multiplicity of players be incorporated in the management of EU funded programmes under this framework, with the Government as the central entity. Others include private organizations and civil society players. The CDTF Board of Trustees which is the policy making body comprises of different players from the private sector and civil society. It also comprises of representatives from the different Government of Kenya ministries concerned with development programmes.

The Ministry of Local Government, and Office of the President which oversee their own development programmes are represented on the CDTF Board. Because environment is both a component of CDTF and a cross-cutting issue in the CDI programme, the Ministry of Local Government is incorporated in the Board.

Technical Advisory Committee (TAC) which is responsible for vetting and approving projects in the CEF II also has a multiplicity of representatives from the different sectors mainly natural resources, environment and wildlife. The Kenya Wildlife Services, the Ministry of Mineral Resources and National Environmental Management Agency are also represented on TAC.

2.4.3 Dialogue and Fulfillment of Mutual Obligations

The parties to the agreement are supposed to communicate with each other periodically, as provided in the partnership agreement. They are also supposed to fulfill their obligations with respect to their commitments to the course of the partnership. The partners play different roles in the engagement under the ACP-EU Partnership Agreement. The Government of Kenya has scheduled meetings with the donors once every month. Here issues of mutual interest are discussed and agreed upon. The Board of Trustees of CDTF where the two CDTF donors namely the EU and DANIDA are represented, also meets once every month.

That CDTF as a programme has continued to pursue its mandate since its inception is testimony of the fact that the EU and the GoK have fulfilled their obligations in so far as the programme is concerned. The operation is however not without its bottlenecks. Bureaucratic red tape in both the EU and the GoK has implications for the operations of CDTF. The approval of process for funding and other aspects of the day to day operations is long and cumbersome and has had adverse implications. An example is how end of programme activities and takeoff of new programmes suffers delays to the extent that delays in release of funds almost guarantees delay in staff salaries for the first month. Though not the subject of this study, this has been noted in previous studies as mentioned in the literature review.

2.4.4 Differentiation and Regionalization

The development level of each partner is to be taken into consideration in the dealings in this partnership. For this reason, countries are classified into categories based

on economic capability. Under the ACP-EU Partnership framework, regionalism is encouraged due to the advantages, which accrue from such arrangements. Least development countries are provided with special concessions to facilitate their participation. The EU itself is a coalition of European states, which came together after the Second World War with the aim reconstruction to recover from the damage caused during the war.

Within the context of CDTF, the EU seems to apply policy instruments, which are uniform for all its programmes. These are availed on the internet, and it is from here that the country programmes are expected to download them. The ACP-EU partnership however stipulates that it encourages differentiation and regionalization, and reinforces operations of regional blocks to enhance development. Within Kenya itself, not all communities are at the same level in terms of development. The Board of Trustees of CDTF has visited projects in different parts of Kenya in order to appreciate the diversity of the communities CDTF works with. It has also recommended interaction between CDTF and other similar programmes within and outside the East Africa region to enrich its programming experience.

2.5 EU Policy Instruments and Tools

The EU applies different instruments and tools to implements its policy. Whereas some of these ease processes facilitating the smooth flow of work, others are complex and take time to comprehend and work with. Other instruments which are designed to make work easier are not implemented by the PMU for various reasons.

2.5.1 Programme Implementation Tools

The EU provides CDTF with prescribed templates and forms. These are formats which streamline operations making things easier. The Programme Estimates and projects financing agreements are tools which provide an opportunity for review of formats to be used during the programme period. That they are pre-discussed enables all parties to give their input and also understand the processes before the inception of a new programme. Employment and service contracts, performance appraisal forms, banking procedures and such operational issues are discussed and agreed.

At the project implementation level, forms and other project implementation tools are provided which facilitate the flow of work. An example is the project summary format which was applied in CDP 3 which has as its backbone, the Logical Framework tool. The EU had allowed the CDTF PMU to simplify the project application form to facilitate understanding by the project communities, easing their access to the project application process. Requirements for projects to follow the logical sequence provided for in the formats assists to reinforce clear project monitoring and evaluation. An example is how the requirement for formal launch and closure and handing over ensures that projects are started and wind up when certain requirements have been fulfilled. The project completion report also provides for uniform recording of achievements and challenges of the individual projects. Formal handing over of projects and issue of the project completion certificates often provides an opportunity for interaction between the communities and all stakeholders including the donors. All parties are able to physically appraise the work done.

2.5.2 Timelines for Project Implementation

The EU institutes strict timelines for actions to be done. Budgets are approved and are supposed to be implemented within a certain given period. The said budgets cover the operations of CDTF for a fixed period. In the event that it is anticipated that certain activities will not be completed, for example project implementation, formal approval has to be sought for either extension of the period or scaling down of project targets in case of specific projects. Action taken depends on the peculiar circumstances of the respective projects.

There are occasions when additional funding is requested from foreign exchange earnings in the bank accounts' transactions. These may be applied when the implementation period is extended. Again, as with the case of the 'no cost extension' referred to above where there are no additional funds required for an extension, formal approval has to be obtained from the Founders of CDTF for both the extension and the use of the additional funds.

2.5.3 Procurement Procedures

The rules that stand out which are related to procurement, are the restrictions which are levied on goods to be purchased by donor programmes. Rules of origin dictate the source of goods to be purchased. These rules require the CDTF and other ACP programmes to restrict their purchases within the ACP-EU partnership framework. This in essence means that the funds which are used to purchase capital and other goods are retained within the ACP-EU group of nations.

The EU provides procurements ceilings for purchase of various goods. Purchase of capital items like motor vehicles has to be approved by the Founders of CDTF. Other items like office supplies are purchased internally, higher levels being subjected to tender or competition and lower ones being free of this requirement. Whereas at the higher level it is a cumbersome process requesting for derogation from procedures for purchase and the donor is blamed for this, at the lower level, CDTF sometimes fails to use the facilities at its disposal to ease processed. Almost all purchases are therefore subjected to competitive bidding. This negates the reason for having the facility in the first place as it was meant to save time and by so doing ease operations. This though it is an issue, is however not the subject of this study. Suffice it to say, whereas the EU is sometimes blamed for instituting cumbersome procurement procedures, the CDTF PMU also sometimes fails to utilize facilities at its disposal to ease the processes.

2.5.4 CDTF Administrative Budget and Staff Establishment

The staff establishment of CDTF is an important factor in contributing to the mandate of the organization. It is approved along with other formats in the Programme Estimates. There have been issues with the size of the workforce and whether in its current form it is able to implement and deliver. This is the subject of an ongoing study known as the Transformation and Change Management (TCM) which was initiated by DANIDA. One issue which is fundamental to the implementation of the CDTF mandate and which is within the mandate of the TCM is the issue of approaches to management of the core function of CDTF. In previous phases of the programme, the framework consultancy handled was able to handle most issues related to the work and work load.

With its expiry, the issue emerges again. Question at hand are the extent to which CDTF should outsource its core function which is project management, and practical steps to ensure quality. There are definitely lessons learnt from the desk and field appraisal of the current phase of CDP 4 related to quality of delivery of consultants and consultancy.

With the rigidity in the staff establishment, issues of control and form of consultancy have also emerged. These though they need to be addressed, are not the subject of this study.

CHAPTER THREE

STRUCTURE AND OPERATIONS OF CDTF

3.1 Introduction

In this chapter, the rationale behind the formation of CDTF is discussed. This is mainly from an interview with the Programme Co-ordinator who was a member of the task force formed to carry out the feasibility study on the organization. It's structure and general operational framework is also discussed. The past and present programmes are reviewed mainly from the structural and operational perspective. Organizational transformation exercise initiated by DANIDA is introduced, but has so far not been concluded due to lack of support of the stakeholders.

Fundamental issues regarding the operations and approach of CDTF are reviewed in detail. The project application process and tools applied are also discussed for each programme, both from a practical perspective and also based on views of stakeholders which are solicited through questionnaires. Challenges with media access, logistics and related concessions are also reviewed. The role of the Government of Kenya as a strategic partner is discussed. The role it can play to assist the project application process due to its wide reach and rich resource base, is also reviewed. The strengths of CDTF and how these can be harnessed to improve are also discussed. All the above highlight the prominent role it has the potential to play in poverty reduction and national economic growth in Kenya.

3.2 Creation of CDTF⁶⁹

CDTF was born of the concept of the European Commission's (EC) Micro Projects initially implemented under then Ministry of Planning in the mid 1990s. These projects, funded by the EC were based on the same principle as the current CDTF programme where communities identified their own projects. Communities were required to contribute 25% of the project with the balance being financed by the EC. The funds were managed by officers from the Government of Kenya and not the communities. There were also delays in release of results of internal audits required regularly by the EC. This had a negative impact on the micro projects in the sense that programme impact fell below expectations. The interests of the communities implementing projects were also not taken care of.

A committee comprising of the EC, Ministry of Planning, Ministry of Finance, the Auditor and Controller General, and the Attorney General was formed to review the performance of the Micro Projects. It decided to create an autonomous fund outside the Government of Kenya. The fund was registered through gazette notice, initiated through a Cabinet Memo. The autonomy of the fund was in regard to accounting and procurement. The fund was created under the Lomé Convention. It would be a Semi-Autonomous Government Agency (SAGA) under the Ministry of Planning.

Just as the Micro Projects had done, the fund would support community projects to take charge of their own development. It would be overseen by a Board of Trustees comprising Government of Kenya as the lead agency with other players outside the Government also represented. This would be the main policy making body of the CDTF.

⁶⁹ Odondi, L. A., Interview with Mr. Salesius N. Miu, Programme Co-ordinator, Community Development Trust Fund (CDTF), Nairobi, 19th September 2011.

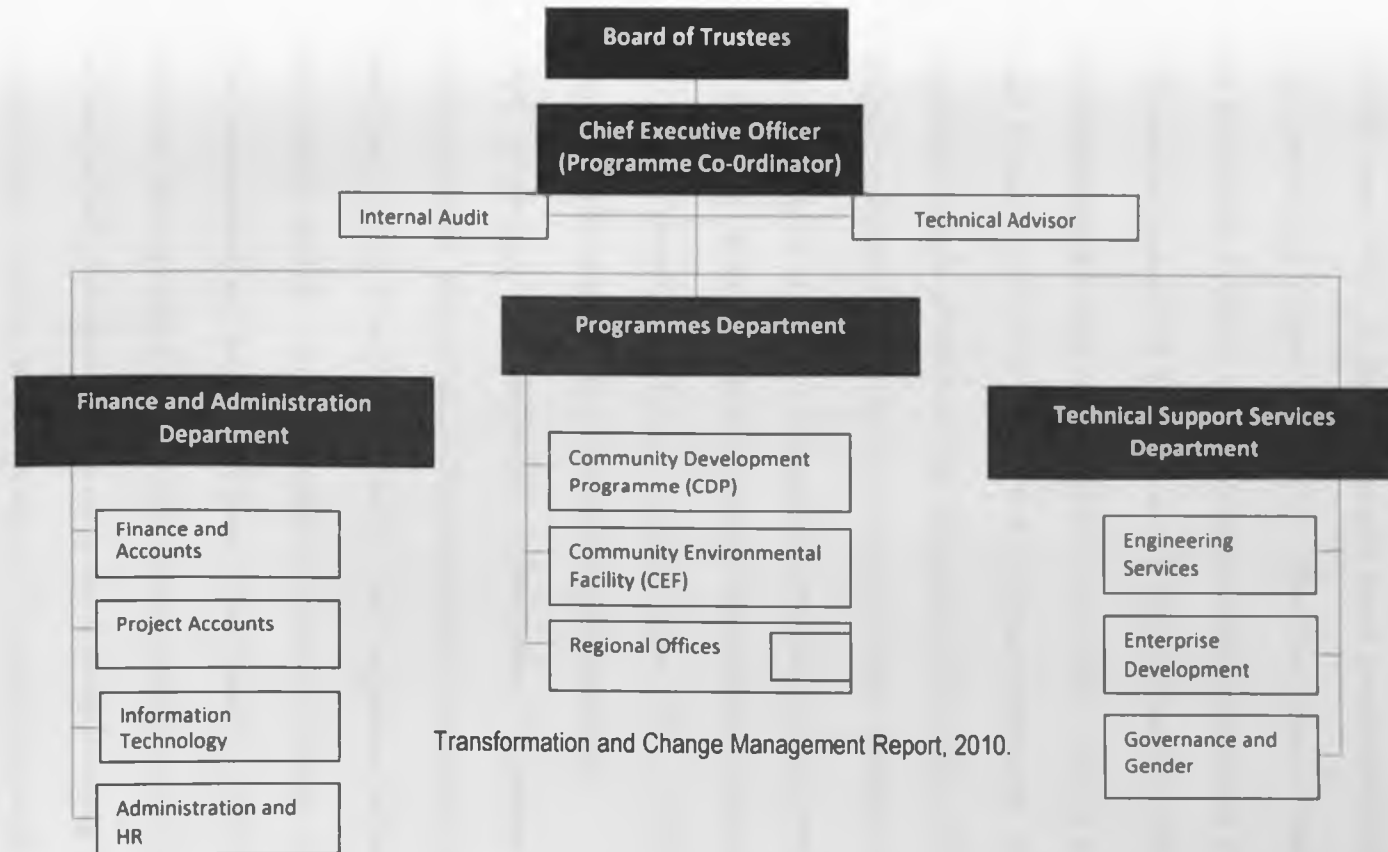
External auditors would be contracted to audit the fund every six months under international contract procedures. This would enable the donor to know the state of affairs in the project quickly. Staff would be independent of the Government and would be hired directly by the fund through a competitive process.

3.3 Organization Structure⁷⁰

CDTF has a complement of 43 Kenyan national staff based in Nairobi and regional offices in Kenya. The 44th position is that of a Technical Advisor seconded to CDTF from the EU. It is an expatriate or international position (see figure 2 overleaf). The holder of this position sits at the CDTF secretariat offices. It is significant that the last Advisor left the programme in the year 2006 and has since not been replaced. The result however is closer supervision of the programme by the EU.

⁷⁰ CDTF Programme Brief. CDTF, Nairobi, 2009

Figure 2: CDTF Organogram⁷¹



Source: CDTF

Transformation and Change Management Report, 2010.

⁷¹ This is the organogram proposed in the ongoing restructuring exercise supported by DANIDA.

CDTF has implemented different programmes spread throughout Kenya since it started operations in the year 1997. It runs community based programmes which focus on addressing the underlying causes of poverty. The first phase of the Community Development Programme (CDP 1) was implemented between February 1998 and June 2001 while the second phase (CDP 2) was from July 2001 to December 2006. The third phase of the programme ran from January 2007 to June 2010. CDP 4 commenced in June 2010 and is due to end on 30th June 2014. Another programme, the Emergency Drought Programme, was implemented from September 2000 to June 2002. It was an initiative designed to respond to extreme social and economics resulting from droughts. It targeted specific districts affected by drought and restocked livestock herds, carried out vaccination of animals. It also distributed seeds and through community initiatives built water projects. Maps showing distribution of projects under CDP 1, CDP 2, and CDP 3 are attached to this report under **Annex II (a), (b) and (c)** respectively.

