



VADA SMALL GRANTS CONSULTANCY

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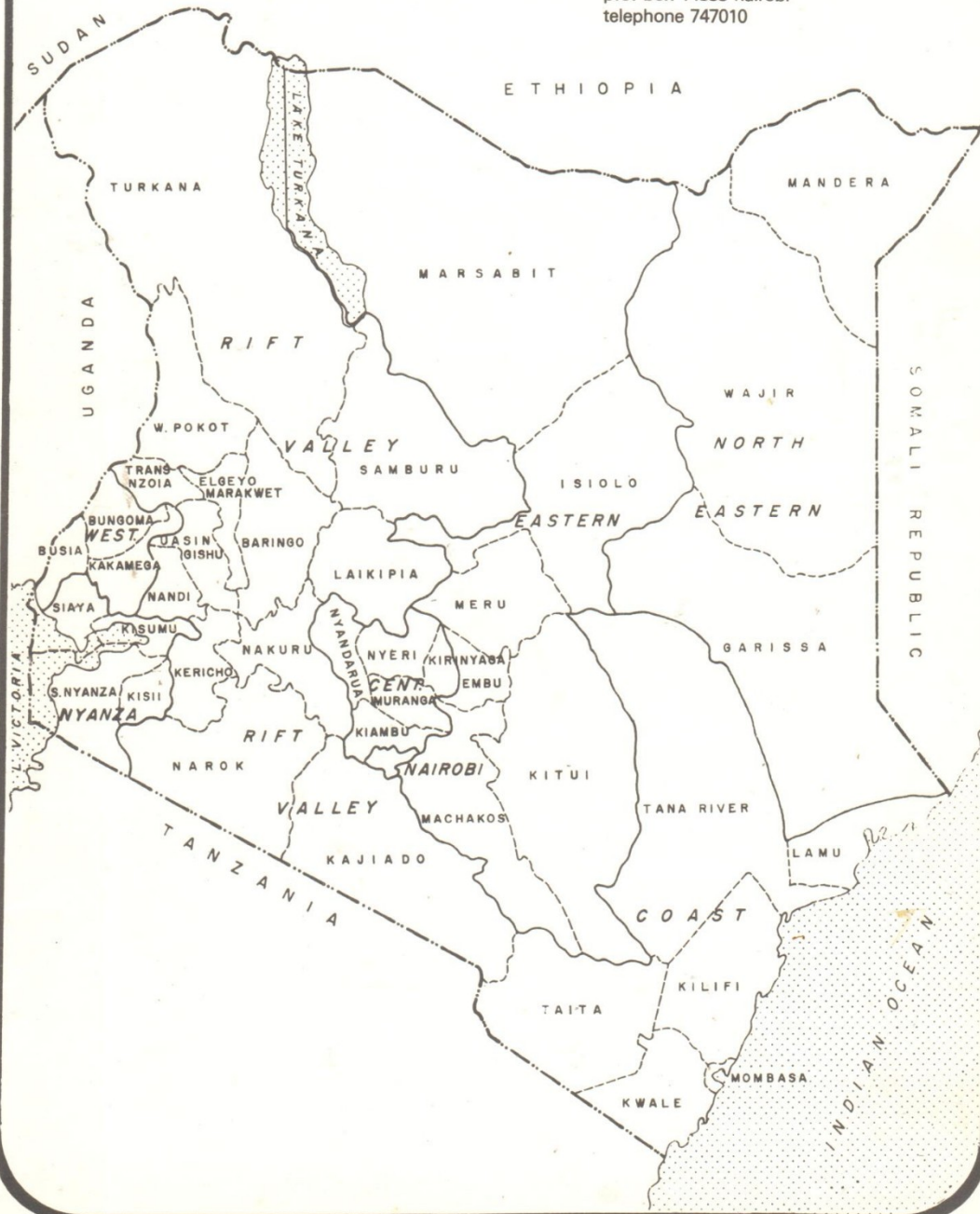


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Mutiso Consultants Ltd.

EXECUTIVE SUMMARY

This consultancy was undertaken on VADA instructions to solicit the views of agencies involved in small grant making. Such views were to be used by the consultant to make recommendations to VADA on its proposed plans for getting into small grant-making.

Five agencies were interviewed. Four grantees were interviewed. Since the sample is small conclusions are tentative until a much larger sample of agencies can be covered.

One of the main conclusions is that the clients for small grant-making are usually community groups who need small amounts of money. Since they are scattered and their needs are extremely varied, those who are able to serve them are the agencies, mainly Church NGOs, with localised capacity and knowledge.

Given the above, it logically follows that a new agency like VADA should exhaust utilising such agencies in delivering small grants to local groups before it embarks on direct funding.

Of the NGOs who can act as intermediaries in indirect grant-making, Church based ones also have a comparative advantage in that they have density of personnel unapproached by others in varied communities. There are also umbrella NGOs - local and international - who have experience in many

(ii)

activities and communities. Finally, there are new areas of concern where it would be efficacious to fund completely new organisations. VADA should consider seriously using a small grants mechanism to support all three categories. The first two through indirect grant-making and the latter through direct grant-making.

There are several priority sectors which are not well served. Among these are water; crop agriculture/food production, women income generating projects, and finally land use/soil conservation.

If sector specific small grants are handled by specialists, in the long run advantages will accrue to VADA and the grantees. It is therefore important that VADA structure its staff accordingly.

Finally, small community (mwethya) groups are receiving at best 10-20% of the small grants they apply for. This unsatisfied demand is an area where VADA could get involved. For VADA to be useful, it will need staff with community group experience. VADA will have to field them rather than keep them desk-bound.

CHAPTER 1

INTRODUCTION

The terms of reference for this consultancy were embodied in a concept paper and are shown in Appendix 2. VADA, as can be seen in the concept paper, did develop some specific questions and even the methodology they wanted the consultant to use. The sample and time were also specified.

After the concept paper was delivered to the consultant, a questionnaire was developed. It was discussed, modified and agreed on by various parties in VADA. This questionnaire was used as an interview guide for the extremely limited number of NGOs. Initially, the officers discussing the consultancy were thinking of a sample of about 20 key NGOs. VADA ultimately agreed on 6. Of these six, one totally refused to be involved. Action Aid, Kenya Energy Non-Governmental Organisations (KENGO), Diocese of Kitui Development Office, Methodist Church Development Office and CIDA were interviewed.

In spite of letter from VADA to the organisations concerned about the proposed work, the consultant had to travel to meet them and make agency and grantee appointments personally. Each organisation was supposed to make available to VADA a list of grantees. From this list VADA and the consultant were supposed to select one grantee per organisation to be interviewed. This activity took time for the information was not readily available within the agencies. As a result, much more fieldwork travel and time was spent chasing lists and interviewing grantees. Only four grantees have been interviewed as one organisation had not yet provided its list when the report was drafted.

It is important to note that in spite of requests from VADA, the consultant had to use his good office to convince four out of five organisations and their grantees the merits of the exercise.

This final report is produced after a meeting with a VADA Committee of 4 which met the Consultant on 29th April, 1987. It recommended revision of the draft along the lines shown in Appendix 6.

CHAPTER 2

SUMMARY OF INTERVIEW FINDINGS

NGOs in the field make a distinction between a small grant to an NGO which is to act as an intermediary and a small grant to a mwethya group. For the former, an amount of K.Shs. 300,000 was mooted and for the latter a maximum of K.Shs. 10,000 was specified.

It was clear to the NGOs and grantees interviewed that there was unsatisfied national demand for small grants. It is estimated by the NGOs that only between 10-20% of the desired grants are available.

One of the most clear findings was that small grants are most useful for the water sector. Other important priority sectors are crop agriculture/food production; human resources/training land use/soil conservation; women income generating projects; health and finally afforestation.

There is really no purpose in extending small grants beyond one year, for the amounts are small and targeted towards very specific activities. Where funds are not expended during the year, it reflects problems with group processes.

In terms of future program delivery, developing capacity in specific communities was seen as important. So was the idea of specific individuals handling the grant-making processes well. They must be trained or have experience in community group development work.

For VADA to use an NGO for indirect grant-making, that NGO must show experience and competence in a particular sector or in a particular community. On the other hand, many NGOs have urgent needs and innovations which they are not able to anticipate when they seek funding for their programs. This niche can be fulfilled by direct small grants from VADA.

Finally, there are special needs of community (mwethya) groups (who in normal parlance are not called NGOs) who need very little amounts of money. Their diversity and scattered bases, which lead to heavy supervision costs, give comparative advantage to the Church NGO who have staff on the ground.

The complete discussion of findings is found in Annexe I as directed by VADA.

CHAPTER 3

INDIRECT GRANT-MAKING

1. THE ORGANISATIONS

a. CIDA

It was not possible to interview a CIDA grantee for the list was not available.

However, one should note that this program has a reputation for being very successful. When requests come in from groups, local or international NGOs, the program officer decides whether they will fit into the 19 priority funding sectors. These are:

Agriculture, Education, Energy, Fisheries, Forestry, Health and Nutrition, Population and Human Settlements, Mining and Metallurgy, Communications, Transportation, Water and Sanitary Infrastructure, Geographical Surveys, Industry, Institutional Support and Management, Economic and Financial Support, Human Resource Development, Women in Development.

If they fit, the program officer locates an NGO which is willing to oversight the grant for a 10% of the proposal cost consideration. The NGO systematises the proposal, checks on the group bona fides and forwards the documentation to CIDA.

This system works and the organisation is happy with it. The only reservation is that since only one, albeit very experienced program officer handles the work, there is little time for monitoring projects in the field.

b. METHODIST CHURCH DEVELOPMENT OFFICE

To date, this office has handled development funds which are for projects identified by the Church. It is negotiating with several donors to get small grants for onward grant-making to community groups.

The "grantee" interviewed, Lare Parish Development Group, is one of the many groups found in the new settlement areas of Igembe Division of Meru. In the past, it has constructed community water projects. It is slated to get into small business lending once they get the expected small grant.

c. KENYA ENERGY NON-GOVERNMENTAL ORGANISATIONS (KENGO)

KENGO was initially created to provide technical assistance on energy to other NGOs who did not have the capacity. In its last Annual General Meeting (1986), its mandate was extended to include technical assistance in the area of land use.

The Grantee interviewed was Naibron Beekeeping Women Group in Ng'arua Division of Laikipia District. It has been assisted by KENGO over the last three years.

KENGO does not give direct monetary assistance. Their assistance is in the form of materials and technical assistance.

The Technical Assistance Program gets requests from harambee groups and schools for technical assistance either in agroforestry or efficient jikos. Technical assistance personnel travel to visit the groups to evaluate their needs and to develop a technical package for the group. During the visit they also determine what material assistance KENGO can make as a grant to the group.

There are specific officers who are responsible for particular districts in KENGO. The one in charge of Laikipia visited Naibron WSHG, discussed with the group its development plans, taught them nursery techniques, marked a nursery site, identified tree species for honey production, identified traditional honey production trees which needed conservation, taught the group how to collect wildings and resited their modern beehives which were bought with a grant from another agency.

The material grant from KENGO consisted of about two thousands of plastic tubes for seedlings, nursery tools and tree seed.

The women in Naibron WSHG were appreciative of the grant but even more enthusiastic about the technical skills they were taught. It is too early to evaluate how this assistance impacts on the honey production for the trees are still small. However, in the view of the women and the Divisional Agricultural Officer resident in the area, the contribution is significant for the area of Sipili was large-scale wheatland which was subdivided and there were no trees for fuel and other uses until KENGO introduced tree planting to this large group. Their activities have spread to other groups.

KENGO is not able to monitor this group or others systematically for travel is expensive. To mediate this problem, it has reached a working arrangement with Rural Afforestation Extension Service of the GoK that their field officer watches over the group and transmits requests, problems, etc. to KENGO.

d. ACTION AID

The Community Support Program of Action Aid is widely known for small grant-making. Action Aid has extensive experience in this for it got into financing tools for village polytechnic leavers before many other agencies. Action Aid gives direct

grants and operates a revolving fund. However, during the consultancy, the organisation was going through serious staff changes, which will probably impact on these programs for the new Director will decide on program emphasis.

The Community Support Program has field workers who work directly with the groups. They assist groups to plan, and supervise their project implementation. They also determine which aspects of group plans are to be funded by outright grants or by revolving loans.

Since 1985, Action Aid has provided it with sewing machines, materials and other equipment worth K.Shs. 35,440. Half of which was a grant and the other half a revolving loan. It has paid only K.Shs. 2,500 for Action Aid accepted the business expansion strategy of buying a plot for putting up a shop with rental income rather than repaying. Out of operations, the group has generated K.Shs. 434,000 in three years. This income has come from selling school uniforms initially to one neighbourhood school, later to three others, and most enterprising of all, in the open market.

That is not all, this group initially employed three tailors to sew for them. Now 20 members are able to sew. The group can now go into high volume production. It has also come up with their unique accounting and costing system which explains to each member the costs and benefits of group actions and thereby assures group solidarity.

This group is symptomatic of successes of small grant-making. The key is flexibility to group needs. Groups know what they want and how to organise to get there. Not many developers are sensitive to this nuance.

e. DIOCESE OF KITUI: DEVELOPMENT OFFICE

This office has national reputation for being on the cutting edge of community development work. In the last twenty years, it has pioneered as varied activities as primary health care, ox-ploughing equipment, water harvesting, improved varieties of food crop, efficient construction techniques, technical training etc. Yet perhaps the one development aspect the office will always be known for is its group training for development. A lot of time and effort has been put into training all groups, not necessarily Church groups, on leadership and development.

Any harambee group with a development idea can go to any of the parish offices, get a simple form and fill in what the project is about. Parish priests forward these to the Development Office where professionals in charge of Literacy, Agriculture, Women Groups, and Water receive the requests, process and finalise them and make funding proposals for the Development Committee which meets every three months. The Development Coordinator is available for resolving any programming issues, but it is the responsibility of the sector specialists to finalise the process.

From request for support to contracting funding is ALWAYS THREE MONTHS for it is policy that no request should go over three months. Legally, the Development Coordinator, who reports directly to the Bishop, contracts for small grants. The Development Committee is there to protect the Coordinator and his staff from being pressurised by either the Church hierarchy or the public.

The Diocese has operated many forms of grants. We concentrate on its revolving fund. The rules of this fund is that a group has to have 50% of the total cost for which it is seeking the

grant. This is a management technique for if a group is not opportunistic, it will collect 50% of the funds.

Terms of repayment are discussed by the specialists with the group until every member agrees. Often this necessitates many meetings and the related extensive travel. This is something the Diocese invests in systematically. Funds are given out in cash to the group at the local parish development center, by a representative of the development office, in cash, for banks are rare in Kitui. All members must be present in this important occasion. This setting assures everybody of the amounts lent, the repayment methods, when and where they are to be made, and the reasons why. Parish development centers normally receive the repayments to minimise collection costs to the clients.

Repayments have been 100% and on time. The reason is simply that the Diocese invests heavily in group organising, monitoring and supervision by technical specialists who are always in the field.

The grantee interviewed was Kaathumulani Mulikye Self Help Group in Mutanda Sublocation of Katse Location, one of the remotest part of the District. This Group borrowed from the revolving fund initially to buy household utensils for their members. It repayed this money within the stipulated eight months. It then got another loan for farming equipment (plough and maize grinder). Repayments are completed. The group is negotiating to get a further loan for putting up improved houses and water tanks.

The first loan was for only about K.Sh. 100 per person. The second was for about K.Sh. 1,000 and the third being negotiated will be for about K.Sh. 5,000. In exactly three years, these

women in one of the remotest parts of the country have learned how to plan and administer their borrowing.

The types of things groups have gone into are not determined by the specialists. It is the groups who decide what they want to borrow for. Of course many in development would argue that household utensils are not exactly developmental. The women argue that utensils were a priority so as to assure them of health so as to struggle with the rest of development. This is borne out by their second borrowing. It was for farm equipment.

f. US PEACE CORPS SMALL PROJECTS ASSISTANCE (SPA) FUND

The consultants were required by the concept paper to review the SPA Fund from documentation collected by VADA. This project was initiated by the US Peace Corps to fill a niche for making small grants to groups rapidly.

Project Funding Limit

Its project upper limit is about K.Sh. 160,000 which is not so small in the Kenyan context. However, one should note this is about half of the CIDA upper limit for the Mission Administered Fund, which is supposed to play the same kind of role. It is also just about a third of what the Co-financing Project defines as a small grant.

Funded Sectors

There are four sectors specified as qualifying for funding under these programs. These are:

- a. Food production
- b. Energy
- c. Competitive Enterprise Development
- d. Income Generating Activities.

There are important restrictions on how the moneys can be spent within the broad sectors. No funds can be used for training, personal services, vehicles or transportation.

Project Identification

Projects can be identified by either Peace Corps Volunteers in the field, Peace Corps Nairobi based officials or USAID staff. Once a project is identified, activity proposals are always developed by Peace Corps Volunteers in the field. This limits the geographical spread of the fund for it can only be in those areas where there are Peace Corps Volunteers. In the documentation made available, there was nothing indicating that the volunteers can travel from region to region developing projects.

Project Criteria

The fund provides that all projects must be designed to be completed within a year. Although projects can be large scale, SPA funds in any project must not exceed the limit of about K.Sh. 160,000. Also the grant must not encourage dependency on further US funding. The idea of the project must be generated by the community who must contribute in kind at least 25% and who further must implement the project.

It may be important for VADA to note that SPA funds can be used by religious organizations for "community needs" which are not religious.

Funding Time Frame

Once a community group has conceived a project and a volunteer has developed an activity proposal, the application for funding is sent to the Peace Corps Country Director who is responsible for selection.

Selection and funding must by law be done within one month. This is so because the fund was specifically set up to cut bureaucratic delays and to act as a mechanism for fast response to community needs.

Financial Procedures

Advances in monetary terms are made to groups directly. It is only in situations where the groups do not have capacity that the advances could go to the locally based volunteer. Presumably, the volunteer decides and communicates to Peace Corps Director whether such capacity exists. Advances must be cleared within 90 days.

Reporting

At the completion of a project, the volunteer is supposed to complete a project completion summary and evaluation form which includes data on implementation status, achievements, and impact on the community. The consultant assumes that these reports are annual, the time frame for projects.

Other Volunteer Related Funds

Peace Corps Volunteers seem to play roles similar to that in SAP for the Ambassador's Fund and the Peace Corps Partnership Fund.

Lessons to VADA

At a minimum, there may be reason for VADA to investigate with Peace Corps whether the volunteers may assist it with proposal, supervision and project completion and final summary if it goes into direct small grant-making.

The other lesson for VADA is the speed at which selection and funding is done - one month. As requests for small grants from NGOs may reflect their urgent need to finance urgent activities not covered by long term funds, like training, a selection/funding period of one month may be useful.

2. THEIR INTEREST IN VADA FUNDING

- a. CIDA is not an NGO and is self sufficient in funding.
- b. Peace Corps SPA Fund is not likely to require VADA funds.
- c. Action Aid was in the middle of major personnel changes. Funding and desired support decisions will be determined by the new director.
- d. KENGO initiated discussions on possibilities of support with Head of VADA and the previous Head of the Development Fund as early as August 1986. To some extent, that interest triggered this consultancy. KENGO is interested in:
 - 1. Support for building capacity at the district level for they cannot service effectively all the groups which request technical assistance from Nairobi. Supervision costs have risen tremendously because of frequent travel and per diem payments.
 - 2. Support for expanding the material aid to groups to enable them to grow more trees, improve land use and finally to produce more energy efficient jikos.
- e. The Diocese of Kitui Development Office has problems with the USAID registration criteria for they are not

incorporated as a separate body. If some formula can be worked out on this, they could use more money for operations, water, agriculture and women income generating activities. They made it clear that central in their program activity is the idea that groups choose what they want to do. They therefore insist that the funds they get do not get tied to some predetermined activities.