A third programme, the Biodiversity Conservation Programme (BCP) was implemented from October 2000 to March 2006 (attached to this report as **Annex II (d)**, with a special focus on biodiversity conservation, the programme initiated enterprise development, human wildlife conflict resolution, capacity building in sustainable environmental management, and reduction of threats to biodiversity. BCP was succeeded by the Community Environment Facility (CEF), running from the year 2006 to 2010. CEF's focus was poverty reduction through better environmental management practice linked to countrywide development programmes. The initiatives were also geared towards reducing conflict over natural resources and improving livelihoods of beneficiaries. A second component of the CEF was the Environmental Programme

Support (EPS) running concurrently within the same time limits. This programme promoted environmental management in community based projects. It also supported civil society initiatives concerned with environmental awareness and advocacy for linkages between poverty and environment⁷². In the last 10 years, EU funding to CDTF was Kshs. 3,388,019,542.20. This is a significant contribution towards Kenya's development budget and is summarized in Table 2 below:

⁷² CDTF Programme Brief. Community Development Trust Fund (CDTF). 2009. pp.1-3

Table 2: CDTF Summarized Fact Sheet

Programme	Duration	Sectors covered	No. of Projects	Amount Committed to date (Kshs.)
CDP 1	1998 – 2001	<ul style="list-style-type: none"> • Education • Water and sanitation • Agriculture • Livestock • Economic infrastructure • Eco-tourism • Energy Conservation • Environment • Health • Income Generating • Technical Training 	235	545,626,963.45
CDP 2	2001 – 2006	<ul style="list-style-type: none"> • Education • Agriculture • Livestock • Economic infrastructure • Water and sanitation • Health • Technical Training 	273	865,657,878.85
CDP 3	2007 – 2009	<ul style="list-style-type: none"> • Agriculture • Livestock • Economic infrastructure • Water and sanitation • Health • Technical Training 	175	529,254,454
BCP	2000- 2006	<ul style="list-style-type: none"> • Natural based enterprises • Education and Awareness • Conflict Reduction • Integrated Conservation and Development 	37	360,423,443
EDP	2000 – 2002	<ul style="list-style-type: none"> • Agriculture • Livestock • Water • Conflict Resolution 	18	167,474,692
CEF	2006 – 2010	<ul style="list-style-type: none"> • River Basins • Forestry • ASALs • Inland Waters • Energy • Advocacy and Awareness • Post Elections Conflict Resolution • Other Ecosystems & Other Unique Areas not covered 	87	919,582,110.90
TOTAL	1998-2010	All Projects	825	3,388,019,542.20

Source: CDTF Secretariat, 2010

A similar amount has been set aside for the current programme (CDP 4) which commenced in October 2010.

3.4 CDTF Programme Direction

CDTF received funding from the European Development Fund (EDF) under the third phase of the ACP-EU Partnership Agreement, the Lomé III Convention. It was gazetted as a Semi-Autonomous Government Agency (SAGA) on 11th October 1996 under the Exchequer and Audit Regulations of the Government of Kenya's (GoK), the Exchequer and Audit Act (Cap 412). The programmes would mitigate the impact of the World Bank's SAPs. As a development agency within the ACP-EU framework, CDTF is bound by the EU's rules and procedures.

When DANIDA came on board with additional funding in the year 2006, it was agreed that operations would continue as they had done, with EU rules and procedures being applied. This was done in order not to disrupt the flow of programme work. Gradually though, DANIDA is asserting its own policy in areas of interest, mainly to sharpen programme focus and improve efficiency. Being a joint programme of the Government of Kenya, the EU and DANIDA; and, being a member state of the UN, CDTF also operates within the broad framework of Kenya's Vision 2030 and the UN Millennium Development Goals (MDGs). Its objectives should therefore be in tandem with the objectives and aspirations of the two initiatives, the MDGs being a global initiative and Vision 2030 a national one. As a development agency in its own right, CDTF has its own mission and vision, both of which state its focus as a poverty alleviation programme.

The latter phases of the CDTF programme have experienced closer oversight and requirement for adherence to EU policy guidelines than earlier phases. More stringent application of EU policy coincided with the entry of Danish International Aid Agency (DANIDA⁷³) as an additional donor to the programme. DANIDA's engagement style is 'hands off'⁷⁴, a sharp contrast to the EU's great interest in implementation. During the first and second phases of the programme, there was less pressure to conform to EU regulations. The irony of this is that in the third and fourth phases, CDTF as a development agency has matured and recorded lessons from project implementation, which with its highly qualified technical personnel, it is would be able to apply to strengthen future programming within the framework of the ACP-EU policy, albeit without undue pressure.

The restructuring exercise commissioned by DANIDA in 2008 was done through a series of workshops. PMU staff were involved in formulating a proposal for restructuring of CDTF. The objective of the exercise was to make CDTF "... *a more efficient and effective service-delivery mechanism...*", a departure from the 'project-based' model⁷⁵. The proposal to restructure CDTF came against the backdrop of the 2007 post election violence which literally brought Kenya's economy to its knees. Some of the underlying factors which were said to have contributed to the 2007 post election conflict were issues relating to distribution of resources. CDTF disburses a substantial amount of funds and may be potential ground for resource based conflict.

⁷³ DANIDA has a 'hands off' style of management from the EC.

⁷⁴ Cunningham, G. *The Management of Aid Agencies*. London: Croom Helm in Association with Overseas Development Institute, 1974). pp.24.

⁷⁵ Draft CDTF Organizational Manual. (Nairobi: CDTF, 2010) pp.1

The development projects implemented by CDTF under the CDP had been initiated to address the social dimensions of poverty⁷⁶ through implementation of education, health, water and sanitation, rural infrastructure and agriculture projects with environment, gender and HIV/AIDS as cross-cutting issues⁷⁷.

3.5 Project Implementation Approach

CDTF has since its inception adopted different project implementation approaches. It has also applied various instruments and tools to deliver the said strategies. The project targeting strategy has implications for CDTF's contribution to Kenya's Vision 2030 development strategy, which under the said vision's Social Pillar sets out to foster social equity and reduce poverty⁷⁸. Within the global context, this strategy has implications for attainment of the objectives of the UN's Millennium Development Goal No. 1 which is eradication of extreme poverty and hunger⁷⁹.

The changes in project delivery approach, and instruments and tools used, have been influenced by both internal and external policy considerations, amongst other factors. UNDP and Government of Kenya poverty indices have in the past informed CDTF's project implementation strategy. The programme has also upheld priorities of the Government of Kenya, conforming to its strategic direction. Programme reviews by

⁷⁶ This period coincided with the period of implementation of the World Bank's Structural Adjustment Policies (SAPs) in the 1980s when poverty levels in Kenya increased to an all time high and became the focus of development planning. It was preceded by the Import Substitution Industrialization (ISI) model of development which was not fully successful, which it had been hoped would lift the Third World out of a status of dependency.

⁷⁷ Cross-cutting issues are those internationally acknowledged problems, an element of which has to be incorporated in every project.

⁷⁸ Government of Kenya. Kenya Vision 2030. (Nairobi: Government of the Republic of Kenya, 2007) pp.126.

⁷⁹ Government of Kenya. Millennium Development Goals: Status Report for Kenya – 2007. (Nairobi: Government of the Republic of Kenya, July 2008). pp.5.

external consultants and donor requirements have also formed a strong influence on choice of intervention methodology.

As things stand, CDTF has been evaluated and found to be an effective development aid delivery agency⁸⁰. On this basis, it can be said to be a successful programme. The current programme of CDTF which is the CDP 4, runs two main programmes, namely the Community Development Initiatives (CDI) and Community Environment Facility Phase Two (CEF II). CDTF applied a demand driven application process in its first three phases. In the second phase, this was supplemented by a targeted component, designed to reach communities which lacked the capacity⁸¹ to participate in the demand driven process. The fourth phase which is currently being implemented, has witnessed radical changes as the strategy being implemented, though demand driven, is more complex than for previous phases. A tender application system, with templates, which even the staff of the CDTF PMU find complicated are being used. Simplified application formats developed for the previous phases were not allowed by the EU. The CDTF PMU and the project communities⁸² launched appeals to the donors but these were not been taken on board. During the launch of CEF II information workshop, a member of the public complained that the system being so complex that it would alienate poor communities and facilitate for infiltration by 'brief case' organizations. Unfortunately, one of the

⁸⁰ W. S. Atkins International Ltd. Mid-term review of the Kenya Community Development Programme 3. (Nairobi: The COWI Consortium, 2009), pp.4.

⁸¹ The poor communities do not have the education skills to articulate their issues using the formats provided by CDTF. The remoteness of their locations also disadvantages them.

⁸² During the CEF II Information Workshop held at the Panafrican Hotel on 24th January 2011, a member of the project communities complained that the application formats were so complicated and that there was the risk of facilitating for 'brief case' NGOs who are experts in writing project proposals but do not have the interest of the communities at heart but use the opportunity to make money which they divert to causes other than development. The term 'brief case' is in reference to the fact that some of them literally operate from their handy bags otherwise known as brief cases as they have no offices.

officers of the EU who was present interpreted this as a challenge to the EU's official policy. The issue was therefore never followed up.

3.5.1 Views of Stakeholders on CDTF's Project Implementation strategy

When asked about their opinions on the best strategy for CDTF to adopt to reach projects effectively, the response of CDTF stakeholders indicated overwhelming support for direct intervention using poverty and human development indices. A questionnaire was administered to a sample of CDTF Board members, technical officers and community members. They were asked what they thought the best method of intervention was for the current CDTF programme. Three (60%) of the Board members, four of the technical officers (57.1%) and sixteen (76.2%) indicated that they favoured direct intervention using either poverty and human development indices.

When the same groups was asked to justify their responses, some of the reasons they gave were that the tender system was too complex for the community members to understand it. Another reason advanced was that community members lacked the capacity to participate in tender system which was currently being applied. They also posited that the process of project proposal development was too complex for community members as their education level was low. Some respondents said that certain assumptions had been made about the technical capacity of project communities by CDTF which were not right. They felt that it was assumed that some communities had attained a higher level of technical capacity, and yet in reality they had not. Other respondents said that there was poor access to information in poorer districts hence the need for CDTF to use other means, in this case direct intervention through use of the said

poverty and human development indices. Poor access to information they said, posed a challenge as some communities missed out on the opportunity to participate in the CDTF project application process altogether.

Other general comments on the best method for CDTF to reach the poor communities were that CDTF should engage with the communities and in the process get to understand their problems. Another view was that different communities had different resources available to them. It was therefore incumbent on CDTF to bridge the gap where there were less resources. One respondent argued that CDTF should provide assistance where it was required most, that is, using intervention methods which target poverty where it is most prevalent and apparent.

3.5.2 Views of Stakeholders on Project Application Forms

Lack of consensus on suitability of instruments used like the project application forms is one of the challenges that has been experienced by the CDTF programme. This has implications at operational level and within the wider scope of development in Kenya. It is the core issue which has caused tension, especially in the current phase of the CDI and CEF II programmes.

When asked their views on access of the project application forms, 60% of Board members sampled were of the opinion that some communities are unable to participate in the application process effectively due to complexity of forms. Among the CDTF project community sampled, there was a mixed response with 40% agreeing while about 33% do not agree that project communities are not able to fill in the application forms because they are not easy to understand. This is an interesting response and is a reflection of the

mix there is among the project communities. Indeed, some members of this particular community was of university and college level while others were below that level. This explains the split result. It is of significance therefore that CDTF during the current programme phase took the initiative to educate members of the public on the application tools and process because they knew that it would be difficult for the communities to understand it.

When the question on the complexity of the forms, 100% of the CDTF technical staff indicated that the communities have difficulties filling in the forms as they were complex. This confirms sentiments expressed by the technical staff orally before the study took place. Indeed, this study finds evidence which confirms that CDTF was using application forms which were too complex and which pose a challenge to communities. It is important to note that the CDTF technical staff are the same ones who had to explain the new project application process to the Kenyan public through countrywide information workshops. The technical staff of CEF II are also already assisting communities who succeeded in the initial application process to develop full project proposals for funding. They have also expressed their misgivings with the process arguing that they are having to spend a lot of time with the communities and in some instances are ending up literally writing the proposals themselves because the process is too complex for the communities to do on their own.

3.5.3 Media Access

One of the challenges under both the MDGs and Vision 2030 is the issue of bridging the gap between the rich and the poor. An important indicator of the MDGs is

monitoring progress in the poverty gap ratio⁸³. Vision 2030 commits to attempting to minimize disparities in income and access to social services. CDTF has an important role to play in bridging this gap. It can however only do so if it is able to reach the poorer communities effectively.

When CDTF advertises the call for project proposals, the information should ideally reach all communities in the republic, including the poorer communities in the remote areas of the country. In trying to reach different publics, CDTF uses different media hoping that majority of Kenyans, especially the poorer communities will be able to access the said media. Announcements are made in the two main daily newspapers, the Daily Nation and the Standard, and through radio announcements in national and vernacular stations. Apart from this, CDTF places the same project application forms in the official CDTF internet website for communities to download. The really poor communities in remote locations in Kenya who are the neediest may however not have access to this media.

The question on the extent to which failure to access media is a hindrance to participation of poorer communities in the CDTF project application process was posed to the stakeholders of CDTF. 80% of Board members were of the opinion that some communities are not able to participate in the CDTF project application process because they did not have access to the electronic and print media CDTF advertised the call for proposals through. This opinion is important as they are the policy makers who would be take action to ensure that communities access the application forms. From the Survey Data, 60% of the community members asked about media access said that CDTF project

⁸³ Government of Kenya. Millennium Development Goals: Status Report for Kenya – 2007. (Nairobi: Government of the Republic of Kenya, July 2008). pp.5.

communities are left out of the project application process because the information does not reach them through the media used by CDTF. This in essence means that they do not receive to newspapers, and also do not have access to the internet and radios through which CDTF advertises. This therefore means that CDTF should take further action to ensure that all areas of the country where needy communities are reached.

3.5.4 Facilitation of Government Officers

CDTF disseminates hard copies of project application forms to the communities through the Government of Kenya's grassroots network of District Development Officers (DDOs), hoping that the said forms will be accessed by the largest percentage of the population. Poor and disadvantaged communities in the remote locations of Kenya may however not be able to reach the Government offices. The stakeholders of CDTF were asked about the issue of facilitation of Government officers in the districts to disseminate forms to communities at the grassroots locations.

All the five Board members who filled in the questionnaires indicated that DDOs should be facilitated to disseminate CDTF project application forms in remote areas. Facilitation here means either fueling their motor vehicles or providing them with motor vehicles which have already been fueled, to enable them to send the forms to remote locations rather than waiting for the community members to collect the forms from the Government offices. 89% of the technical officers indicated that Government officers should be provided with resources to facilitate the dissemination of project application forms by CDTF. This is an overwhelming majority of respondents. None disagreed while about 11% remained neutral.