- f. Methodist Church Development Office can absorb much more development resources than the others for it is expanding rapidly. The priority areas are in water, agricultural tools and equipment. Discussions with some donors are afoot for establishing a revolving fund to support some small business operations for groups.

3. DESIRABLE VADA ACTIONS

a. EXPANDING EXISTING NGO PROGRAMS

Many NGOs know why they concentrate on existing programs. It probably will be prudent for VADA to fund the expansion of those rather than trying to get NGOs to develop new ones. It has been hard for me to get an exact idea from VADA on its program priority areas. In Chapter 4, we have identified some priority areas for VADA's consideration. Beyond the list found in the grant agreement and our proposals, VADA may wish to set some funding priorities in small grant-making.

b. SOLICITING PROPOSAL AND INITIAL FUNDING

At the onset, the Development Fund should advertise in public media what sectors it is willing to give small grants. This is a fast and cheap way of reaching many, if not all NGOs.

After that, VADA should visit all the major NGOs and the major Church Diocesan/Presbytery/Synod Development Coordinators to explain this as well as other VADA projects.

These should be working visits where VADA shall explain what funds are available for small grant-making either to the NGO or to a group through an NGO. The primary interest will be to get the small grants program going. Initial funding should not be massive. For NGOs, who will act as intermediaries, it should be of the order of K.Sh. 300,000 for a period of not more than a year at the absolute maximum. The minimum should be not less than K.Sh. 100,000 so as to keep administrative costs within reason.

Such procedure will inform the agencies on funding possibilities and give VADA a relatively short period within which to evaluate the capacities of various NGOs to develop fundable small grants projects.

c. SECTOR SPECIALISATION WITHIN THE DEVELOPMENT FUND

The personnel to handle small grants should be organised in terms of sectors so as to facilitate specialisation among the staff. It would also lead NGOs becoming familiar with specific people handling their concerns within VADA.

4. CRITERIA FOR SELECTING NGOS FOR INDIRECT GRANT-MAKING

a. MINIMUM QUALIFICATIONS

For VADA to select NGOs to act as intermediaries for small grant-making, the following criteria should be a minimum.

The NGO must:

1. Have been legally registered in Kenya by the Office of Attorney General for at least 5 years.
2. Supply VADA with audited accounts of the previous 5 years.
3. Have development and financial supervisory capacity (qualified personnel employed).
4. Have standardised and published procedures for handling other NGOs or groups which seek grants from it. The most critical ones should be:
 - a. a method of applying for grants
 - b. a set procedure for financial reporting
 - c. a set procedure for project narrative reporting
 - d. a set time within which grants are made after application.
5. Be registered with the District Development Committee of the area(s) where it has programs.
6. Show evidence of previous experience in the particular sector/community/district by documenting development activities in the past.
7. Show that its program fits VADA's broad areas/sectors of interest

b. PROCEDURES FOR INDIRECT SMALL GRANT-MAKING

1. Proposal Screening

This should be undertaken by the supervisor of the small grants sector specialists to establish whether the minimum criteria enumerated in 4.a above have been met.

Unlike screening in the VADA large grants procedures, there should not be a Project Summary Form for initial evaluation. Rather VADA should have a Small Grants Project Form (similar to the CIDA Mission Administered Fund Guidelines Questionnaire, see Appendix 4) to be used in conjunction with the documentation requested under minimum criteria in 4.a above.

If the minimum criteria documentation is complete, the Small Grants Project Form should be passed for appraisal/selection. Rejected and/or incomplete requests should be returned to the NGO/Group with an explanatory letter indicating the grounds. An NGO should be free to reapply.

2. Proposal Appraisal/Selection

Appraisal and Selection for indirect small grants is expected not to be as complex as for medium and large grants and it can be handled by the sector specialist concerned. It is not feasible from a cost point of view that proposals are referred to external specialists.

In appraisal and selection, sector specialists will establish:

- a. Socio-economic and financial soundness
- b. Relationship(s) between project and beneficiaries with particular preference for projects which favour the poor and women
- c. Soundness of implementation method(s)
- d. Ability of NGO/Group to implement project in the identified communities.

If a sector specialist recommends a proposal for funding, he will make a report to the Sector Specialist supervisor and draft a contract.

3. CONTRACTING/FUNDING

Before a contract is issued, a Small Grants Committee of sector specialists, their supervisor and the Executive Director should review all indirect proposals recommended. The Chairman of this Committee should be the Executive Director. The Secretary should be the supervisor of the Sector Specialists. The Members will be the sector specialists.

Only this committee should authorise the issuing of grant contracts and the release of funds by the Executive Director.

4. MONITORING

This should be the responsibility of the sector specialist(s). They should get quarterly financial and narrative reports which should inter alia contain accounting of project funds and materials, implementation problems and progress.

Sector specialists should make a supervisory visit to each NGO/Group recipient of an indirect grant at least once each quarter to discuss problems and opportunities.

5. FINAL PROJECT REPORT

This should be the responsibility of the sector specialists, who should check that VADA/donor contracted grant conditions are met in the time specified and close the file on a particular project by ensuring completion of a form similar to CIDA's Mission Administered Fund. End of Project Report (see Appendix 5).

CHAPTER 4

DIRECT GRANTMAKING

The concept paper specifically requested discussion on sectors to be directly funded for greatest impact.

1. PRIORITY SECTORS

The NGOs and grantees we interviewed put priority on the following:

- a. Water
- b. Land Use/Soil Conservation
- c. Crop Agriculture/Food Production
- d. Women Income Generating Projects

These sectors, in descending order of importance, feature everytime groups request for assistance. It is clear to the NGOs and their grantees who were interviewed, that, for a long time, investing in the four sectors will not lead to saturation for at the moment less than 10-20 of grant applications, in these sectors, are funded.

It should be obvious why the sectors have high potential impact. Water projects release a lot of labour (usually female) and make it available for other production and social activities. In the future water projects will be for direct agricultural production.

Land Use/Soil Conservation (which subsumes afforestation) is new for many NGOs. Yet studies show that most groups were formed to assist individuals to struggle with issues of land use like terracing, gully erosion, opening new land, reforestation and introducing new crops etc. Recent research on land use shows that the benefits of catchment based land use improvements, the only viable approach in the longterm, accrue to communities almost as much as to the individual using a specific piece of the land resource directly. Few NGOs fund community activities and

structures which are important for land use and soil conservation on catchment basis.

Crop Agriculture/Production, particularly where projects introduce new production techniques and better nutrition, contribute directly to the health and incomes of communities. If the projects are targetted to the poor, there is increased social benefits. To the extent that it is poor people who band into Mwethya (community work) groups, delivering projects through these groups will ensure that the social and economic benefits will be high indeed.

Justification for supporting women income generating projects is that any supplementary income to women is likely to be used in the household with tremendous benefits to the health and economy of the family. Where women are the heads of households, this is a significant source of family incomes.

Health services particularly for rural populations are inadequate and it should not be surprising that they are enumerated although informants do not specify projects desired.

2. TARGET ORGANISATIONS FOR VADA's DIRECT FUNDING

There are not many organisations which fit the categories under 1 above, which were derived from interviewing NGOs and grantees. For example, on water development although Kenya Water for Health Organisation (KWAHO), could act as an umbrella NGO, to date, it emphasizes aspects of water directly related to health and not water for supplementary food production through irrigation. One could logically argue that starting an NGO concentrating on the latter aspects would be very useful. Kenya Energy Non-Governmental Organisations (KENGO) has been primarily involved in energy issues

although it is expanding its mandate to cover land use. No single organisation concentrates purely on women income generating projects inspite of Kenya Womens Finance Trust and Maendeleo ya Wanawake during its previous life. Other organisations like NCCK have at different times emphasized aspects of all the categories identified above.

Given the above, and assuming VADA's interest the priority in the sectors identified above, it seems to me that VADA should adopt a many pronged approach of:

- a. funding existing umbrella NGOs like NCCK, KENGO, KWAHO, CARE etc to expand their coverage of the sectors.
- b. Consider sponsoring organisations to get into innovative new areas where there is need. A case can be made for VADA to make direct grants to start specialised NGOs to handle the priority sectors identified above.
- c. funding church related NGOs who have more extensive structures than other NGO particularly when the sector characteristics demand implementation through community groups.

In summary then, it seems to me that there is need to support through direct grants already existing NGOs and to sponsor some new ones as identification of needs comes to VADA's attention. There cannot be prior lists, at least on the basis of the limited sample covered in this consultancy.

3. CRITERIA FOR MAKING DIRECT GRANTS

Indirect Small Grantmaking criteria covered in Chapter 3 emphasize NGO institutional stability. In contrast criteria for making direct grants should emphasize innovations in technique and geographic coverage.

Thus an NGO/group candidate for a direct grant must:

- a. be legally registered in Kenya either by Ministry of Culture and Social Services or the Office of the Attorney General.
- b. Have developmental and financial supervisory capacity
- c. be registered with the District Development Committee of the area(s) where it is to have programs
- d. show that its project is an innovation as far as that community is concerned
- e. that the project fits into the broad areas of VADA's program interest, especially the 4 priority/Sectors identified in NGO/Grantee interviews, namely water, land use/soil conservation, crop agriculture/food production, and women income generating projects.
- f. that the project will cover geographical areas which have not been covered by other agencies in the past.

4. PROCEDURES FOR DIRECT SMALL GRANTMAKING

a. PROPOSAL SCREENING

This should be undertaken by the supervision of the small grants sector specialists to establish whether the criteria enumerated in 3 above have been met.