The response of the project community members on this question is interesting. About 40% of them feel that the project application forms may not be accessed by some communities due to the remoteness of their locations while about 45% are of the opinion feel that remoteness would not be a challenge. Those who are neutral view are about 17%. It is important to note that majority of the community members sampled were mainly university and college graduates who generally would be people of means. This would have a bearing on their ability to access information. The typical local community in remote areas would probably have opted for facilitation of the Government officers to enable them to be reached.

3.5.5 Special Concessions for Remote Locations

Logistics and poor infrastructure in the remote and least developed parts of the country puts populations living in these areas at a great disadvantage. Because the tender system CDTF is currently implementing only allows for equal treatment of all, it has not been possible for special concessions to be made for communities residing in remote locations even though it has been obvious to the CDTF PMU that some communities needed to be facilitated to bring them to the same level as others because of logistics challenge in their locations. Feedback from stakeholders on the issue of support to communities in remote locations is overwhelmingly in favour of special concessions to facilitate their participation in the project application process.

80% of the Board members who sent their responses would like CDTF to give longer duration for projects communities in remote locations to send in their applications. 75% of the technical staff support the idea of CDTF making special concessions to

communities in remote areas of Kenya to facilitate their participation in the proposal application process, while 100% or all of the respondents who were community members feel that CDTF should allow longer duration for communities in remote locations to send in their application forms.

3.6 Comparative Advantage of CDTF

CDTF occupies a unique position, enjoying some level of autonomy because of its status as a SAGA. It has the essential features of an NGO which give it some level of flexibility and which allows it to use its creative potential. CDTF enjoys the benefit of a solid funding base with EU and DANIDA funding at its disposal, and also with the potential for additional funding from other donors since it opened up to multi-donor funding in the year 2006. It has access to the formidable administrative network of the Government of Kenya to support its day to day operations in every part of the country. As a development agency, it is therefore well placed to make a great impact on Kenya's development. It is these unique features which donors should harness to improve the overall programme output. This study reviews some of these strengths. It also highlights views of stakeholders on the organizations comparative advantage.

3.6.1 Programme Efficiency and Delivery

A restructuring exercise commissioned by DANIDA was designed to address the issue of programme efficiency. At the time, programme efficiency was one of the strengths which evaluations had revealed that CDTF as a programme had to its credit. An external consultant was hired to work with PMU staff to formulate possible options of

organizational structures through which CDTF would achieve better results. Because there was no buy-in from the stakeholders⁸⁴, this exercise has extended for more than one year and is yet to be concluded.

During the TCM exercise the wider and more pressing issues concerning programme delivery were not discussed and therefore not addressed. A case in point is lack of inbuilt budget flexibility. USAID and other programmes have a facility for flexibility usually between 10% to 15%, based on need, which is justified when making financial returns. Bureaucratic delays both at the EU and in Government of Kenya offices has been a problem since the inception of the programme. Failure to record and address such as priority issues through joint Government of Kenya, EU, DANIDA and CDTF dialogue poses a challenge to institutional development.

Further on the issue of efficiency and measurement of outputs, when ministerial budgets are being reviewed in Parliament, the focus is usually on whether CDTF has managed to utilize all funds voted to it in the Government of Kenya's Printed Estimates. They want to ensure that all funds are spent and if not there is a hue and cry especially from Parliament and the politicians about funds being returned to the Treasury, which would otherwise have been utilized for development. They do not focus on the target group for the said development. Audits and mid-term and end-term evaluations have been carried out at CDTF. The said audits and evaluations focus on efficiency of use of funds and the adherence to sectoral themes rather than the broader corporate governance issues. For example, the target communities and how they are selected and whether or not the communities which merit the funding are really the ones benefiting from it as

⁸⁴ Correspondence has been written by the NAO of the EDF in the Ministry of Finance challenging aspects of the TCM exercise. PMU staff also resisted changes which they did not think were necessary. They asked the rationale for making changes to a programme which was already performing well.

originally intended by the ACP-EU initiative. If indeed CDTF is a development project as it were, then there ought to be some way of measuring the extent to which the overall objective has been realized.

3.6.2 Human Resources Skills and Capacity Building

The CDTF stakeholders all expressed views to the effect that CDTF has the advantage of a complement of very highly motivated and skilled personnel. Most of the staff were competitively recruited through professional recruitment firms. The turnover among the staff is minimal. This gives the organization a high level of stability and continuity. At the senior management level, CDTF enjoys the benefit of having an experienced multi-disciplinary Board of Trustees with multi-sectoral representation. Apart from this, the CDTF project communities felt that CDTF had utilized its ability to improve the capacities of project communities to implement their respective projects effectively.

3.6.3 Funding Procedures and Budgets

Some of the stakeholders indicated in their questionnaires that CDTF has sound financial management skills and therefore managed donor funds effectively. This has also been confirmed through successive audits carried out on the programme by external auditors. The finance department however experiences certain challenges. The EU policy requirement that approvals be sought for every shilling not spent as budgeted and the length of time such approvals take due to bureaucratic red tape both in Government of Kenya and EU offices is cumbersome. A lot of time is spent initiating and following up

reallocations of funds and addenda to financial and other agreements. This raises the cost of programme implementation with respect to both administrative overhead and investment budget⁸⁵. Inconveniences occasioned by this lack of flexibility in budget include pecuniary embarrassment when at the beginning of programmes, funds for basic operations have to be borrowed to cover for delays in initial disbursement of funds. On several occasions, CDTF staff, have experienced delays in payment of their monthly salaries and late payments for operational costs.

3.6.4 Wide Network and Reach

Respondents felt that CDTF has a wide network country wide which supports its work. This is true as CDTF works with the Government of Kenya through the DDOs. It also works in liaison with other Government Ministries and departments in specialized areas. An example is how the Ministry of Public Works is often engaged in construction works. Ministry of Water is also involved in water projects, and similarly the Ministries of Education and Health in schools and dispensaries and health centres respectively. It works with other stakeholder organizations at the grassroots. NGOs provide technical support to CDTF projects in the CEF II while National Environmental Management Authority (NEMA) provides support in matters related to the environment.

At another level, CDTF works with technical consulting firms on different aspects of its work. These provide additional skills capacity in their respective specialized areas. Acacia Consultants are currently assisting the CEF II with evaluation concept proposals and development of full proposals. CDI is also in the process of engaging an external

⁸⁵ Investment budget is direct project costs.

consultancy firm to assist technical evaluation of concept notes, field appraisal and development of full project proposals.

All the above mentioned features are indicators of the potential of CDTF to take on additional responsibility. The current situation is that when CDTF makes calls for project proposals, it receives so many viable proposals that it is not able to fund. This is because of limited funds and personnel to take on the work. Donors like DANIDA have indicated their willingness to provide additional funding, but with the current structure and staff establishment, CDTF is not able to implement more projects. The stakeholders when asked expressed views to the effect that they felt CDTF had the potential to implement additional projects. They therefore suggested that CDTF should seek additional funds from both its current and other donors. They also argued that for every new phase or call for proposals, it would be necessary for CDTF to verify the situation on the ground for each project before funding as the dynamics change with time.

3.7 Conclusion

In the course of carrying out its mandate, organizations grow, develop and find their own identities. CDTF has since its inception in 1997 grown, developed and found its niche as a unique development agency in Kenya with its strengths. It therefore has a track record which should form a firm foundation and legacy. What it needs is policies which reinforce and ground it as an operation further rather than those which threaten to derail it altogether. With the EU on one side asserting its project delivery methodology and DANIDA on the other trying to restructure and undo what is already well structured and working, it is the overall objectives of the programme which stand to suffer. Care

should be taken to safeguard the interests of the poorest of the poor who seem to be forgotten in the whole scenario but should in reality be the main focus of the programme.

CHAPTER FOUR

DETERMINANTS OF SECTORAL CHOICES, INSTRUMENTS AND TOOLS

4.1 Introduction

Donor priorities and preferences sometimes override the ACP-EU provision for recipient government's power over programme direction. The main focus and influence of development programmes however should be the nature and characteristics of the communities in which they (programmes) are to be implemented. Sectoral choices should be dictated by local community needs. Socio-economic indicators like education level, gender composition, severity of poverty and its geographical dimensions, and technological advancement also influence how development assistance is packaged. In this chapter, the study explores the determinants of the instruments applied by the EU at CDTF. Feedback from stakeholders of CDTF on the said instruments and tools is also to be discussed.

4.2 Sectoral Priorities and Choices of CDTF

The priority sectors for the CDP 4 phase are education, health, water and sanitation, economic infrastructure, livestock and animal health, and environmental conservation. This is the scope within which the communities applying for funding at CDTF have to limit themselves. From the literature review, some sectors are more critical in contributing to development. One of the issues for this research study was therefore to review statistics on sectors funded so far. This is important as it has a bearing on the extent to which the objectives of poverty eradication can be realized.

Statistics from the KNBS indicate that education has a direct bearing on the ability of people to improve their income and hence their poverty status. It is therefore important as a priority sector for CDTF. Throughout the different phases of the programme, it is the education sector which has had the greatest demand from the communities.

4.2.1 CDP 3 Funding by Sector

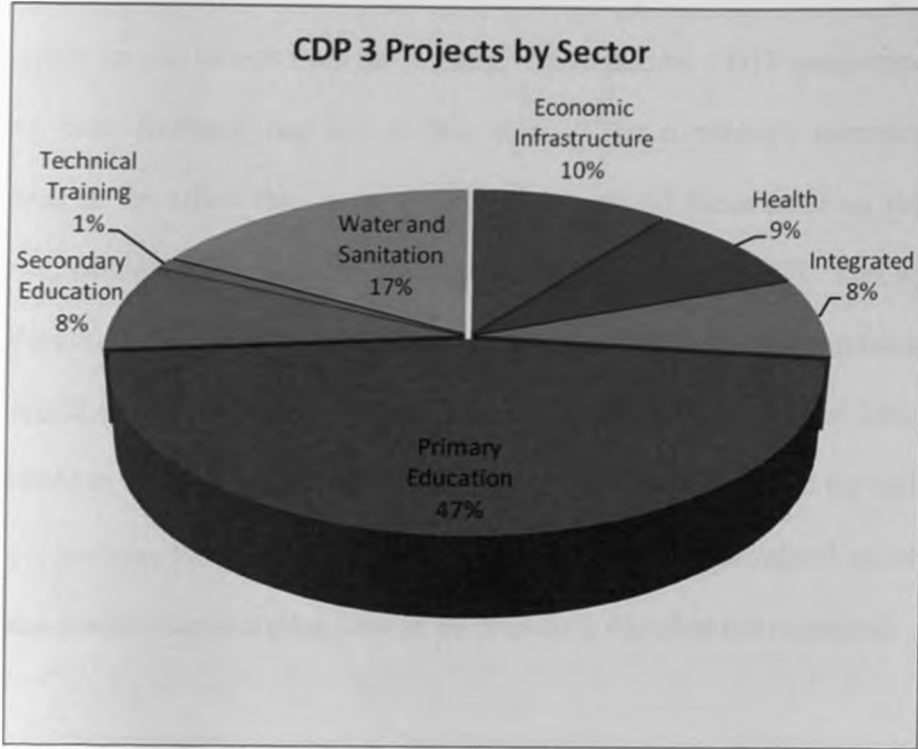
CDTF's alignment of sectoral priorities with those of the Government of Kenya is tempered by the choice of the communities as it is their (communities) prerogative to select their own projects based on their peculiar needs. The Table 3 and Figure 3 below illustrates the sectors, number of projects and total funding disbursed to each project under CDP 3.

Table 3: CDP 3 PROJECTS BY SECTOR (January 2007 to June 2010)

Sector	Funding Amount	No. of Projects
Economic Infrastructure	62,114,876.00	10
Health	52,174,956.00	19
Integrated	44,624,930.25	6
Primary Education	276,525,981.85	95
Secondary Education	49,108,930.00	23
Technical Training	5,916,783.00	2
Water and Sanitation	102,190,448.90	22
TOTAL	592,656,906.00	177

Source: Survey Data

Figure 3



Source: Based on Data from Table 3

According to the literature review in this study, the involvement of stakeholders is important for community development projects. The study therefore sought the views of CDTF stakeholders on their perspectives of what the focus of CDTF should be as far as sectors is concerned. The stakeholders who are the members of the CDTF Board of Trustees, CDTF technical staff and the project community members' feedback is recorded in the tables and graphs below. Each category is discussed as follows:

4.2.3 *CDTF Project Communities*

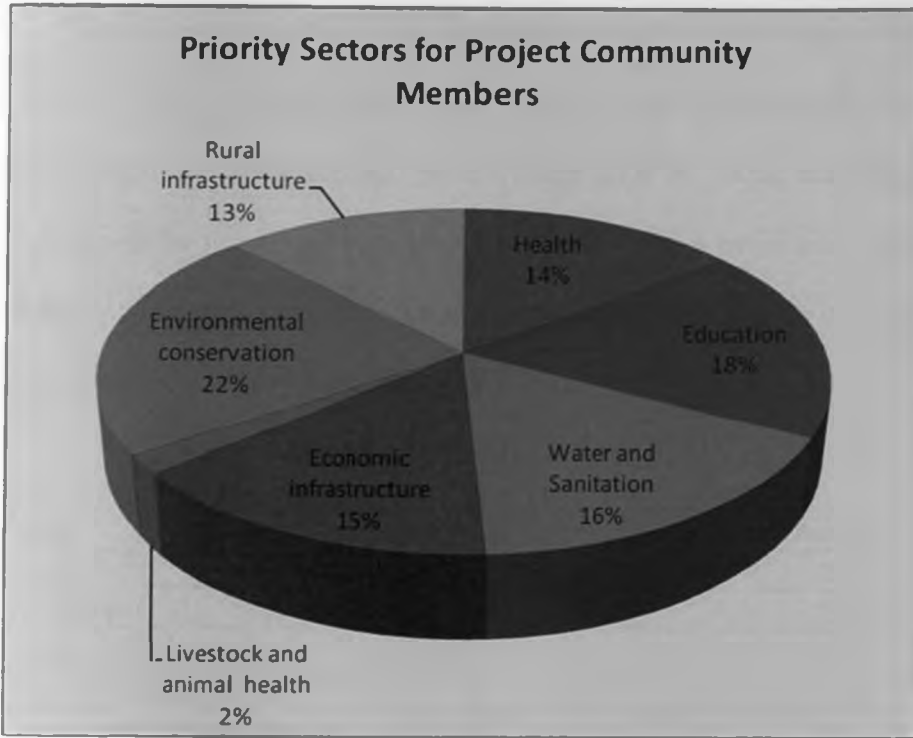
The project communities are an important category for CDTF as they are the ones who apply for and benefit from the funding. Given that the CDTF programme is demand driven, their feedback was key to this study. The community members expressed opinions to the effect that in the future, CDTF should focus more on the sectors as follows; environment which was their highest priority stood at 22%. This was followed by education (18%), water and sanitation (16%) and then economic infrastructure (15%) and health (14%). This was followed closely by rural infrastructure at 13%. These are illustrated in Table 4 and figure 4 below. It is important to note that the dedication of a full programme, the CEF II to environment conservation and related activities and its introduction as a cross-cutting issue in all projects is therefore not misplaced.

Table 4: CDTF Project Community Members Opinion on Priority Sectors

Sectors CDTF Should focus on More to Reduce Poverty		
Sector	Frequency	Percent
Health	8	14.0
Education	10	18.0
Water and Sanitation	9	16.0
Economic infrastructure	8	15.0
Livestock and animal health	1	2.0
Environmental conservation	12	22.0
Rural infrastructure	7	13.0
Total	55	100.0

Source: Survey Data

Figure 4



Source: Based on Data from Table 4

4.2.4 CDTF Board Members

CDTF Board members expressed opinions indicating that water and sanitation (25%), education (25%), and economic infrastructure (25%) were the greatest need that should be addressed by CDTF. This input is important as CDTF Board members are people from diverse backgrounds in community development who have visited CDTF projects and therefore have a good understanding of the needs of the communities on the ground. They represent different public, civil society and NGOs organizations engaged at different levels in development initiatives in Kenya. They have served on the CDTF Board for a period ranging

from two to ten years.

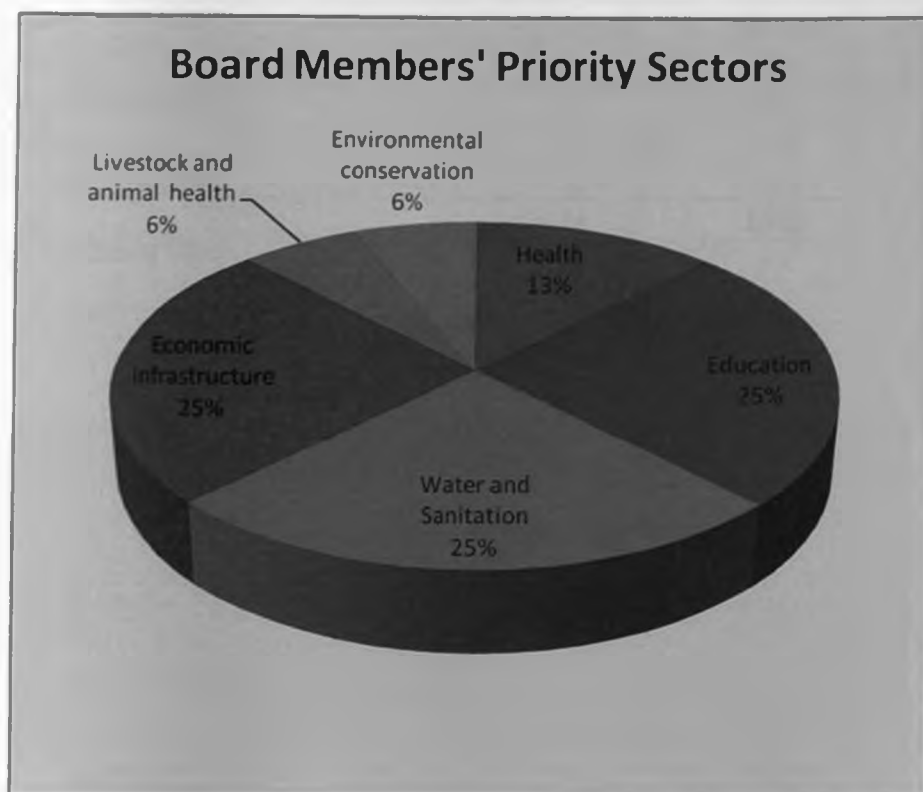
Their lowest priorities were environment (6.3%) and livestock and animal health (6.3%). Livestock and animal health is one of the sectors, which was discontinued and therefore not funded under CDP 3. That they suggest that environment be prioritized may be due to the fact that it has a whole programme dedicated to it as indicated under the discussion on the results of communities sectoral preferences above.

Table 5: CDTF Project Board Members' Opinion on Priority Sectors

Sector	Frequency	Percent
Health	2	12.5
Education	4	25.0
Water and Sanitation	4	25.0
Economic infrastructure	4	25.0
Livestock and animal health	1	6.3
Environmental conservation	1	6.3
Total	16	100.0

Source: Survey Data

Figure 5



Source: Based on Data from Table 5

4.2.5 CDTF Technical Staff

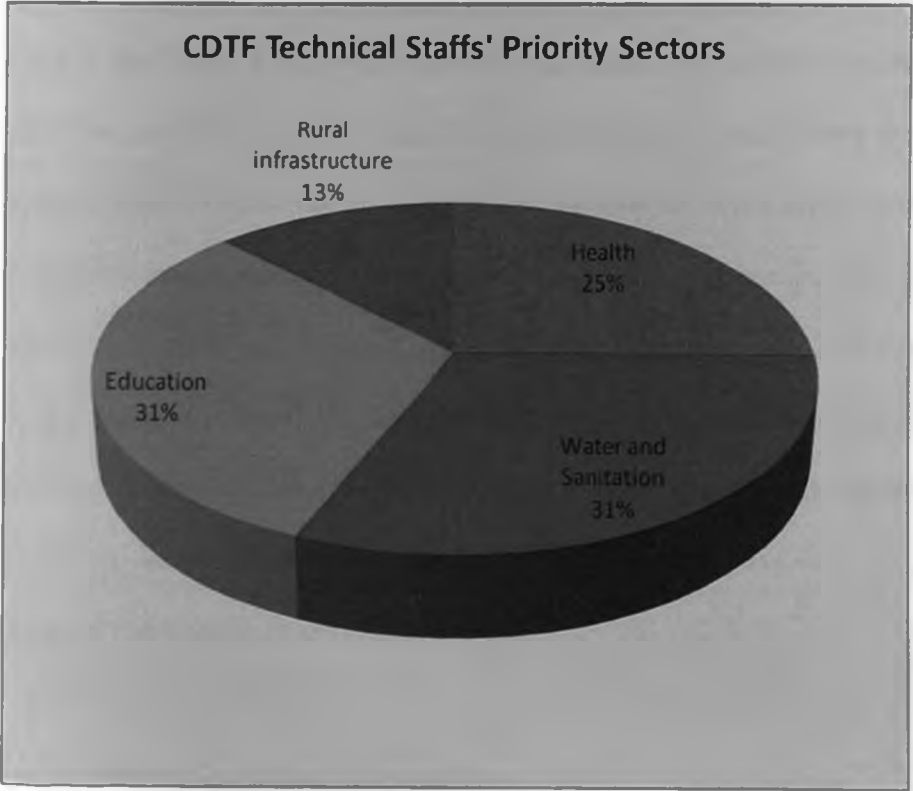
Like the CDTF Board of Trustees, CDTF technical staff recommend that education and water and sanitation are the sectors which CDTF should prioritize. The frequency score for each of the two sectors is 31.3%. Their next most important sector in order of priority is health at 25%. Next is rural infrastructure at 12.5%. Their opinions are illustrated in the table and pie chart below. Among all the sectors CDTF supports, education, and water and sanitation are therefore recommended highly as sectors it should place emphasis on to reduce poverty better by the members of all the categories of stakeholders of CDTF.

Table 6: CDTF Technical Staffs' Priority Sectors

Sector	Frequency	Percent
Health	4	25.0
Water and Sanitation	5	31.3
Education	5	31.3
Rural infrastructure	2	12.5
Total	16	100.0

Source: Survey Data

Figure 6



Source: Based on Data from Table 6

4.2.6 Suggestions for Additional Sectors for Future CDTF Programmes

When asked to indicate additional sectors they thought would add value in terms of strengthening CDTF as a poverty alleviation programme, CDTF Board members suggested small and micro enterprise (SME). CDTF technical staff proposed Micro-

credit while community members suggested SME, energy, capacity building for IGAs, governance and gender, value addition, irrigation infrastructure, jua kali support, transport and communication, financial management, and social development. It is important to note that the sector all categories suggested in common was SME.

4.3 Education Level

Studies and statistics from the KNBS which are highlighted in the study , specifically in Table 7 and Table 8 below indicate that education and poverty are inversely related. Education empowers communities to generate income and remove themselves from poverty, fostering sustainable development. Education level can also work against a community incapacitating it. Education should therefore be a core issue for any poverty alleviation programme, informing the planning and programme development processes. During the study, statistics of the education levels of the sample project community was collected. Views of stakeholders on how the education level of the communities would impact on their participation in the project application process were also sought. The results of these analyses are illustrated below.

4.3.1 Community Members by Education Level

If the intention of CDTF is to bridge the gap between the rich and the poor, then the assistance needs to target the poorest of the poor who are less educated. Table 20 below shows a representative sample of a community CDTF has funded in the past and which has partially qualified for funding in the current phase (CDP 4) while Table 21 below illustrates the converse relationship between education level and poverty:

Table 7: Education Level of a Sample of CDTF Community Members

Education level of respondent		
		%
Primary	1	5.6
Secondary	1	5.6
College	8	44.4
University	7	38.9
Other	1	5.6
Total	18	100.0

Source: Survey Data

According to the results of the survey illustrated below, the incidence of poverty goes down with increasing level of education for the head of the household. In simple terms, the higher the education level, the lower the percentage of poverty. This means that the level of education within a given population has a bearing on their susceptibility to poverty. What this means within the context of the CDTF programming is that they would expect to engage more with less educated members of the community as their clientele. Strategies would therefore need to be informed by this fact for them to be effective. That from the results of this study, the communities who seem to be able to participate effectively in the project application process are those with higher educational level should be a cause of concern for the EU.

Table 8: Education Level and Poverty⁸⁶

Education Level	% Incidence of Poverty Among Heads of Household	
	Rural	Urban
None	65.5	68.7
Primary	51.5	47.9
Secondary	27.2	22.0
University	9.5	1.5
Other	26.0	4.6

Source: Adapted from Kenya National Bureau of Statistics, 2007

The CDTF PMU and project communities expressed views orally to the effect that the project application process was cutting out the poor communities from access to funding because as illustrated in the table above, the typical poor community members' education level is low. They would therefore be disadvantaged by the CDTF project application process. The majority of the stakeholders felt that project application forms should be simplified to enable the communities to participate more effectively. Their responses are recorded below as follows:

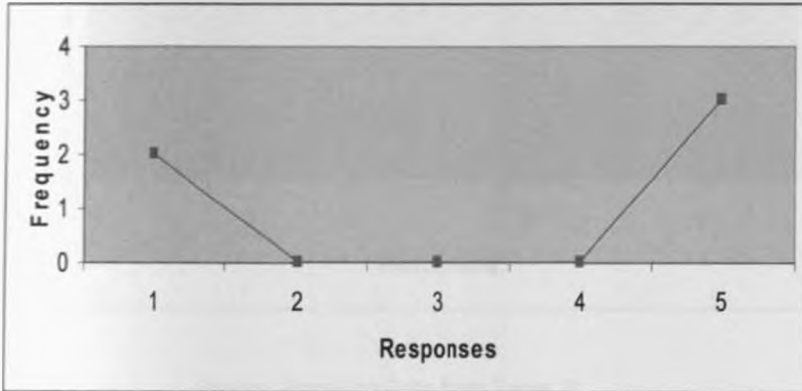
Table 9: Board Members' Views on Facilitation due to Education Level

CDTF should use simplified project application forms for communities whose education level is lower to enable them to participate effectively in the open tender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	2	40.0	40.0	40.0
	5.00	3	60.0	60.0	100.0
	Total	5	100.0	100.0	

Source: Survey Data

⁸⁶ Kenya National Bureau of Statistics. Basic Report on Well-Being in Kenya-KIHBS 2005/2006. (Nairobi: The Regal Press Ltd, 2007). Pp.82

Figure 7



Source: Based on Data from Table 9

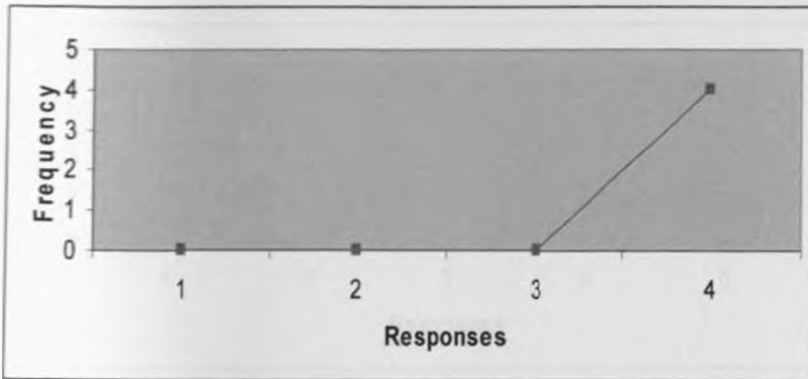
60% of Board members believe strongly that the application forms used by the communities should be simplified while 40% are either indifferent or happy with them as they are.

Table 10: CDTF Technical Staff Views on Facilitation due to Education Level

CDTF should make special concessions for communities whose educational level is too low for them to participate in the open tender					
	Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	4 00	4	50.0	50.0	50.0
	5 00	4	50.0	50.0	100.0
	Total	8	100.0	100.0	

Source: Survey Data

Figure 8



Source: Based on Data from Table 10

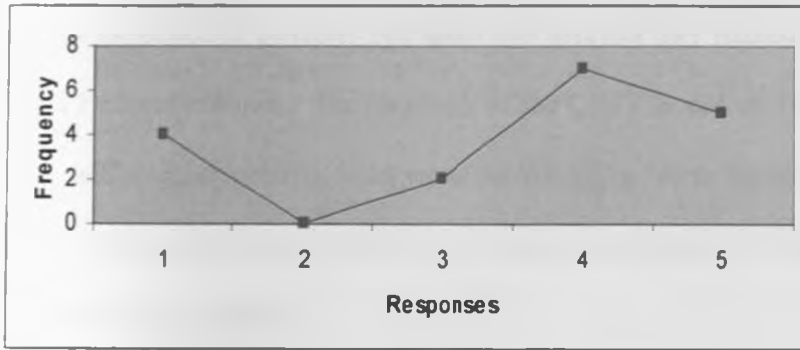
All (100%) of the technical staff who participated in the support CDTF making special consideration to communities with low educational levels to enable them to participate in the project application process.

Table 11: Communities Members' Opinions on Facilitation due to Education Level

CDTF makes simpler forms for communities whose educational level is too low for them to fill in					
	Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	4	22.2	22.2	22.2
	3.00	2	11.1	11.1	33.3
	4.00	7	38.9	38.9	72.2
	5.00	5	27.8	27.8	100.0
	Total	18	100.0	100.0	

Source: Survey Data

Figure 9



Source: Based on Data from Table 11

About 66% of the respondents are of the opinion that application forms should be simplified to make it easier for applicants with lower education level to participate in the process.