Unlike screening in the VADA Large Grants Procedures, there should not be a Project Summary Form for initial evaluation. Rather VADA should have a Small Grants Project Form (similar to the CIDA Mission Administered Fund Guidelines Questionnaire - see Appendix 4) to be used in conjunction with the documentation requested in 3 above.

If the criteria for making direct grants documentation is complete, the Small Grants Project Form should be passed for appraisal/selection. Rejected and/or incomplete requests for funding should be returned to the NGO/group with an explanatory letter indicating the grounds. An NGO/group should be free to reapply.

b. PROPOSAL APPRAISAL/SELECTION

Sector specialist should appraise and select proposals by establishing:

1. Socio-economic and financial soundness
2. relationship(s) between project and beneficiaries with particular preference for projects which favour the poor, and women
3. soundness of implementation methods and
4. ability of NGO/group to implement project in identified communities
5. innovativeness of the project in the specific community context.

If a sector specialist recommends a proposal for funding, he will make a report to the sector Specialist Supervisor and draft a contract.

c. CONTRACTING/FUNDING

Before a contract is issued, a small Grants committee of Sector Specialists, their Supervision and the Executive Director should review all proposals recommended.

The Chairman of this committee should be the Executive Director, the secretary should be the Supervisor of the Sector Specialists, the members should be the Sector Specialists.

Only this committee should authorise the issuing of grant contracts and the release of funds by the Executive Director.

d. MONITORING

This should be the responsibility of sector specialists . They should get quarterly financial and narrative reports which should inter alia contain accounting of project of project funds and materials, implementation problems and progress.

Sector specialists should make a supervisory visit to each NGO/group at least once each quarter to discuss problems and opportunities.

e. FINAL PROJECT REPORT

This should be the responsibility of the sector specialists who should check that VADA/donor contracted grant conditions are met in the time specified and close the file on a particular project by ensuring completion of a form similar to CIDA's Mission Administered Fund:
End of Project Report (see Appendix 5)

CHAPTER 5

FUNDING OF MWETHYA GROUPS

1. NATURE OF THE GROUPS

Harambee (Mwethya) groups have varied needs. They are extremely scattered and armophous in time and space. In most cases they require little money for very specific activities. Very seldom do they need Ksh. 10,000.

One should also note that in about eight cases out of ten the community groups are "owned" by women.

2. PROCEDURES FOR RESPONDING TO MWETHYA GROUPS CLIENTELE

a. VADA's ROLE

After submission of the draft report it was agreed that "small community groups can best be reached through the small grants schemes of other NGO's" (see Appendix 6 Mwangi to Mutiso of May 4th 1987) but there is still the need to keep the door open for those community groups which may be doing such innovative work that they do not fit into activities of other NGO who could act as intermediaries for VADA's small grants.

b. REGISTRATION

Perhaps the most important bureaucratic issue in handling Mwethya groups is the problem of registration as required by the Co-financing Project. Small harambee groups do not keep the kind of legal documents specified in ANNEXE E of PVO Co-Financing Project Document 615-0236. They are simply registered by the Ministry of Culture and Social Services. They keep functional "accounts".

c. ONE THIRD CO-FINANCING

The requirement that NGOs provide one third to qualify for Co-Financing should not be problematic if it is acceptable that this be in kind as is the practice in the Peace Corps SAP Fund. Evidence from all sorts of Harambee studies show that Mwethya groups usually contribute in labour at least ten times more than what they get from donors as material or financial aid.

The only point one wants to stress is that VADA must hire individuals with community group experience, self starters who like to travel for field supervision would entail extensive travel. Travel will be also useful in verifying group dynamics knowledge of which is essential for determining funding and innovativeness.

d. FROM GRANT REQUEST TO FUNDING CONTRACT: PROCEDURES

Sector specialists should finalise all matters concerning the grant making process. These should be finalised in the small grants committee as covered elsewhere. This process should take at maximum ONE MONTH for the essence is to deliver very small amounts of money fast. Speed is particularly important since projects have to fit into the seasonality of labour and construction.

e. CONTRACTING

The contracting officer should be Head of VADA on instructions of Small Grants Committee. On the side of Grantees, it should be the Chairman of the Group. To ensure coordination with the District Focus process, VADA should consider utilising the locational Community Development Assistants/Officers, who are the secretaries to the Locational Development Committees, to also sign thereby validating the group existence.

f. DISBURSEMENTS

For groups with accounts, checks should be made to the groups. Where groups do not have accounts the Sector Specialists should, by consulting the group, identify suppliers and reach an operating agreement of how receipts are to be verified and reimbursed by checks to suppliers. In any case, advance should be accounted for within 90 DAYS.

On no account should cash be passed on directly to the groups.

g. GRANT TIME FRAMES

All grants should be for a period of a year, the normal project time. No group should get more than one grant within the lifetime of the project. This will assure maximum spread of the funding resources as well as limiting collussions at all levels.

h. SIZE OF GRANTS

The absolute ceiling for a small grant to a Mwethya group should be Ksh. 10,000. If the requests to those interviewed are typical, and I know no reason they should not be, then most requests will be for amounts between Ksh. 2,000 and Ksh. 5,000.

3. RECOMMENDED FUNDING STRUCTURE AND OTHER DONORS

The process described above should be acceptable to other donors for most of them use sector specific program officers to handle funding to community groups.

The only point one wants to stress is that VADA must hire individuals with community group experience, self starters who like to travel for field supervision would entail extensive travel. Travel will be also useful in verifying group dynamics knowledge of which is essential for determining funding and innovativeness.

APPENDIX I

PART 1: THE QUESTIONNAIRE RESULTS

As per instructions of the initial supervising VADA Officer, data from the questionnaire was to be presented question by question to facilitate future comparison since VADA was considering administering the questionnaire to a larger group of NGOs. As some interpretation is necessary on some questions and the sample is so small, it is not prudent to tabulate the data.

DEFINING SMALL GRANTS

1. Small grant Definition

There emerged three clear definitions of a small grant both with the NGOs and their grantees. These are:-

- a. That small grants are those mission directed/ administered funds like the American Ambassador's Fund, Peace Corps' SPA Fund or the CIDA funds with a clear small amount of money limit (see 2 below)
- b. Small grants are specific type of project targeted funds for example, several Diocese have funds for small wells.
- c. The third definitions specifically monetary, i.e. little amounts of money. This definition was shared by three organizations and their grantees.

2. Monetary Size of Small Grant

Nobody saw a small grant to an NGO for a specific project as being less than Ksh. 10,000. One organisation saw it as being Ksh. 20,000. Two saw it as being Ksh. 30,000-40,000. Two saw it as being above Ksh. 100,000. Note that the meaning here is a small grant to an established NGO for its own project, not for onward lending.

3. Small Grant Period

There was unanimity that the period for spending any amount of small grants should be 12 calendar months.

4. Accounting for Money

There was unanimity that the best way is to submit to the grantor expenditure receipts and to produce implementation narrative to explain the expenditure. Where an NGO is an intermediary, it produces accounts for the grantor. Administrative and accounting costs incurred by an intermediary NGO to satisfy this condition should be borne by the grantor.

NATIONAL DEMAND FOR SMALL GRANTS

5. National Demand

There was unanimity among agencies and grantees that there was national demand for small grants.

6. Organization of National Demand

CIDA and Diocese of Kitui felt that those who need small grants are organised and know where to get them. KENGO, Methodist Church and Action Aid felt that this knowledge is lacking. All the grantees interviewed argued that they do not know where to go.

The consultant's view is that on balance information, about sources of small grants is lacking both for NGOs and grass-root groups and this is an information area where, VADA could gainfully invest programming time and support money.

7. Grass-root Groups Access to Small Grants

Everybody agreed that grass-root groups are not receiving all the small grants they can absorb.

8. Effective Methods of Reaching Grassroot Groups

This question was problematic to most of the agencies. This probably reflects the lack of generalised thought on delivery channels to grass-root groups and the tendency by agencies to use one programming channel.

NGOs were mentioned twice, External Volunteers, National Christian Council of Kenya (NCCCK), Department of Social Services and Ministry of Livestock and Diocesan Development offices were each mentioned once. (Note that only two organisations and their grantees answered this question.)

9. Methods for Reaching Grass-root Groups vs Demand for Grants

The three organizations who did not answer Q8 (on effective methods of reaching groups) gave three contrasting answers but they were consistent that the reasons had something to do with channels rather than lack of demand. The reasons are:-

- a. There was no knowledge/information on sources of small grants at group level.
- b. There were not effective National NGOs.
- c. Most grants are for individual activity and not for group activity although groups are the channels for delivering financial support.

10. Sources of Small Grant Funds

Four organisation and their grantees saw sources as primarily international. It is interesting that one organisation pointed out that in its area of operations, funds from the ministry of Culture and Social Service are more than all other sources.

11. Reach of Small Grants; Sources

Other than CIDA, which uses volunteers for programming, which answered that all areas (other than Northeaster Province) and all sectors are reached, everybody else stated emphatically that not all areas or sectors are reached.

12. Efficient Organisations in Small Grantmaking

The following is the rank order of the perceived efficient organisations:

- a. NCCK
- b. Diocesan Development Offices
- c. Department of Social Services
- d. Kenya Women Finance Trust
- e. CARE
- f. KENGO
- g. Kenya Rural Enterprise Programme.

PROJECT TYPES

13. Sector Where Small Grants Most Useful

There was agreement that the most important sector was water. The following is the rank order.

- a. Water
- b. Crop Agriculture/Food Production
- c. Human Resources/Training

- d. Land Use/Soil Conservation
- e. Woman Income Generating Projects
- f. Health
- g. Afforestation

SMALL GRANT PROJECT DURATION

14. Typical Small Grant Duration

All organisations argued that their small grant projects last a year from funding to completion report

15. Ideal Small Grant Duration

Similarly the ideal period for a small grant was seen as a year.

CLIENTS FOR SMALL GRANTS

16. Main Applicants for Small Grants

Harambee (Mwethya) groups were seen as the lead applicants followed by women income generating project groups and schools last.