4.4 Geographical Dimensions of Poverty

The physical manifestations of poverty can be mapped geographically. Any regular atlas will reflect geographical dimensions of incidence of poverty alongside maps showing other physical features. Whereas such statistics should have implications for programmes like CDTF and can be used as a basis for programming decisions, this does not always happen. Other parameters may be used with the ones which look more obvious and important like the geographical maps becoming secondary factors. This study sought to interrogate the geographical dimension and how it impacts on CDTF's project selection methodology. Data on the poverty indices in Kenya from the KNBS was reviewed. Data from CDTF on projects funded organized by districts was also reviewed to confirm the geographical distribution of projects. Views of stakeholders of CDTF on the issue were also sought.

The responses from the stakeholders or respondents to whom questionnaires were administered seem to agree with the statistics from the KNBS. The CDTF technical staff

indicated that the Arid and Semi Arid Lands (ASAL) in Kenya were the areas with the highest incidence of poverty. The areas and districts they named were mainly situated in North Eastern Province. The members of the CDTF Board of Trustees indicated that the areas with highest poverty level were the ASAL in North Eastern Kenya, some parts of Coast Province and some districts in Nyanza and Eastern Provinces. Table 25 below illustrates this as follows:

Table 12: Ranking Overall Rural Poverty over Time and Space (%)
(Rank 1=least poor)

	WMS ⁸⁷ I		WMS II		WMS III		KIHBS ⁸⁸	
Province	1992	Rank	1994	Rank	1997	Rank	2005-06	Rank
Central	35.8	1	31.9	1	31.4	1	30.4	1
Coast	43.5	3	55.6	5	62.1	5	69.7	6
Eastern	42.2	2	57.8	6	58.6	3	50.9	4
North Eastern	n.a.	n.a.	58.0	7	65.5	7	73.9	7
Nyanza	47.4	4	42.2	2	63.1	6	47.6	2
Rift Valley	51.5	5	42.9	3	50.1	2	49.0	3
Western	54.8	6	53.8	4	58.7	4	52.2	5

Source: GoK poverty reports (1997,2000), Mukui (1994)⁸⁹

The researcher reviewed the CDTF database and analyzed the level of funding to projects situated in the ASAL areas of Kenya. The analysis was based on the different phases of the CDP, from the CDP 1 to CDP 3 and BCP. The figures for CEF were not used as the programme adopted an ecosystem approach where rather than focusing on individual projects, they fund either an entire or a section of an ecosystem sometimes

⁸⁷ Welfare Monitoring Survey

⁸⁸ Kenya Integrated Household Budget Survey

⁸⁹ Kenya National Bureau of Statistics. (Nairobi: The Regal Press, Kenya Ltd, 2007) pp.53

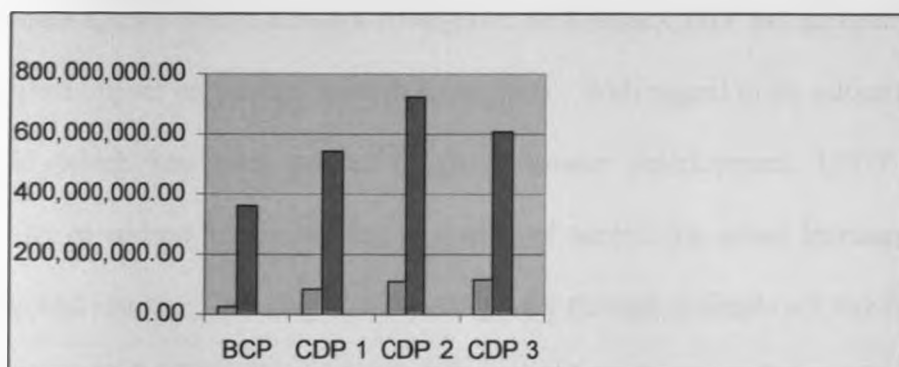
straddling different zone with different socio-economic features. Table 13 and Figure 9 below illustrate this scenario.

Table 13: CDTF Funding to ASAL Areas in Kenya

Programme	Total for all Projects (Kshs.)	Amount for ASAL Projects	% of CDTF Funding
BCP	22,635,006.20	360,423,443.50	6.28
CDP 1	82,932,660.80	544,106,388.15	15.24
CDP 2	110,460,189.50	723,856,842.25	15.26
CDP 3	114,267,435.00	609,181,359.00	18.76

Source: Survey Data

Figure 10: Comparison of CDTF Funding to ASAL and Other Projects



Source: Based on Data from Table 13

Key:

OTHERS
ASAL

4.4.1 Adequacy of Funds for ASALs

One of the issues this research study sought to interrogate is the impact of the project delivery strategy on the funding for different geographical areas. It sought to confirm the adequacy of the CDTF funding to the ASALs which are the poorer and therefore most needy. Figures from Table 13 above indicate 16.28% to 18.76% of total funding per programme to ASAL areas. This is low but would have to be tempered with statistics on population and other factors to make a more realistic judgement.

4.4 Gender and Development

Sustainable development is one of the primary goals of CDTF. As a development agency with a network throughout the Kenya, CDTF has an opportunity to make a great impact on poverty through its projects. With regard to the education of the girl child which has been proved to foster greater development, CDTF has the opportunity to address issues relating to quality of access, the actual learning process, outcomes and results. Tracking statistics of gender through a simple act like requesting for statistics on school enrollment for projects would be a step towards knowing what the gender situation is in the schools it funds. These would assist to make decisions to foster greater development through affirmative action at all levels and in different perspectives. This study used the opportunity of the research to record data on gender in relation to each group of stakeholders to which it administered questionnaires. Some of the questions were asked expressly on the questionnaire or recorded physically based on who responded to the questionnaires. Tables 14 and 15 below show response rate of the questionnaires and statistics on the gender of the different groups of stakeholders of CDTF who participated in the study.

4.5.1. *Response Rate for Questionnaires*

Table 14: Response Rate for Questionnaires

	Donors	Board of Trustees	CDTF Technical Staff	Project Community Members
No. Issued	2 ⁹⁰	6	17	25
No. Returned	0	5	8	18
Total Response Rate(%)	100%	83%	47%	72%

Source: Survey Data

The final response rate was well above average as evidenced in Table 14 above.

They were all disseminated by email and about 30% of the questionnaires were sent back by the same channel. There was enthusiasm among the respondents both in support of the study.

4.5.2 *Respondents by Sex*

Table 15: Respondents by Sex

Donors		Board of Trustees		CDTF Technical Staff		Project Community Members	
Male	Female	Male	Female	Male	Female	Male	Female
0	0	3	2	7	1	13	5
Percentage (%)		60%	40%	87.5%	12.5%	72.2%	27.8%

Source: Survey Data

From among the Board members, the CDTF technical staff and the community members, 100% of the female members of the population responded to the questionnaires. This may in itself be an indication of commitment, seriousness or interest in development. These are all positive attributes.

⁹⁰ DANIDA opted to respond to the questionnaire for Board members. The EU did not respond to either the donor or Board questionnaire.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

The main objectives of this study was to examine the major provisions of the ACP-EU Partnership Agreement, confirm the extent to which the instruments applied at CDTF support the objective of the ACP-EU of eradicating poverty and to suggest ways in which CDTF's programme implementation strategy could be aligned to the ACP-EU better if there was found to be any deviation.

After reviewing the principles of the ACP-EU Partnership Agreement, the study found that CDTF is currently applying a project a selection methodology which does not seem to assist it to strike poverty at its core. A category of communities who may not be the neediest and therefore not the most deserving of the CDTF support may be accessing millions of shillings. This is because the methodology currently being applied to select projects might not be the most appropriate for the Kenyan context where poorer communities are characterized by low literacy levels. They (the poorer communities) can therefore not effectively articulate their needs through the application process currently in place.

During previous phases of the CDTF programme, communities sent their applications in simplified forms which were still a challenge for communities to use. Applications were therefore rejected, not because the communities were not needy but on technicalities related to their capacity to participate effectively in the application process. In spite of the fact that the methodology has allowed the communities to set their own priorities in the projects, those who have been successful are the ones with higher

capacity and not necessarily higher poverty level. The CDTF PMU is unable to dispense with this system as they have to abide by the donor rules and procedures. They have tried to give the EU feedback on the methodology, but it has not been taken on board. The current phase of the programme has however been more of a challenge to both the CDTF PMU and the communities as they (PMU) were not allowed to simplify the application forms for the communities. The aspect of competition which has been applied in previous phases remains, but this time with much more stringent conditions embodied in a system referred to as a 'tender' where criteria for elimination ranges from failure to prove that community group is registered to failure to make commitment that the group will contribute 10% of the project cost. A large number of projects are also eliminated because applications reach the office after the official deadline for receipt of proposals.

The new procedures have elicited resentment from CDTF staff who have been engaged in trying to understand the process and have also spent time in workshops explaining the procedures to the Kenyan public. The preliminaries for CDP 4 have taken almost two years, which is much longer than was taken in previous programme phases. Project communities had expressed concern about earlier phases, but this time their fear was that their lack of capacity to compete would disadvantage them even more in the current phase. That it became necessary to hold workshops to educate communities on the project application and implementation strategy is in itself evidence of the complexity of the process. This has not been done in previous phases of the programme.

5.2 Level of Education

The findings of this study illustrate that the level of education of a community has a bearing on their ability to generate income. The higher the education level of the head of the household, the higher the income he is able to get and the better his positioning in terms of being able to pull himself and his family out of poverty. The demographic figures from the members of the community indicate that 44.4% have college level education while 38.9% are university level. This makes a total of 83.3% of the members of the CDTF project community being in the categories whose ability to generate their own income is high. Based on the results of this study we come to the conclusion that the communities who are currently participating in the project application process may not be the typical poor communities which the programme expects to participate.

5.3 Targeting Strategy of CDTF

On average, the total amount of funding per programme which CDTF has disbursed to projects in the ASAL areas for BCP, CDP 1, CDP 2 and CDP 3 has been about 15%. This is a small amount if considering the overwhelming feedback that the study results reaffirm the said ASAL areas as being the poorer and therefore more deserving of CDTF funding. Literature reviewed argued that poverty should be attacked at its core. This means that the focus of interventions should be the poorer communities rather than poor ones.

Furthermore, literature reviewed made a case for the involvement of stakeholders in decision making in the project implementation process. It is with this in mind that this

study takes into account the views of different stakeholders of CDTF. This is significant for CDTF in that whereas poverty indices cited and respondents in this study point to the ASAL districts as being among the poorest in Kenya, the priorities of the communities should also be taken into account. The demand driven project selection strategy therefore needs to be tempered with level of poverty. CDTF needs to consider the extent to which it has covered the poorest even as it facilitates for the needs and priorities of its project communities.

On the issue of new applications for every phase of the programme, respondents indicated that it would be important for a new call for proposals to be launched for every phase even at the risk of the project communities getting tired as it were. This is because the dynamics on the ground change and there might be necessary to go back and check the status before making the decision on whether to provide aid or not. The way to do this is through a project application process where issues are revisited anew. The respondents however made a strong case for seeking additional funding to support viable proposals received.

On the issue of making special concessions for reaching disadvantaged communities, there was a strong opinions expressed to the effect that this could be enhanced. There were also strong suggestions that the project application forms needed to be simplified with the input of both the CDTF PMU and the communities to make them easier for the project communities to use. There were strong indication that special logistical arrangements needed to be made in order for the project application tools to reach the disadvantaged communities. All these suggestions are an indication that the communities are indeed experiencing problems using the said project application forms.

The option of facilitating the DDOs to reach the communities has been used in some variation in the past and would be worth exploring. Rather than send the forms and wait for communities to come and collect them, funds could be set aside to facilitate dissemination of the said forms. Resources could also be invested in facilitating the return of the forms.

5.4 Sectoral Priorities and Choices of CDTF

Sectoral priorities is an important area for the CDTF programme. This should remain an issue to be discussed regularly as it should be informed by the dynamics of the international system, donor priorities, and Government of Kenya's strategic direction. Because it receives funding from donors, it is important for CDTF to listen to the priorities of the said donors and operate within the broad framework of the international development system. It is important for the programme to maintain the close contact it has with the donors as is happening through their representation at the Board of Trustees meetings as evidenced by the minutes of various board meetings. Literature reviewed indicated that the interest of project communities would be maintained only if their priorities and needs are taken into account.

Statistics based on sectoral priorities of communities indicate that education is an important priority for them hence their high demand for it. Water and sanitation, and health are also ranked high on the scale based on the data from CDP 3. Environment is an international issue and the BCP, and its successor programmes, the CEF and CEF II are dedicated to the sector. Environment, Gender and HIV/AIDS have also been

instituted in current phase of CDTF as cross-cutting issues. They are therefore to be included as a component of each one of the projects that are to be funded under the CDI.

Within the context of this study, it was not possible to go further into the issues of the sectors which are included as cross-cutting issues for the current phase of the CDP 4. That the members of the CDTF Board of Trustees gave environment sector low priority may be subject for further studies. It may be that they felt that it is adequately covered as it has the whole of the CEF programme dedicated to it. This would need to be confirmed.

It would be interesting if future studies were carried out to review the impact of HIV/AIDS on CDP 4. Given that CDTF is handling so much funding, it would be important to consider how collaboration with Government programmes like the National Aids Control Council could enhance CDTF's programme quality. The handling of the gender issue is causing concern in the constitutional debate in Kenya. It would be important to be important to track the implications of gender on CDTF's programme implementation beyond the existing requirement for a lease one-third female representation on the PICs.

As a final statement in this study, it is important to note that the objectives of the study were met. The study, which set out to test a specific project selection methodology confirmed that the strategy being applied was not favourable for use within the context that it is currently being applied. It therefore does not assist CDTF to fulfill the objectives of the ACP-EU of poverty alleviation to the extent that it could. Opinions of the respondents to whom the questionnaires were administered were supported by data from the CDTF project database and statistics from the KNBS and other literature and

statistics confirmed this position. It is therefore important for the project targeting strategy to be reviewed.

This study has also in the process of reviewing the methodology found that CDTF is playing an important role in improving the welfare of Kenyans. It has a rich database with an inventory of successful projects which have been successfully implemented throughout the country. It has without a doubt made a significant contribution towards overall economic growth and development in Kenya. This good performance needs to be fortified by a strong research base and a sound strategic plan to support future programming activities.

5.5 Recommendations

The main recommendation of this study is that the EU should review the project implementation instruments currently in use at CDTF. It should try to differentiate the instruments based on the educational status and other relevant parameters of the project communities in recognition of the fact that not all project communities are at the same level of development. It should not assume that all members of the communities have the same characteristics and would therefore be treated in a uniform manner. Testing the project implementation tools in simple pilot studies would also assist to confirm its quality. The concept of pilot studies has been applied in other programme and can be tried at CDTF.