One should point out that a significant number of organisations made the point to the consultant that he should use the term mwethya group to stress that they are small scale community harambee group as opposed to

- a. what has come to be called political harambee groups which are largescale operations by local notables, politicians or the state, and

- b. all women groups who are forced by funding requirements that such groups cannot have male members unlike the traditional pattern of mwethya.

Also important is the fact that committees associated with the District Focus, Maendeleo ya Wanawake Groups, International NGOs, Church Development Committees, Family Planning Groups and Local NGOs were totally ignored when probed for.

This was the clearest statement out of the whole study that the consumers of the small grant program have been primary groups. There was support for keeping small grants as a program for these groups.

FUNDING LEVELS

17. Applications Funded

Of all applications made to the organizations only 10-20 percent are funded.

FUNDED SECTORS

18. Major Funded Sectors

In descending order, the major funded sectors are:

- a. Water
- b. Land Use/Soil Conservation
- c. Agriculture

UNMET DEMAND: LIMITATIONS ON SMALL GRANTS EXPANSION

19. Meeting Small Grant Request

All organisations cannot service all the request they get.

20. Sources of Limitations

In descending order the following are the major reasons for not meeting all the Small Grant requests.

- a. Lack of sufficient funds for onward grantmaking
- b. Supervision/Monitoring costs.
- c. Problems with groups coping with project implementation in the planned time frames, (NB The issue here is not managing money but more the problem of other activities taking priority and groups therefore not finishing projects in the planned time.)

DESIRABLE FUTURE FUNDING

21. Desired Future Funding Activity

All organisations would like to fund through small grants mechanism, the following in descending order:

- a. Women Income Generating Projects
- b. Land Use/Soil Conservation
- c. Water
- d. Crop Agriculture/Food Production

22. Desired Future Funding Sectors

Asked about specific sectors organisations gave the following in descending order:

- a. Land Use/Soil Conservation
- b. Water
- c. Youth Training
- d. Women

23. Areas Needing Small Grants

There was agreement among those interviewed that it was the Semi-arid areas which were not getting their fair share of Small Grants (specifically for crop agriculture and for livestock) followed by arid areas (for livestock) and finally pockets of high potential areas (to generate employment).

24. Future Channels for Small Grants

Most organisations made a distinction between District, National and International NGOs.

THREE of the organisations specified that future small grants should be made to District NGOs. It was further elaborated that it is the DISTRICT CHURCH ORIENTED NGOs who are most efficient in delivering them.

ONE organisation specified National NGOs but with the qualification that VADA and other donors should support activities which would bring NGOs working in a sector together.

ONE organisation did not make the distinction between district and national local NGOs but specified that future support should be through Local and International NGOs.

SMALL GRANTMAKING PROCEDURES

25. Proposal Assistance

THREE organisations answered that they campaign for, and assist clients to finalise their proposals, but with qualifications. On the campaigning for proposals, it is

no more than informing other NGOs that they are funding in a particular sector. It is these other NGOs who then spread the word around that there are funds available.

Since most groups only write a letter asking for support, the funding NGOs either contact volunteers, other NGOs in the field, or send their personnel to review the project and to write the simple document.

Two organisations who have people in the field said, they do not get involved in campaigns or get the clients to write proposals. When they get the simple letter request, they ask their field personnel to go and check what is desired and to write up the proposal.

27-29 Screening Appraisal and Final Decision on Projects

All organisations argued that they have one person at least and two at most who handle screening, appraisal and make decisions on whether to fund or not. They claim that this simple process is dictated by the small sums involved i.e. less than Ksh. 10,000.

Other than CIDA, most of the organisations lend small amounts to groups. Very rarely are these more than Ksh 2,000. For them it is not cost effective to establish elaborate screening, appraisal and final funding decision procedures. They appoint a staff member who handles all these steps routinely.

30. Contracts

Contracts are simple. Usually one page showing the group and its location and the purpose for which the money is granted.

31. Cash, Invoices and Materials

All organizations give cash, pay invoices and give materials in equal measure. On probing the consultant was told that what system is used is an operational decision made by field personnel as the need arises.

32. Reporting Periods

TWO of the organisations get narrative reports quarterly. TWO others get them half yearly. ONE gets final report which includes narrative and finances after 12 months.

Grantees were of the opinion that reporting for any period less than a year is burdensome and not realistic for implementation bottlenecks often delay group operations.

33. Report Contents

Reports are supposed to contain the following:

- a. Material purchase receipts and financial expenditure narrative.
- b. Narrative covering quantitative and qualitative aspects of project implementation. Specific information on social and technical aspects is usually included.
- c. Aspects of groups dynamics which are relevant to the project such as membership fluctuations.
- d. A report is supposed to identify future technical needs and other aspects relevant to the sustainability of the groups projects.

The consultant asked for copies of reports but none were provided supposedly since this was not an evaluation. It could also be that it reflects the fact that few NGOs systematically monitor groups, and when they do, the reports import is such that they never become part of the archives.

34. Request Submission to Contract

There is no pattern on how long it takes from funding request submission to grant contract.

Of the five organisations one said a month, one two months, one three months, one six months, and finally one 12 months.

35. Staff in Small Grantmaking

Three of the organisations had only one individual handling small grants. Two of the others had four each.

36. Best Method for Small Grantmaking

FOUR organisations are happy about the way they organise small grantmaking. ONE is unhappy but basically it objects to the fact that priests delay forwarding of requests although they do not make any substantive decision on funding.

37. Not Applicable

38. Organograms

None were provided. However, the following information was provided verbally:

- a. CIDA - One officer does staff work for the Ambassador's approval.
- b. KENGO - Each technical officer in Technical Assistance Program finalises requests for their districts.
- c. Diocese of Kitui - Each development officer finalises requests for their sector.
- d. Lutheran Development Coordinator decides requests for work load is still low.
- e. Action Aid - Field officer decides but the Nairobi officer has final say on funding.

39. Job Descriptions

The only ones provided were from Action Aid. The argument was that this was not an evaluation. However on probing the agencies argued that the most important qualifications for those involved in processing grants was experience in community organising basically to enable the person to make judgement on the viability of groups and their projects.

REVOLVING FUND

40. Revolving Fund for Small Grants

THREE agencies were of the opinion that making small grants through a revolving fund mechanism is merotorious. TWO were not in favour for they believe that revolving funds do not work.

41. Existing Revolving Funds

FOUR organisations mentioned the following FOUR organisations as having revolving fund projects.

- a. Kenya Women Finance Trust
- b. Diocese/Synod Development offices
- c. Kenya Rural Enterprise Programme
- d. Action Aid

ONE organization did not know of any revolving fund project.

APPENDIX 2

SURVEY OF SMALL GRANTS PROGRAMME

1. Objectives

There are two major objectives in surveying selected small grants schemes of other organisations:

- a. to develop a small grants mechanism for VADA within the context of the NGO Co-Financing Project; and
- b. to develop ideas for a small grants scheme that VADA can implement using funds from other donors.

It is very likely that the VADA small grants programme will utilise two major strategies: direct grant-making by VADA, and indirect grants through the small grants schemes of other NGOs. Thus, the survey should, at the minimum, provide VADA with the necessary information to undertake both of these initiatives, as well as point out other possible strategies.

Direct Grants

Specifically, the survey should provide an understanding of what areas VADA direct grants should focus on (i.e. what sectoral areas are least served with high potential impact), what types of organisations, as well as the mechanics or procedures that best respond to the clientele.

Regarding mechanics, VADA would want to learn what mechanics are optimal, and use these in seeking funding from other donors, as well as how these mechanics can accommodate the requirements of the Co-Financing Project.

Indirect Grants

The survey should examine how well the small grants schemes of other NGOs are functioning: their interest in VADA funding, if their current operations can meet the requirements of Co-Financing or if and how they could adapt to meet the requirements; and formulate concrete steps on how to proceed with soliciting proposals and/or strengthen existing programmes.

2. Sample

The following NGOs will form the sample, which is representative of the broad categories under which they are grouped:

- | | |
|-------------------------------|---|
| - Umbrella | - KENGO, NCKK |
| - Bilateral | - CIDA, Peace Corps |
| - Church Development Agencies | - Maseno South Diocese,
Catholic Diocese of Kitui,
World Vision International |
| - Specialised/Sectoral | - Maendeleo Ya Wanawake
Organisation, Partnership
for Productivity |
| - Community Level Projects | - Action Aid |

The following NGOs can be considered as alternates:

CARE (Kenya)
Methodist Church, Meru
Lutheran World Relief
Undugu Society

3. Survey Content

The following categories of questions will be investigated:

a. Need

- That is the nature of the demand, with respect to:
 - level of funds
 - kinds of projects
 - duration
 - kinds of organisations
- How many projects are funded as compared to the number of proposals received?
- What sector

b. Unmet Needs

- Can the organisation meet all meritorious requests?
- If not, what specifically are they not able to fund?
- What are the area(s) that most need funding that are presently not being met, with respect to:
 - sectors
 - geographical areas
 - kinds of organisations
- What specific needs are not being addressed by others that VADA could meet?
 - How best can these be met.

c. Procedures

- Does the NGO actively solicit proposals and/or assist with their development?
- What selection criteria are used?
- How is screening carried out?
- How is appraisal undertaken?
- What is the final selection/decision-making process?
- What form of contract is used?
- How are funds disbursed? Directly as cash or indirectly through payment of invoices?
- What is the reporting procedure, timing and content?
- What is the normal duration of funding?
- What is the average time lapse between receipt of a proposal and decision to fund or reject?
- How many people handle the programme, and are responsible for how many grants? How are tasks divided up among staff?

d. Revolving Fund

- What is the demand for this type of funding?
- What is the rationale?
- What experiences exist?

e. Grantees

One grantee of each organisation should be contacted to determine two major issues:

- i. How well the grant-making process works from their point of view with respect to timelines and general responsiveness; and
- ii. The quality and apparent effectiveness of funded projects.