The study further recommends that CDTF undertake a further study on a larger scale on communities who have previously benefited from its funding to confirm their characteristics. This is important because this information would assist the CDTF

programme to formulate appropriate project selection and implementation tools for the communities from an authoritative standpoint. It is important to note even as this is recommended that it is common practice in Kenya for the more educated members of the communities to seek funding on behalf of their poor communities. The overall beneficiaries may therefore end up being the poor. There are however ways of ascertaining the extent to which this is being practiced within the context of CDTF.

If CDTF were to decide to seek additional funding to support viable project proposals which do not get funding on initial application, it would be important for CDTF to revisit the issue of the staff establishment and issues of quality of delivery which go with outsourcing of core responsibilities. Hiring of additional staff is an option which could be explored if it were found feasible. Using external technical has been tried and tested at CDTF, but its difficulties and shortcomings should be recorded to assist with future decision making.

On the issue of liaison between CDTF and the Government of Kenya, CDTF can and should facilitate the DDOs and other government departments to facilitate its work. Seeking their assistance to disseminate project application forms is one such exercise. Apart from the DDO's and other government departments' network, other dimensions which CDTF has at its disposal and has probably not exploited to the extent that it could are the statistical support through the Kenya National Bureau of Statistics and research dimensions through KIPPRA, NCPAD and other specialized agencies all of which are housed within the MoSPND&V2030. Successive evaluations of CDTF have recommended stronger collaboration with other Government departments and agencies. The research perspective would serve to strengthen the basis of future programming and

justify past actions. This issue should however be approached with caution as the government departments already have their primary responsibilities which they would not be expected to sacrifice for CDTF's work.

6.1 References

- Alila, P. et al. *From Sessional Paper No. 10 to Structural Adjustment: Towards Indigenizing the Policy Debate*. (Eds. Ng'ethe, N. et al). Institute of Policy Research and Analysis. The Regal Press Ltd. Nairobi. 1971.
- Burnell P. et al (2004). *Foreign Aid in the New Global Economy*. (Cheltenham, UK: Edward Edgar Publishing Ltd., 2004)
- CDF Programme Brief. Community Development Trust Fund (CDF). Nairobi, 2009.
- Charter of the United Nations. (New York: United Nations, 2006).
- Cohen, J. M., et al. 'Foreign Aid Conditions Precedent': *Political World Development*, Vol. 13, No. 12. (Cambridge: Pergamon Press Ltd. 1985).
- Constitution of Kenya. (Nairobi, Government Printers, August 2010). Article 27, clauses (3) and (8).
- Cunningham, G. *The Management of Aid Agencies*. (London: Croon Helm and the Overseas Development Institute, 1974)
- Dinwiddy, B. (Ed). *Aid Performance and Development Policies of Western Countries: Studies in US, UK, EEC and Dutch Programs* (New York: Praeger Publishers, 1973)
- ACP-EU Partnership Agreement: 'Fundamental Principles'*. Cotonou 23rd June 2000. (Brussels: Directorate-General for Development, 2000). Brussels.
- Goldstein, J. et al. *International Relations*. (New York: Longman Pearson, 2010).
- Hale, S. M. *Controversies in Sociology*. (Toronto: Copp Clark Pitman Ltd., 1990).
- Ikiara, G. K. 'Economic Restructuring and Poverty in Kenya'. *From Sessional Paper No. 10 to Structural Adjustment: Towards Indigenizing the Policy Debate*. Institute of Policy Analysis and Research (IPAR), 1995.
- Kenya National Bureau of Statistics. *Basic Report on Well-Being in Kenya*. April 2007. Pp.13. The Regal Press, Kenya, Nairobi.
- Kibaki, M. *Kenya Vision 2030: A Globally Competitive and Prosperous Kenya*. Government of Kenya, Nairobi. 2007.
- Killick, T. 'Principals, Agents and the Failings of Conditionality'. *Journal of International Development*. Vol. 9, No. 4 (1997)
- Leandro, J. E. et al. 'Towards a More Effective Conditionality': An Operational Framework. *World Development*. Vol 27, No. 2. Elsevier Science Ltd, 1999.
- Leys, C. *Underdevelopment in Kenya: The Political Economy of Neocolonialism*. (University of California Press, 1975).

Maluki, P. et al. Models and Emerging Paradigms of Development. Unpublished Paper. (2008)

Mamdani M. *Contextualising Post-Reconciliation on Violence: Globalization, Politics and Identity in Africa*. (Paper presented in a workshop on 20th January 2011 at the Japanese Embassy, Nairobi).

Memorandum of Understanding between the EU & the Embassy of Denmark in support of CDTF 2010-2014.

Ministry of Planning, National Development and Vision 2030. *Kenya Vision 2010, the Popular Version*. (Nairobi: Government of Kenya, 2007)

Minutes of the 1st meeting of the Board of Trustees of CDTF held on 4th February 1997.

Moysey, S. 'Recognizing Stakeholders in the Design of Effective Community-level Geophysics Programmes. *The Leading Edge (TLE)*, Vol 30 No. 4. (April 2011).

Odondi, L. A., Interview with Mr. Salesius N. Miu, Programme Co-ordinator, Community Development Trust Fund (CDTF), Nairobi, 19th September 2011.

Paris Declaration on Aid Effectiveness and the Accra Agenda for Action 2005/2008. 2005. (Paris: OECD, 2005).

Poats, R. M. *Development Co-operation: Efforts and Policies of the Members of the Development Assistance Committee (DAC)*. (Paris: OECD, 1982)

Rodney W. *How Europe Underdeveloped Africa*. (Nairobi: East African Educational Publishers, 1982).

Rubin, S. J. *The Conscience of the Rich Nations: the Development Assistance Committee and the Common Aid Effort*. (New York: Harper and Row Publishers, 1963)

Smillie, I. *The Alms Bazaar. Altruism Under Fire – Non-Profit Organizations and International Development*. (Ottawa: International Development Research Centre, IDRC, 1995)

The Paris Declaration on Aid Effectiveness and the Accra Agenda for Action 2005/2008. OECD.

The Treaty of Rome. (Association of the Overseas Countries and Territories, 1957). Part Four: Article 131 and 132.

The United Nations Today. (United Nations Department of Public Information, 2008).

Todaro, M. P. (1992). *Economics for a Developing World*. (Harlow: Pearson Education, 1992).

USAID. Education from a Gender Equality Perspective. (USAID's office for Women in Development, EQUATE Project, 2007)

UNICEF. Basic Education and Gender Equality. <http://www.unicef.org/education/>. 12th July 2011

Wall, D. *The Charity of Nations*. (London: The MacMillan Press Ltd., 1973)

Annex 1(a)

Interview Questionnaire – CDTF Programme Co-ordinator

INTERVIEW QUESTIONNAIRE

(CDTF PROGRAMME CO-ORDINATOR)

***Please take a few minutes to read through these questions in preparation for interview.
THANK YOU FOR TAKING TIME PARTICIPATE IN THIS IMPORTANT EXERCISE.***

Section A.

CDTF is a Semi-Autonomous Government Agency (SAGA) under the Ministry of State for Planning, National Development and Vision 2030. This section explores its place within the broad framework of national and international development.

(Please tick your answer to each question)

1. CDTF was initially a department of the Ministry of Finance and Planning. What was its mandate then?
2. Has the mandate of CDTF changed from the time it was a department of the Ministry of Finance and Planning and its current status as a SAGA?
3. What was the reason for separation of CDTF from the mainstream Government of Kenya ministries?
4. What role did the Government of Kenya play in the formulation of CDTF?
5. How is CDTF different from other Government development programmes in Kenya?
6. How does CDTF fit within the broad framework of development in Kenya?
7. How does CDTF fit into the broad framework of the international development perspective?
8. How does CDTF relate with other programmes within the EU/ACP framework?

Section B.

According to the EU/ACP Agreement, dialogue among member states and other stakeholders plays an important role in fostering the development agenda in the Third World. This section explores the application of this facility among states and the said stakeholders.

1. Is there any interaction between the states receiving development assistance under the EU/ACP Partnership Agreement?
2. How were policies and instruments governing the EU/ACP Partnership developed?

3. What was the role played by the developing countries in the formulation of the EU/ACP Partnership Agreement?
4. Have there been reviews of the EU/ACP Partnership Agreement policies and programmes?
5. If so what was the role of the member states and programme in the review process?

CDTF procurement procedures are subject to a combination of EC/ACP rules and procedures and CDTF internal procurement policy. This section explores the application of the said rules and procedures. (Please tick your answer to each question)

1. What is the rationale behind restrictions on origin of goods purchased with donor funds?
2. Does CDTF have the opportunity to provide feedback to the EU on its experience with procurement policies?
3. Do you see any value addition in the EU's programmes based on CDTF's feedback to the EU on CDTF's experience with EU procurement policies or is this conception misplaced?

Section C.

The focus of CDTF is poverty alleviation. It addresses this as an issue within the national development context in Kenya. This section reviews the economic impact of CDTF as a programme

1. CDTF funds multisectoral projects in Kenya. What is the rationale for choice of the sectors?
2. What is the contribution of each one of the sectors towards Kenya's development?
3. Has there been any opportunity to review the sectoral focus of CDTF as a programme?
4. If so which tools were used to review the approach?
5. What were the results of the review of the sectoral focus?
6. What is the overall impact of the CDTF projects in Kenya?

Section D

CDTF applies a window system where it approves a number of proposals and processes them fully before opening for a subsequent lot. It therefore launches a call for proposals in every phase of a new programme. This section reviews the proposal application process.

1. What is the rationale behind CDTF's 'demand driven approach'?
2. What was the rationale for the 'targeted component' during CDTF's second phase?
3. Has a comparative analysis of the two approaches been done to ascertain which one is more effective in reaching poorer communities?
4. Is there an opportunity to review CDTF's project targeting approach?
5. What are the factors one has to take into consideration before undertaking such a review?

Name of RespondentSALESIUS N. MIU.....Signature:.....

Designation:.....PROGRAMME CO-ORDINATOR,

Organization:.....COMMUNITY DEVELOPMENT TRUST FUND (CDTF).....

Date:.....

Official Stamp:.....

Annex 3 (B)
Research Questionnaire -
CDTF Board of Trustees

Annex I(b)
Research Questionnaire –
CDTF Board of Trustees

RESEARCH QUESTIONNAIRE

(CDTF BOARD MEMBERS)

Please take a few minutes to read through and complete this questionnaire. Your responses constitute important feedback for this research project, and will be treated with utmost confidentiality. Information gathered will be used for research purposes ONLY. THANK YOU FOR YOUR TAKING TIME TO FILL IN THIS QUESTIONNAIRE.

Section A

The main focus of CDTF is poverty alleviation. This section explores CDTF's sectoral focus and instruments and tools applied to select projects proposals for funding. *(Please answer questions below by either ticking appropriate answer or filling in the designated space)*

1. Among the sectors CDTF supports, which one(s) would have the greatest impact in reducing poverty in your view?
 - (a) Health
 - (b) Education
 - (c) Water and Sanitation
 - (d) Economic infrastructure
 - (e) Livestock and Animal Health
 - (f) Environmental Conservation

2. Based on CDTF's background and experience, which sectors should CDTF focus on more to fight poverty?
 - (a) Health
 - (b) Education
 - (c) Water and Sanitation
 - (d) Economic infrastructure
 - (e) Livestock and Animal Health

(f) Environmental Conservation

(g) Rural infrastructure

3. Which other sectors other than the ones listed above would you recommend CDTF engages in to have a greater impact on poverty?

.....

4. Which districts in Kenya do you consider as being the poorest?

.....

5. Does CDTF funding reach these districts adequately?

.....

6. Suggest the best method through which CDTF can reach the poorer districts:

(a) Tender system

(b) Direct intervention using poverty and human development indices

(c) Other (*Please specify*).....

.....

Section B

CDTF applies a window system where it approves a number of proposals and processes them fully before launching subsequent calls for proposals. It therefore launches a call for proposals in every phase of a new programme. (*Please circle one number for each statement*)

Disagree

Agree

Strongly

Strongly

1.....2.....3.....4.....5

1. CDTF should make a call for proposals during each new programme phase
1.....2.....3.....4.....5

2. CDTF should retain unfunded but viable/good proposals and fund them in new/subsequent programme phases
1.....2.....3.....4.....5

3. CDTF should continue to request communities write and present a new proposal for every new phase of CDTF even when the previous ones were adjudicated as viable/good by CDTF
1.....2.....3.....4.....5

4. Communities CDTF deals with have the resources to undertake the logistics of preparing project applications for each phase even when their proposals fail to secure funding
1.....2.....3.....4.....5

5. Communities will not want to send applications to CDTF if they confirm that their proposals are viable/good but are not accepted in subsequent calls for proposals
1.....2.....3.....4.....5

6. CDTF should seek additional funding from the EU to cover entire compliment of good/viable projects in each phase
1.....2.....3.....4.....5

7. CDTF should seek additional funding from other donors to cover entire compliment of good/viable projects in each phase
1.....2.....3.....4.....5

8. CDTF applies uniform criteria for project selection for all communities' projects
1.....2.....3.....4.....5

9. CDTF gives longer duration for applications from distant/remote areas of Kenya to enable them to participate in the project application process

1.....2.....3.....4.....5

10. CDTF uses simplified project application forms for communities whose education level is lower to enable them to participate effectively in the open tender

1.....2.....3.....4.....5

11. Some communities are unable to participate in the CDTF project application process due to complexity of project application forms

1.....2.....3.....4.....5

12. Some communities are unable to participate in the CDTF project application process as they do not have access to the electronic and print media CDTF advertises the call for proposals in

1.....2.....3.....4.....5

13. The really needy and poor communities are unable to access CDTF project application forms due to the remoteness of their areas

1.....2.....3.....4.....5

14. District Development Officers should be facilitated to disseminate CDTF project application forms in remote areas

1.....2.....3.....4.....5

Section C

CDTF's project delivery system is the 'demand driven' approach. Communities express their interest by filling in proposal application forms. CDTF has supplemented this system with a 'targeted' approach applying poverty indices

1. What is CDTF's strength or comparative advantage as a development agency?

.....
.....

2. How can CDTF harness this advantage more effectively?

.....
.....

Section D

The following question is for analytical purposes only. It will not be used for any other purpose.
(Please tick the choice that applies to you)

1. How long have you been a Board member of CDTF?

- (a) Less than one year
- (b) One year to less than two years
- (c) Two years to less than five years
- (d) Five years to less than ten years
- (e) Ten years and above

2. Date

Annex I(c)
Research Questionnaire –
CDTF Technical Staff

RESEARCH QUESTIONNAIRE

(CDTF TECHNICAL STAFF)

Please take a few minutes to read through and complete this questionnaire. Your responses constitute important feedback for this research project, and will be treated with utmost confidentiality. Information gathered will be used for research purposes ONLY. THANK YOU FOR TAKING TIME TO FILL IN THE QUESTIONNAIRE.