4. Time Required

Familiarisation, Develop tools, contacts planning and scheduling	5 days
a. Interview six organisations and write up findings @ 1 day per organisation	6 days
b. Interview one grantee per organisation. Field travel to 6 areas at 1½ days per area	9 days
c. Prepare and produce report	<u>10 days</u>
Total	<u><u>30 days</u></u>

APPENDIX 3

SMALL GRANTS QUESTIONNAIRE

A. WHAT IS A SMALL GRANT?

This consultancy is seeking to understand small grant making .

1. In your opinion what is a small grant?

2. What amount of money?-----

3. For how long a period?-----

4. How is the money accounted for?-----

B. NATIONAL DEMAND

5. In your organisation's view, is there national demand for small grant making? Yes----- No-----.

6. If YES in Q5, is this national demand 'organised' ie do those who need small grants know where to solicit them? Yes----- No-----.

7. If NO in Q5, are grass-root groups getting all the small grants they want and can absorb? Yes----- No----

8. If YES in 7, what methods are used to reach them effectively?
Enumerate.

9. If NO in 7, is it because of the methods being used to reach them or is it because there is not demand for small grants? Explain.

10. Are the main sources for small grants local funds or international funds? Local----- International----- Both-----

11. Are the sources for small grants 'organised' enough to be able to reach all development sectors and areas of the country? Yes----- No-----

12. If NO in Q11, what are the most efficient organisations in making small grants?

District Development Committees

CARE

KENGO

Kenya National Council of Social Services

VADA

Church Development Organisations
 District Cooperative Unions
 Bilateral Donors
 Multilateral Donors
 AMREF
 NCCK
 Other

C. PROJECT TYPES

13. In what sectors are small grants most useful ?
- Water
 - Crop Agriculture
 - Income Generating
 - Afforestation
 - Soil Conservation
 - Animal Agriculture
 - Women's Programmes
 - Other

D. DURATION

14. What duration of is typical for your organisation's small grants?
- 1-6 months
 - 6-12 months
 - 1-2 years
 - 2-3 years
 - Over 3 years
15. In your opinion what would be the ideal duration for small grants?
- 1-6 months
 - 6-12 months
 - 1-2 years
 - 2-3 years
 - Over 3 years

E. CLIENT ORGANISATIONS

16. In your opinion what types of organisations are the main applicants to small grants programs?
- Harambee Groups
 - Locational Development Committees
 - Maendeleo ya Wanawake Groups
 - Divisional Development Committees
 - International NGOs
 - Family Planning Groups
 - District Development Committees
 - Parish Development Committees
 - Constituency Development Committees
 - Church Development Committees
 - Income Generating Groups
 - Village Development Committees
 - Local NGOS

F. FUNDING LEVELS

17. Of all applications for small grants made to your organisation, what percentage is funded?

- 1-10
- 11-20
- 21-30
- 31-40
- 41-50
- 51-75
- 76-100

G. FUNDED SECTORS

18. Of the funded projects, what are their major sectors?

- Crop Agriculture
- Water
- Soil Conservation
- Afforestation
- Women Programs
- Income Generating
- Animal Agriculture
- Other

H. UNMET DEMAND

19. If you give small grants, can you meet all the requests made to you in a year? Yes----- No-----.

20. If you answered NO in Question 19, what is your major constraint in expanding small grant making?

- Availability of Funds
- Own Organisation's Regulations
- Poor Proposals from Clients
- Poor Accounting by Clients
- Problem of Identifying Clients
- Lack of National Organisation
- Other

I. DESIRABLE FUTURE FUNDING

21. Of the activities you are not funding now, what would you like to support in the future through a small grants mechanism? (in descending order)

- 1-----
- 2-----
- 3-----

22. What sectors do you think will need small grant funding in future?

- 1-----
- 2-----
- 3-----

23. What geographical areas/districts need but they are not getting small grants now?

- 1-----
- 2-----
- 3-----

24. What types of organisations can small grants be channelled through in the future?

- 1-----
- 2-----
- 3-----

J. SMALL GRANTMAKING PROCEDURES

25. Does your organisation campaign for proposals and/ or assist clients in developing them? Yes-----No-----

26. Briefly describe how you select proposals for funding.

27. How is screening for projects done?

28. Is appraisal done? Yes-----No-----If yes, describe briefly.

29. How are the final decisions about what projects to fund made?

30. What type of contract is used? Please provide a sample.

31. Do you give clients cash or do they have to spend money and claim with invoices? Cash-----Invoices-----Both-----.

32. How often do clients have to report on their project?

- Monthly
- Quarterly
- Half yearly
- Annually
- Other

33. List the aspects of the project and funds which are supposed to be covered by the reports.

35. How long does it take from the time a proposal is submitted you to the time a contract for a grant is made?

- 1 month
- 2 months
- 3 months
- 3-6 months
- 6-12 months
- Over 12 months

36. How many people are involved processing small grants in your organisation?-----

37. Is that the best way of processing small grants? Yes-----No-----

38. If NO in Q37, which is the best way? Explain.

39. How are the people who handle small grants organised?(organogram)

40. Can you give us the job descriptions of the various individuals who are involved in processing small grants? (Samples)

K. REVOLVING FUND

41. In your opinion is there merit in making small grants through a revolving fund? Yes-----No-----Why?

42. Do you know any revolving fund projects? Yes-----No-----List if YES.

FD16/2/87

APPENDIX 4
C.I.D.A.: MISSION ADMINISTERED GUIDELINES

QUESTIONNAIRE

GENERAL DETAILS

1. Date
2. Name and title of person responsible for this project:
3. Name and full address (with telephone number, if applicable) of organisation or group submitting this project proposal and which is responsible for completing the project:

4. Site of project:

Village:

Location:

Administrative Division:

District:

Province:

(Please provide a sketch map on the back of this piece of paper showing how to locate your project should we wish to visit it).

5. Costs

Total cost of project: K.Shs.

Amount requested from CIDA: K.Shs.

Amount requested or provided from other sources: K.Shs.
(Please identify these other sources (e.g. Government, Church, etc.)

**Please Note

If the balance of funds is to be found by fund-raising activities i.e. harambees etc, the project will not be considered unless the funds have already been raised and are guaranteed to be available. The Committee will reject any proposal for partial funding.

6. Has your organization/group ever received assistance from CIDA or any other source before? (Please tick one answer only)

NO

YES

.../2

If YES, when and what did you receive?

Amount:

Date Received:

7. On a separate piece of paper, briefly describe your organization or group under each of the following headings:
 - A. History
 - B. Purpose (objectives/goal)
 - C. Source of funds
 - D. Staff (or volunteers)
 - E. What projects (if any) has your organization already done or tried to do?
 - F. What is the number of women in your organization and their position held?

PROJECT DESCRIPTION

8. Please give a very brief summary of the project and what it will accomplish. Describe the NEED for the project or what problems you hope the project will solve.
9. How does the project relate to the development plans of your community and to your District?
10. Please provide background information on the area and the community which will benefit from this project. Include an approximate breakdown of male/female inhabitants in the community, if possible.
11. Who will be the main beneficiaries of your project? (e.g. students, women, farmers, etc.). If possible include numbers of male/female beneficiaries.
12. Who started the project? Were any of the beneficiaries involved in planning the project?
13. Do you know of any other similar or related projects in your area (District or Province)? (Please tick one answer only).

NO

YES

If YES, please describe it.

PROJECT IMPLEMENTATION

14. When will the project be started, and completed?
15. Briefly describe the steps you will take to put the project into action. (Will construction be involved? Hiring labour?)
16. Please describe what local contributions will be (e.g. labour, cash, materials, land, etc.). Where local labour is involved please state the wages per hour in the area for that labour.
17. What other sources of support do you have for this project, and who will be providing this support (e.g. technical, financial, material?)
18. Are any official or unofficial authorizations needed before the project can proceed or be completed? (please tick one answer only).

NO

YES

If YES, what needs to be authorised, and by whom? e.g. Government Chief, Project Committee, etc.

19. Budget

Please list the costs of the project:

K.Shs

- e.g. - construction
- equipment
- training
- administration etc

In the above, please show how the CIDA requested funds are to be spent

20. Do you know of a local Non-Governmental Organization which can assist you with this project (e.g. NCKK, NCWK, Mennonite Central Committee, etc).

APPENDIX 5

C.I.D.A.

MISSION ADMINISTERED FUND - Project Number _____

END OF PROJECT REPORT

1. Country: _____ Mission Responsible: _____
2. Name of Project: _____
3. Recipient Organization: _____
4. Objective of Project: as originally noted in Project Approval Document
5. Was objective achieved: Fully _____ Partially _____
(Explain in quantifiable terms where possible. Specify the female/male participation and the number of women in management in decision-making positions)

Identify any unanticipated benefits derived from project:

6. Description:

(a) Identify project inputs provided by Canadian project and any difficulties encountered and steps taken to overcome these -

(b) Identify and quantify outputs resulting from project -

(c) Explain any deviations from original implementation plan and disbursement profile -

- 3 -

7. Cost: (a) What were original costs for project Cdn Component _____
Others (Specify) _____

(b) Was project completed within cost estimate? If not how were
additional costs covered?

8. Comments/Observations:

V.A.D.A.

Voluntary Agencies Development Assistance

2ND FLOOR, AGIP HOUSE P.O. BOX 57781 NAIROBI, KENYA PHONE: 332152/336773

DF/LN/ek

4 May 1987

Prof. G.C.M. Mutiso
Mutiso Consultants Ltd
Development Management
P.O. Box 14333
NAIROBI

Dear Prof. Mutiso,

Further to our meeting on 29 April 1987, below are the main points that need to be addressed when revising the report on the small grant survey. As we mentioned, we are anxious that the report is submitted to us as soon as possible to enable VADA to respond to small grants requests.