Section A

The main focus of CDTF is poverty alleviation. This section explores CDTF's sectoral focus and the tools applied to select projects proposals for funding. *(Please answer questions below by either ticking appropriate answer or filling in the designated space)*

1. Among the sectors CDTF supports, and based on your experience working with community projects, which one would have the greatest impact in reducing poverty in your view?
 - (a) Health
 - (b) Education
 - (c) Water and Sanitation
 - (d) Economic Infrastructure
 - (e) Agriculture
 - (f) Livestock and Animal Health
 - (g) Environmental Conservation

2. Based on CDTF's background and experience, which sectors should CDTF focus on more to fight poverty?

.....

3. Which other sectors other than the ones listed above would you recommend CDTF engages in to have a greater impact on poverty in your area?

.....

4. Which districts in Kenya do you consider as being the poorest?

.....

5. Does CDTF funding reach these districts adequately?

.....

6. Suggest ways in which CDTF can reach the poorer districts more effectively

(a) Tender system

(b) Direct intervention using poverty and human development indices

(c) Other (*Please specify*).....

.....

Section B

CDTF applies a window system where it approves a number of proposals and processes them fully before opening for a subsequent lot. It therefore launches a call for proposals in every phase of a new programme. (*Please circle one number for each statement*)

Disagree

Agree

Strongly

Strongly

1.....2.....3.....4.....5

1. CDTF should make a call for proposals during each new programme phase

1.....2.....3.....4.....5

2. CDTF should retain unfunded but viable/good proposals and fund them in new/subsequent programme phases

1.....2.....3.....4.....5

3. It is fair to communities to request them to write and present a new proposal for every new phase of CDTF even when the previous ones were adjudicated as good by CDTF

1.....2.....3.....4.....5

4. Communities will get tired of applying to CDTF if they confirm that their proposals are viable but are not accepted in subsequent calls for proposals

1.....2.....3.....4.....5

5. CDTF should seek additional funding from the EU to cover entire compliment of good/viable projects

1.....2.....3.....4.....5

6. CDTF should seek additional funding from other donors to cover entire compliment of good/viable projects

1.....2.....3.....4.....5

7. CDTF should make special concessions for communities in remote areas of Kenya

1.....2.....3.....4.....5

8. CDTF should make special concessions for communities whose education level is too low for them to participate effectively in the open tender

1.....2.....3.....4.....5

Section C

CDTF's project delivery system is the 'demand driven' approach. Communities express their interest by filling in proposal application forms. This section explores priorities and the basis of project selection.

1. Among the sectors CDTF operates in which one(s) are the priority sectors to reduce poverty in the CDTF region you work in?
 - (a) Health
 - (b) Education
 - (c) Water and Sanitation
 - (c) Economic Infrastructure
 - (d) Agriculture
 - (e) Livestock and Animal Health
 - (f) Environmental Conservation

2. Based on CDTF's background and experience, which sectors should CDTF concentrate its focus on to fight poverty?
 - (a) Health
 - (b) Water and Sanitation
 - (c) Education
 - (d) Rural infrastructure

3. Which other sectors other than the ones listed above would you recommend CDTF engages in to have a greater impact on poverty in your area?

.....
.....

4. Which districts in Kenya do you consider as being the poorest?

.....

5. Does CDTF funding reach these districts adequately?

.....
.....

6. Suggest the best strategy in which CDTF can reach the poorer districts better

- (a) Tender system
- (b) Intervention based on poverty indices
- (c) Other (specify)

7. Give reasons for your answer in 6. above.

.....
.....

Section D

The following questions are for analytical purposes only. They will not be used for any other purpose. (Please tick the choice that applies to you)

5. How long have you worked for CDTF?

- (a) Less than one year
- (b) One year to less than two years
- (c) Two years to less than five years
- (d) Five years to less than ten years
- (e) Ten years and above

2. My duty station at CDTF is:

- (a) Nairobi
- (b) Mombasa
- (c) Eldoret
- (c) Meru

3. Which CDTF staff category do you belong to?

- (a) Top Management
- (b) Senior Management (Head of Department)
- (c) Finance/Administrative Support

4. What is your age?

- (a) Under 21 years
- (b) 21 years to 34 years
- (c) 35 years to 44 years
- (d) 45 years to 54 years
- (e) 55 years and above

5. What is your sex?

(a) Male

(b) Female

Annex 7 (d)

Annex 7: Questionnaire –
COVID-19 Project Community
Members

Annex I(d)
Research Questionnaire –
CDTF Project Community
Members

RESEARCH QUESTIONNAIRE

(PROJECT COMMUNITIES)

Please take a few minutes to read through and complete this questionnaire. Your responses constitute important feedback for this research project, and will be treated with utmost confidentiality. Information gathered will be used for research purposes ONLY. THANK YOU FOR TAKING TIME TO FILL THIS FORM.

Section A

CDTF publicizes the call for proposals through print and electronic media as a way of reaching its project communities. This section focuses on issues of access to the information by project communities *(Please tick your answer to each question)*

- | | |
|---|--------|
| 1. I have heard about CDTF | YES/NO |
| 2. I have never heard of CDTF before | YES/NO |
| 3. I have presented a project proposal (application) to CDTF before | YES/NO |
| 4. I have never presented a proposal to CDTF before
though I have heard about it | YES/NO |
| 5. I did not send a project proposal for the following reasons:- | |
| (a) I did not manage to get a project application form | |
| (b) I got a project application form but I did not understand the form | |
| (c) I did not have funds to prepare the necessary documents to attach to the forms | |
| (d) I did not have the time to fill in the CDTF forms | |
| (e) Other reason <i>(Please specify)</i> | |

Section B

CDTF's main work is reducing poverty. This section looks at the sectors and how projects proposals are chosen to receive CDTF funding. (Please answer questions below by either ticking appropriate answer or filling in the space provided)

1. Among the sectors CDTF supports, which one(s) do you think contribute more towards reducing poverty?

- (a) Health
- (b) Education
- (c) Water and Sanitation
- (d) Economic infrastructure
- (e) Livestock and Animal Health
- (f) Environmental Conservation

2. Which sectors should CDTF focus on more to reduce poverty?

- (a) Health
- (b) Education
- (c) Water and Sanitation
- (d) Economic infrastructure
- (e) Livestock and Animal Health
- (f) Environmental Conservation
- (g) Rural infrastructure

3. Which other sectors other than the ones listed above would you recommend CDTF funds more to reduce poverty?

.....

4. Which districts in Kenya do you consider to be the poorest?

.....

5. Suggest the best way for CDTF to reach the poorer districts

(a) Tender bidding system

(b) Designing programmes using poverty and human development indices

(c) Other (Please specify).....

6. Give reasons for your answer in 5. above.

.....

.....

Section C

CDTF approves a number of proposals and processes them fully before advertising for the next lot of project proposals. This section deals with issues about application for projects (Please circle one number for each statement)

Disagree

Agree

Strongly

Strongly

1.....2.....3.....4.....5

1. CDTF should request for new project proposals during each new programme phase

1.....2.....3.....4.....5

2. CDTF should keep unfunded but good proposals and fund them in next phase of the programme

1.....2.....3.....4.....5

3. CDTF should continue to request communities write and present a new proposal for every new phase of CDTF even when the previous ones were found to be good by CDTF

1.....2.....3.....4.....5

4. Communities CDTF deals with have the resources to prepare project applications for each phase even when their proposals fail to get funding in the previous phases

1.....2.....3.....4.....5

5. Communities will be discouraged from sending applications to CDTF if they confirm that their proposals are good but are not accepted

1.....2.....3.....4.....5

6. CDTF should look for additional funding from the European Union to provide funds to all good projects in each phase

1.....2.....3.....4.....5

7. CDTF should look for additional funding from other donors to provide funds to all good projects in each phase

1.....2.....3.....4.....5

8. CDTF makes special arrangements to ensure communities in remote areas of Kenya receive project application forms

1.....2.....3.....4.....5

9. CDTF makes simpler forms for communities whose education level is too low for them to fill in

1.....2.....3.....4.....5

10. Some communities are unable to fill in CDTF project application forms because they are difficult to understand

1.....2.....3.....4.....5

11. Some communities are not able to take part in the CDTF project application process as they do not have radios and newspapers through which CDTF sends information

1.....2.....3.....4.....5

12. The very needy and poor communities are not able to get CDTF project application forms because they live in remote (far) areas

1.....2.....3.....4.....5

13. Government officers should assist to send CDTF project application forms to communities in remote areas

1.....2.....3.....4.....5

7. Which districts in Kenya do you think are the poorest?

.....

8. Suggest the best way for CDTF to reach the poorer districts

(a) Tender bidding system

(b) Intervention based on poverty indices

(c) Other (specify).....

9. What is CDTF's strength which it can use to help poor communities?

.....

.....

10. How can CDTF use this strength point to help poor communities?

.....

.....

Section D

The following questions are for analytical purposes only. They will not be used for any other purpose.

(Please tick the choice that applies to you)

1. What is your education level?

(a) Primary School

(b) Secondary School

(c) College (Diploma/Certificate)

(d) University

(e) Other *(please specify)*.....

2. What is your sex?

(a) Male

(b) Female

3. What is your age?

(a) Under 21 years

(b) 21 to 34 years

(c) 35 to 44 years

(d) 45 to 54 years

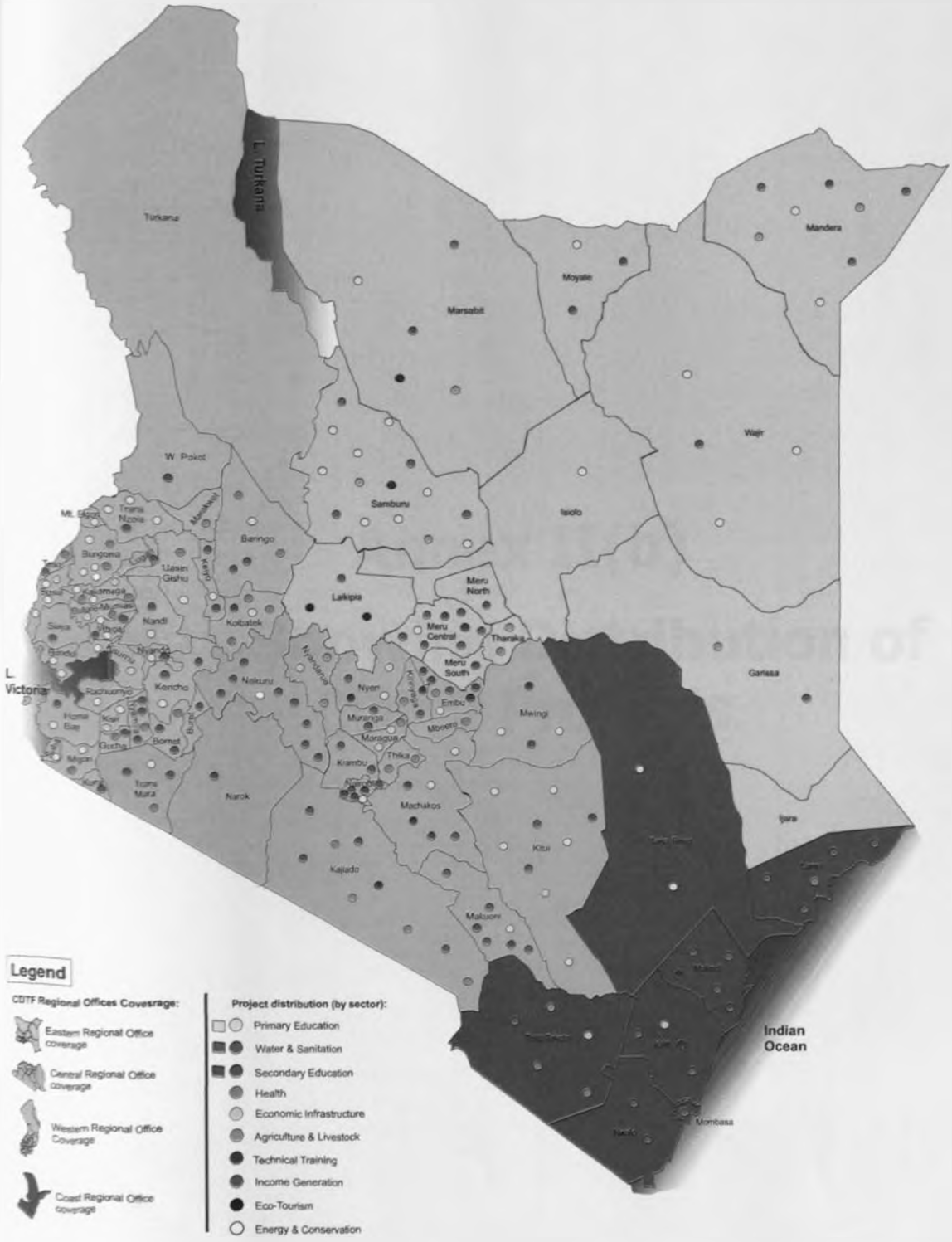
(e) 55 years and above

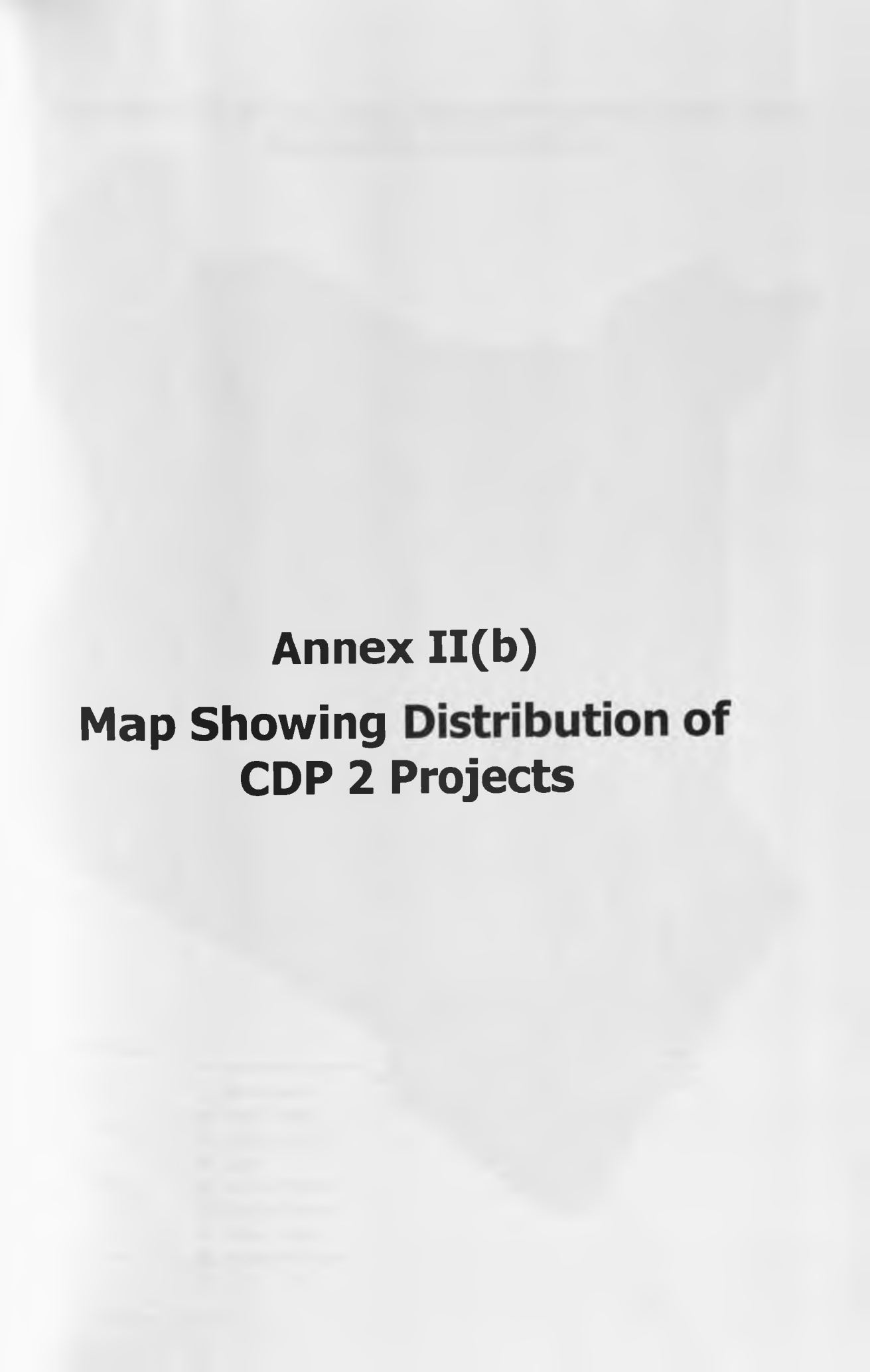


Annex II(a)