1. Editorial

The draft report could be much improved by:-

- i) allowing a wider margin so as not to obscure some of the writing with the binding.
- ii) highlighting headings such that paragraphs are distinct and clearly separated, and
- iii) correcting spellings and typing errors and ensuring that sentences are complete and properly punctuated. We noted that a substantial number of sentences are not clear or coherent at all. These have been marked in our draft for your attention.

2. Presentation

We noted that the terms of reference were not presented to you as such. Therefore, it is useful for you to briefly discuss the terms of reference embodied in the concept paper and indicate how you addressed them, clearly identifying the limitations, problems, etc they may have entailed.

Your findings, conclusions and recommendations should be summarised and presented in a page or two for easy reference. Also ensure that all the main issues are included in the Executive Summary.

.../2

We also agreed that the lengthy questionnaire could be appended to the report and only a summary of it included in the main text.

3. Content

There seemed to be a confusion of what is meant by a small grant. VADA's definition of a small grant is one below \$30,000 (KShs 500,000). VADA can use two mechanisms to process a small grant:-

- i) a direct granting of the funds to an NGO or
- ii) indirect granting to an NGO or a group through an intermediate NGO.

VADA needs to be able to make these grants without the lengthy and complicated procedures that accompany the large and medium size grants. We noted that the recipients of VADA's small grants are not necessarily community groups but could be large NGOs which need small amounts of money. We need to know what criteria to use and what procedures to follow in making these grants. We agreed that you will develop and provide a criteria for grant selection.


As you point out, small community groups can best be reached through the small grant schemes of other NGOs. In this connection, VADA would like to assist in areas which are not currently being assisted by other NGOs. The survey was expected to show whether or not the small community groups could be adapted to meet the requirements of VADA's Co-Financing Project.

We noted that, throughout the report, there are references to VADA's internal structure which, to us, are not relevant to the terms of reference and are furthermore not substantiated. These are also marked in our draft report for your attention.

Lastly, we agreed that only those appendices that are referred to in the text need to be included.

I hope the above comments clarify the issues raised during our meeting and that they will assist in the quick revision and production of the final report. Please let us have the report by 20th May 1987.

Yours sincerely,



J.N. Mwangi
EXECUTIVE DIRECTOR

Encl.

ORGANISATIONS INTERVIEWED

1. VADA.
2. KENGO.
3. CIDA
4. ACTION AID.
5. DIOCESE OF KITUI DEVELOPMENT COORDINATION OFFICE.
6. METHODIST CHURCH DEVELOPMENT COORDINATION OFFICE.
7. NAIBRON BEEKEEPING SELF HELP WOMEN GROUP.
8. KAGURE WOMEN TAILORING GROUP.
9. KATHUMULANI MUKILYE WOMEN SELF HELP GROUP.
10. LARE PARISH DEVELOPMENT SELF HELP GROUP.

VADA Small Grants consultancy



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VADA SMALL GRANTS CONSULTANCY.

Mutiso Consultants Ltd.

EXECUTIVE SUMMARY.

This consultancy was undertaken on VADA instructions to solicit the views of agencies involved in small grant making. Such views were to be used by the consultant to make recommendations to VADA on its proposed plans for getting into small grantmaking.

Five agencies were interviewed. Four grantees were interviewed. Since the sample is small conclusions are tentative until a much larger sample of agencies can be covered.

One of the main conclusions is that the clients for small grant making are usually community groups who need small amounts of money. Since they are scattered and their needs are extremely varied, those who are able to serve them are the agencies with localised capacity and knowledge.

Given the above, it logically follows that a new agency like VADA should exhaust utilising such agencies in delivering small grants to local groups before it embarks on direct funding. This becomes a major policy issue for VADA given its relative youth, the fact of current staff problems and the fact that most of the personnel were not hired for their specialisation in community group development work.

There is not a convincing reason why the methods and procedures already developed cannot be used for grant making to NGOs as opposed to developing a new small grant manual. What is desired is clarity in terms of internal management procedures on what is to be funded and the utilisation of staff within the Development Fund in more creative and therefore productive ways.

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INTRODUCTION.

The purpose of this consultancy was to advise VADA on a small grant's mechanism. The terms of reference, embodied in a concept paper, are shown in Appendix 1. VADA, as can be seen in the concept paper, did develop some specific questions and even the methodology they wanted the consultant to use. The sample and time were also specified.

After the concept paper was delivered to the consultant, a questionnaire was developed. It was discussed, modified and agreed on by various parties in VADA. This questionnaire was used as an interview guide for the extremely limited number of NGOs. Initially the officers discussing the consultancy were thinking of a sample of about 20 key NGOs. VADA agreed on 6. Of these six, one totally refused to be involved. Action Aid, Kenya Energy Non-Governmental Organisations (KENGO), Diocese of Kitui Development Office, Methodist Church Development Office and CIDA were interviewed.

In spite of letters from VADA about the proposed work, the consultant had to travel to meet them and make agency and grantee appointments personally. Each organisation was supposed to make available to VADA a list of grantees. From this list VADA and the consultant were supposed to select one grantee per organisation to be interviewed. This activity took time for the information was not readily available within the agencies. As a result much more fieldwork travel and time was spent chasing lists and interviewing grantees. Only four grantees have been interviewed as one organisation has not yet provided the list.

It is important to note that in spite of requests from VADA, the consultant had to use his good offices to convince four out of five organisations and their grantees the merits of the exercise. VADA should pay attention to this problem.

After the introduction, Part 1 presents the questionnaire data from the interview of organisations and their grantees. Part 2 reviews the Peace Corps' SPA Fund as per data collected by VADA. Part 4 discusses direct small grant making and Part 5 discusses indirect small grant making.

PART 1: THE QUESTIONNAIRE RESULTS.

As per instructions of the the initial supervising VADA officer, data from the questionnaire was to be presented question by question to facilitate future comparison since VADA was considering administering the questionnaire to a larger group of NGOs. As some interpretation is necessary on some questions and the sample is so small, it is not prudent to tabulate the data.

DEFINING SMALL GRANTS.

1. Small Grant Definition.

There emerged three clear definitions of a small grant both with the NGOs and their grantees. These are:-

- a. That small grants are those mission directed/administered funds like the American Ambassador's Fund, Peace Corps' SPA Fund or the CIDA funds with a clear small amount of money limit.
- b. Small grants are specific type of project targeted funds. For example several Diocese have funds for small wells.
- c. The third definition is specifically monetary ie little amounts of money. This definition was shared by three organizations and their grantees.

2. Monetary Size of Small Grant.

Nobody saw a small grant to an NGO for a specific project as being less than Ksh. 10,000. One organisation saw it as being Ksh.20,000. Two saw it as being Ksh. 30,000-40,000. Two saw it as being above Ksh.100,000. Note that the meaning here is a small grant to an established NGO for its own project, not for onward lending.

Probed further, NGOs stated that for indirect lending, ie NGOs acting as intermediaries for VADA funds for onward lending, they would not accept anything less than Ksh. 300,000 which is within reach of the VADA project paper notion of a \$ 20,000 subgrant.

All agreed that for purposes of lending to groups directly by themselves or by VADA, a small grant should not be more than Ksh. 10,000 whether given in monetary or material form.

3. Small Grant Period.

There was unanimity that the period for spending any amount of small grants should be 12 calendar months.

4. Accounting for Money.

There was unanimity that the best way is to submit to the grantor expenditure receipts and to produce implementation narrative to explain the expenditure. Where an NGO is an intermediary, it produces accounts for the grantor. Administrative and accounting costs incurred by an intermediary NGO to satisfy this condition should be borne by the grantor.

NATIONAL DEMAND FOR SMALL GRANTS.

5. National Demand.

There was unanimity among agencies and grantees that there was national demand for small grants.

6. Organization of National Demand.

CIDA and Diocese of Kitui felt that those who need small grants are organised and know where to get them. KENGO, Methodist Church and Action Aid felt that this knowledge is lacking. All the grantees interviewed argued that they do not know where to go.

The consultant's view is that on balance, information about sources of small grants is lacking both for NGOs and grass-root groups and this is an information area where VADA could gainfully invest programming time and support money.

7. Grass-root Groups Access to Small Grants

Everybody agreed that grass-root groups are not receiving all the small grants they can absorb.

8. Effective Methods of Reaching Grassroot Groups.

This question was problematic to most of the agencies. This probably reflects the lack of generalised thought on delivery channels to grass root groups and the tendency by agencies to use one programming channel.

NGOs were mentioned twice. External Volunteers, National Christian Council of Kenya (NCCCK), Department of Social Services, and Ministry of Livestock and Diocesan Development Offices were each mentioned once. (Note that only two organisations and their grantees answered this question.)

Significantly VADA and Kenya National Council of Social Services (KNCSS) were not mentioned at all.

9. Methods for Reaching Grass-root Groups vs Demand for Grants.

The three organizations who did not answer Q8 (on effective methods of reaching groups) gave three contrasting answers but they were consistent that the reasons had something to do with channels rather than lack of demand. The reasons are:-

- a. There was no knowledge/information on sources of small grants at group level.
- b. There were not effective National NGOs.
- c. Most grants are for individual activity and not for group activity, although groups are the channels for delivering financial support.

10. Sources of Small Grant Funds.

Four organisations and their grantees saw sources as primarily international. It is interesting that one organisation pointed out that in its area of operations, funds from the Ministry of Culture and Social Services are more than all other sources.

11. Reach of Small Grants Sources.

Other than CIDA, which uses volunteers for programming, which answered that all areas (other than Northeastern Province) and all sectors are reached, everybody else stated emphatically that not all areas or sectors are reached.

12. Efficient Organisations in Small Grantmaking.

The following is the rank order of the perceived efficient organisations:

- a. NCKK.
- b. Diocesan Development Offices.
- c. Department of Social Services.
- d. Kenya Women Finance Trust.
- e. CARE.
- f. KENGO.
- g. Kenya Rural Enterprise Programme.

PROJECT TYPES.