**Map Showing Distribution of
CDP 1 Projects**

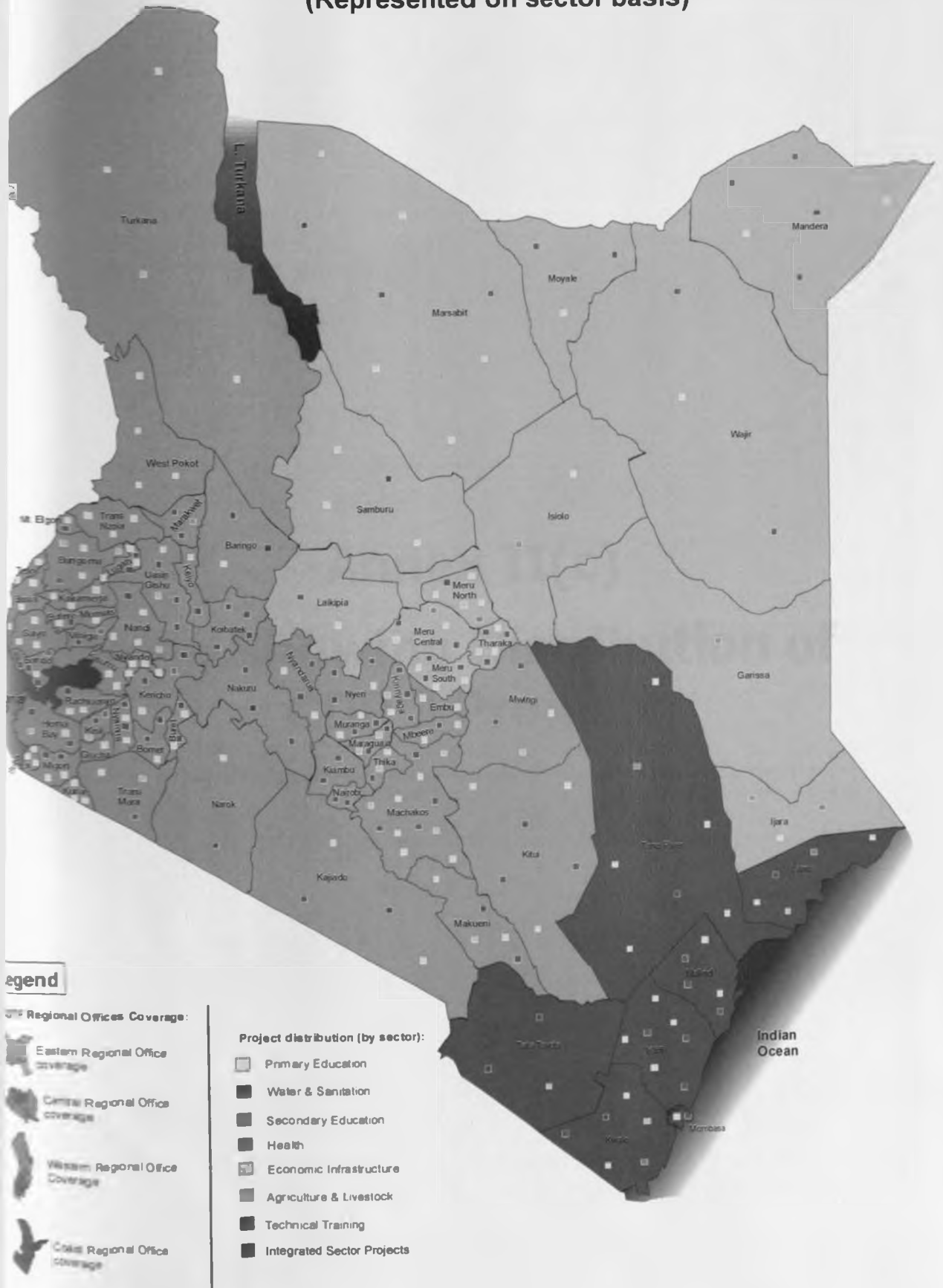
DISTRIBUTION OF THE 240 No. PROJECTS FUNDED UNDER CDP-I (Represented on sector basis)





Annex II(b)
Map Showing Distribution of
CDP 2 Projects

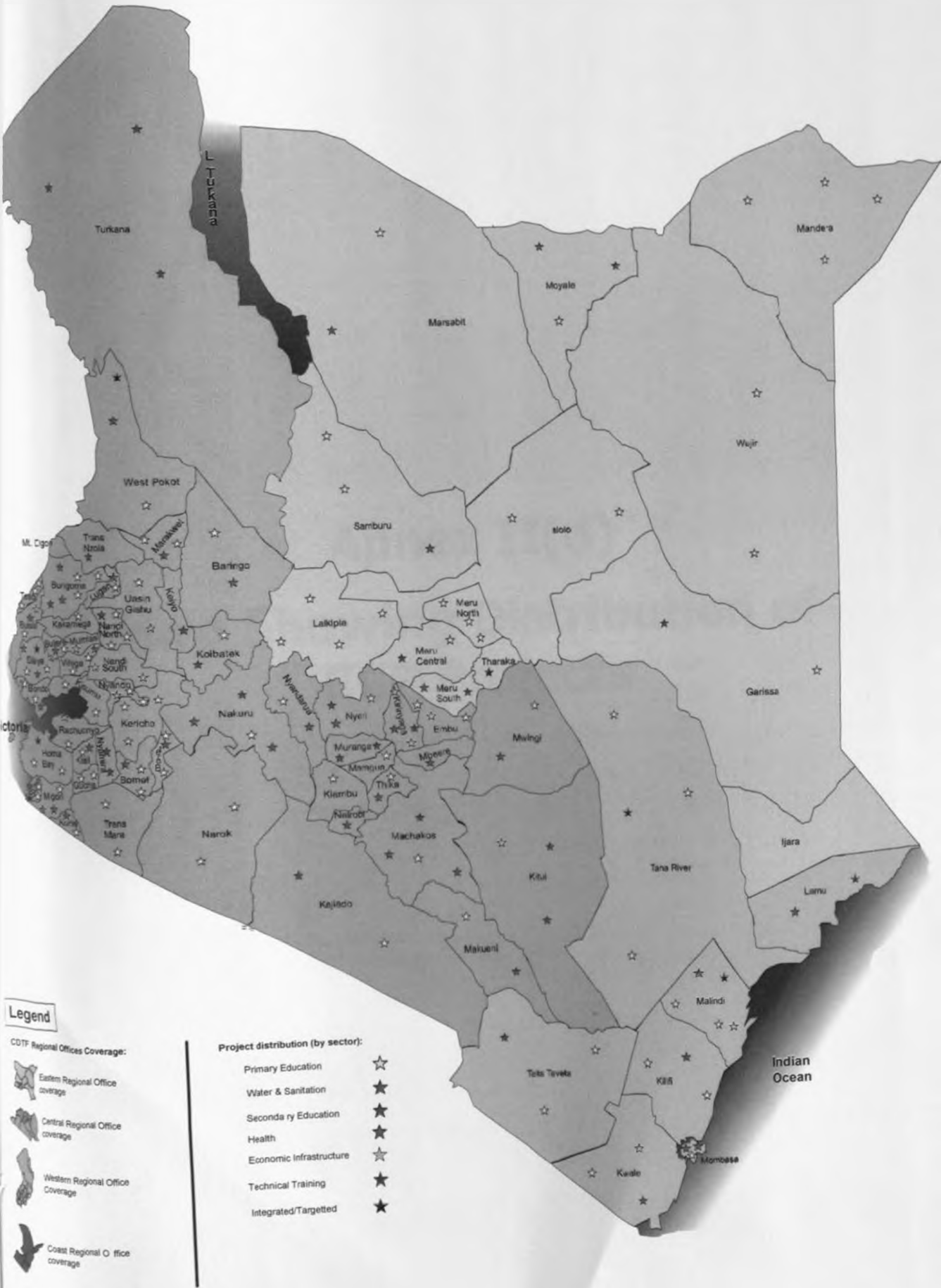
DISTRIBUTION OF THE 273No. PROJECTS FUNDED UNDER CDP-II (Represented on sector basis)



NB: MAP NOT TO SCALE

Annex II(c)
Map Showing Distribution of
CDP 3 Projects

DISTRICT DISTRIBUTION OF 179 PROJECTS FUNDED UNDER CDP- III REPRESENTED ACCORDING TO SECTORS



Legend

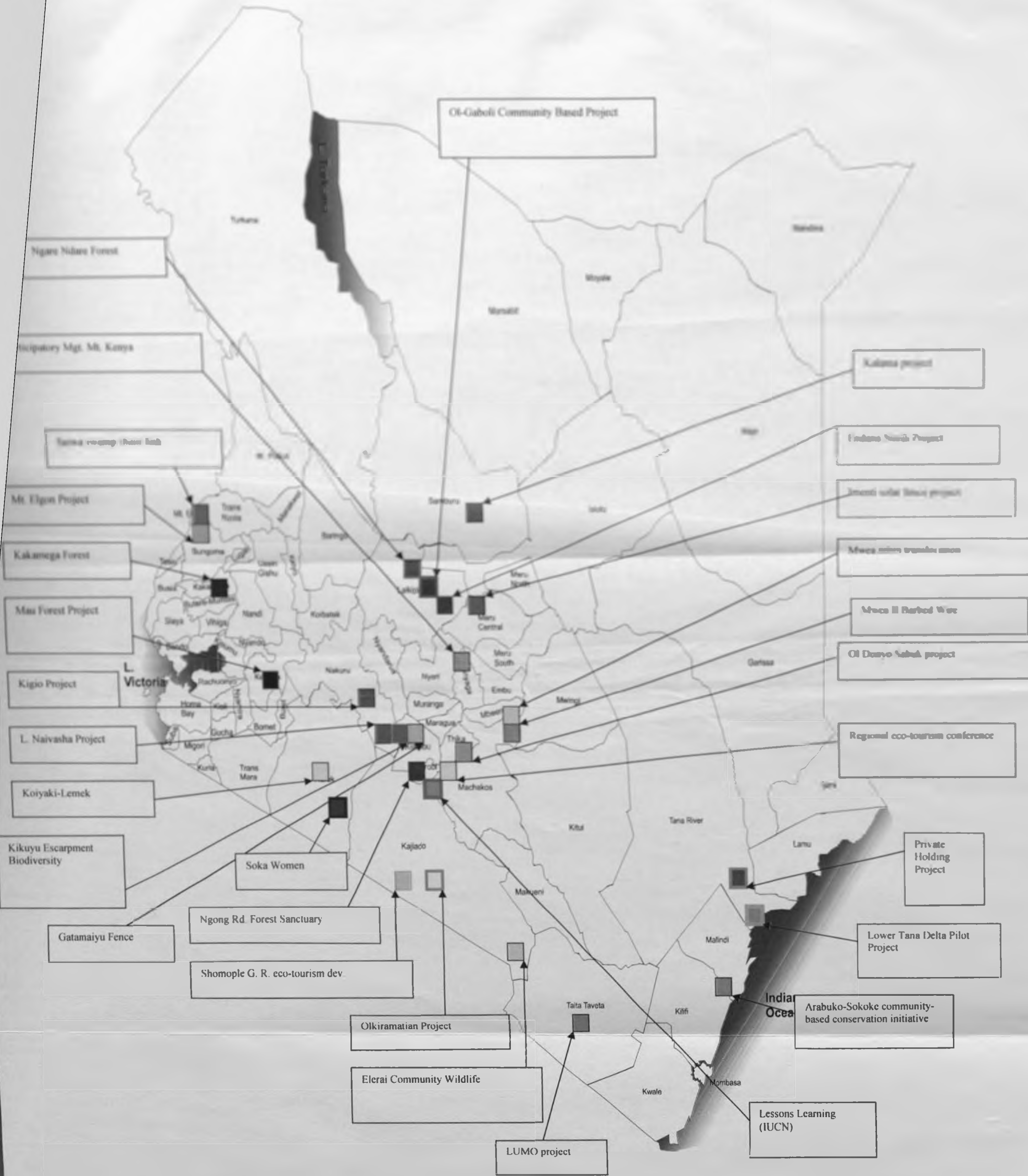
- CDTF Regional Offices Coverage:**
- Eastern Regional Office coverage
 - Central Regional Office coverage
 - Western Regional Office coverage
 - Coast Regional Office coverage

- Project distribution (by sector):**
- Primary Education
 - Water & Sanitation
 - Secondary Education
 - Health
 - Economic Infrastructure
 - Technical Training
 - Integrated/Targetted

Annex II(d)
Map Showing Distribution of
BCP Projects

BIODIVERSITY CONSERVATION PROGRAMME PROJECTS LOCATION

MAP OF KENYA



NB: Boundaries of newly created districts and those affected by the creation of new districts are not accurate and to scale