13. Sectors Where Small Grants Most Useful.

There was agreement that the most important sector was water. The following is the rank order.

- a. Water
- b. Crop Agriculture
- c. Human Resources/Training
- d. Land Use/Soil Conservation
- e. Women Income Generating Projects
- f. Health
- g. Afforestation

SMALL GRANT PROJECT DURATION

14. Typical Small Grant Duration.

All organisations argued that their small grant projects last a year from funding to completion report.

15. Ideal Small Grant Duration.

Similarly the ideal period for a small grant was seen as a year.

CLIENTS FOR SMALL GRANTS.

16. Main Applicants for Small Grants.

Harambee (Mwethya) groups were seen as the lead applicants followed by women income generating project groups and schools last.

One should point out that a significant number of organisations made the point to the consultant that he should use the term mwethya group to stress that they are small scale community harambee group as opposed to a.) what has come to be called political harambee groups which are largescale operations by local notables, politicians or the state, and, b.) all women groups who are forced by funding requirements that such groups cannot have male members unlike the traditional pattern of mwethya.

Also important is the fact that committees associated with the District Focus, Maendeleo ya Wanawake Groups; International NGOs, Church

Development Committees. Family Planning Groups and Local NGOs were totally ignored when probed for.

This was the clearest statement out of the whole study that the consumers of the small grant program have been primary groups. There was support for keeping small grants as a program for these groups.

FUNDING LEVELS.

17. Applications Funded.

Of all applications made to the organizations only 10-20 percent are funded.

FUNDED SECTORS.

18. Major Funded Sectors.

In descending order, the major funded sectors are:-

- a. Water
- b. Land Use/Soil Conservation
- c. Agriculture.

UNMET DEMAND: LIMITATIONS ON GREATER SMALL GRANTS LENDING.

19. Meeting Small Grant Requests.

All organisations cannot service all the requests they get.

20. Sources of Limitations.

In descending order the following are the major reasons for not meeting all the Small Grant requests.

- a. Lack of sufficient funds for onward lending.
- b. Supervision/monitoring costs.
- c. Problems with groups coping with project implementation in the planned time frames. (NB. The issue here is not managing money but more the problem of other activities taking priority and groups therefore not finishing projects in the planned time.)

DESIRABLE FUTURE FUNDING.

21. Desired Future Funding Activity.

All organisations would like to fund through a small grants mechanism the following in descending order:-

- a. Women Income Generating Projects
- b. Land Use/Soil Conservation.
- c. Water
- d. Crop Agriculture/Food Production

22. Desired Future Funding Sectors.

Asked about specific sectors organisations gave the following in descending order:

- a. Land Use/Soil Conservation
- b. Water
- c. Youth Training
- d. Women

23. Areas Needing Small Grants.

There was agreement among those interviewed that it was the the Semi-arid areas which were not getting their fair share of small grants (specifically for crop agriculture and for livestock) followed by arid areas (for livestock) and finally pockets of high potential areas (to generate employment).

24. Future Channels For Small Grants

Most organisations made a distinction between District, National and International NGOs.

THREE of the organisations specified that future small grants should be made to District NGOs. It was further elaborated that it is the DISTRICT CHURCH ORIENTED NGOs who are most efficient in delivering them.

ONE organisation specified National NGOs but with the qualification that VADA and other donors should support activities which would bring NGOs working in a sector together.

ONE organisation did not make the distinction between district and national local NGOs but specified that future support should be through Local and International NGOs.

SMALL GRANTMAKING PROCEDURES.

25. Proposal Assistance.

THREE organisations answered that they campaign for and assist clients to finalise their proposals, but with qualifications. On the campaigning for proposals, it is no more than informing other NGOs that they are funding in a particular sector. It is these other NGOs who then spread the word around that there are funds for requesting.

Since most groups only write a letter asking for support, the funding NGOs either contact volunteers, other NGOs in the field, or send their personnel to review the project and to write the simple documentation.

Two organisations who have people in the field, said they do not get involved in campaigns or get the clients to write proposals. When they get the simple letter requests, they ask their field personnel to go and check what is desired and to write up the proposal.

27-29. Screening, Appraisal and Final Decisions on Projects.

All organisations argued that they have one person at least and two at most who handle screening, appraisal and make decisions on whether to fund or not. They claim that this simple process is dictated by the small sums involved ie less than sh.10,000.

Other than CIDA, most of the organisations lend small amounts to groups. Very rarely are these more than Ksh. 2,000. For them it is not cost effective to establish elaborate screening, appraisal and final funding decision procedures. They appoint a staff member who handles all these steps routinely.

30. Contracts.

Contracts are simple. Usually one page showing the group and its location and the purpose for which the money is granted.

31. Cash, Invoices and Materials.

All organizations give cash, pay invoices and give materials in equal measure. On probing the consultant was told that what system is used is an operational decision made by field personnel as the need arises.

32. Reporting Periods.

TWO of the organisations get narrative reports quarterly. TWO others get them half yearly. One gets final report which includes narrative and finances after 12 months.

Grantees were of the opinion that reporting for any period less than a year is burdensome and not realistic for implementation bottlenecks often delay group operations.

33. Report Contents.

Reports are supposed to contain the following:-

- a. Material purchase receipts and financial expenditure narrative.
- b. Narrative covering quantitative and qualitative aspects of project implementation. Specific information on social and technical aspects is usually included.
- c. Aspects of group dynamics which are relevant to the project such as membership fluctuations.
- d. A report is supposed to identify future technical needs and other aspects relevant to the sustainability of the groups' projects.

The consultant asked for copies of reports but none were provided supposedly since this was not an evaluation. It could also be that it reflects the fact that few NGOs systematically monitor groups. And when they do, the reports import is such that they never become part of the archives.

35. Request Submission to Contract.

There is no pattern on how long it takes from funding request submission to grant contract.

Of the five organisations one said a month, one two months, one three months, one six months, and finally one 12 months.

36. Staff in Small Grantmaking.

Three of the organisations had only one individual handling small grants. Two of the others had four each. It is important to note that other than one, which has extensive field operations, all of them had a one step flow in making all the decisions. The exception had to get in touch with Nairobi for grant approvals.

37. Best Method For Small Grantmaking.

FOUR organisations are happy about the way they organise small grantmaking. ONE is unhappy but basically it objects to the fact that priests delay forwarding of requests although they do not make any substantive decisions on funding.

38. Not applicable.

39. Organograms

None were provided. However, the following information was provided verbally.

- a. CIDA - one officer does staff work for the Ambassador's approval.
- b. KENGO - Each technical officer in Technical Assistance Program finalises requests for their districts.
- c. Diocese of Kitui - Each development officer finalises requests for their sector.
- d. Lutheran Development Coordinator decides requests for work load is still low.
- e. Action Aid - Field Officer decides but Nairobi has final say on funding.

40. Job Descriptions.

The only ones provided were from Action Aid. The argument was that this was not an evaluation.

However on probing, the agencies argued that the most important qualifications for those involved in processing grants was experience in community organising basically to enable the person to make judgement on the viability of groups and their projects.

REVOLVING FUND

41. Revolving Fund for Small Grants.

THREE agencies were of the opinion that making small grants through a revolving fund mechanism is meritorious. TWO were not in favour for they believe that revolving funds do not work.

42. Existing Revolving Funds.

FOUR organisations mentioned the following FOUR organisations as having revolving fund projects.

- a. Kenya Women Finance Trust
- b. Diocese/Synod Development Offices
- c. Kenya Rural Enterprise Programme
- d. Action Aid

ONE organization did not know of any revolving fund project.

PART 2

US PEACE CORPS SMALL PROJECTS ASSISTANCE (SPA) FUND.

The consultants were required by the concept paper to review the SPA Fund from documentation collected by VADA. This project was initiated by the US Peace Corps to fill a niche for making small grants to groups rapidly.

Project Funding Limit.

Its project upper limit is about Ksh. 160,000 which is not so small in the Kenyan context. However one should note this is about half of the CIDA upper limit for the Mission Administered Fund, which is supposed to play the same kind of role.

Funded Sectors

There are four sectors specified as qualifying for funding under these programs. These are:-

- a. Food production
- b. Energy
- c. Competitive Enterprise Development
- d. Income Generating Activities.

There are important restrictions on how the moneys can be spent within the broad sectors. No funds can be used for training, personal services, vehicles or transportation.

Project Identification.

Projects can be identified by either Peace Corps Volunteers in the field, Peace Corps Nairobi based officials or USAID staff. Once a project is identified, activity proposals are always developed by Peace Corps Volunteers in the field. This limits the geographical spread of the fund for it can only be in those areas where there are Peace Corps Volunteers. In the documentation made available, there was nothing indicating that the volunteers can travel from region to region developing projects.

Project Criteria

The fund provides that all projects must be designed to be completed within a year. Although projects can be large scale, SPA funds in any project must not exceed the limit of about Ksh. 160,000. Also the grant must not encourage dependency on further US funding. The idea of the project must be generated by the community who must contribute in kind at least 25% and who further must implement the project.

It may be important for VADA to note that SPA funds can be used by religious organizations for "community needs" which are not religious.

Funding Time Frame

Once a community group has conceived a project and a volunteer has developed an activity proposal, the application for funding is sent to the Peace Corps Country Director who is responsible for selection.

Selection and funding must by law be done within one month. This is so because the fund was specifically set up to cut bureaucratic delays and

to act as a mechanism for fast response to community needs.

Financial Procedures

Advances in monetary terms are made to groups directly. It is only in situations where the groups do not have capacity that the advances could go to the locally based volunteer. Presumably the volunteer decides and communicates to Peace Corps Director whether such capacity exists. Advances must be cleared within 90 days.

Reporting

At the completion of a project the volunteer is supposed to complete a project completion summary and evaluation form which includes data on implementation status, achievements, and impact on the community. The consultant assumes that these reports are annual, the timeframe for projects.

Other Volunteer Related Funds.

Peace Corps Volunteers seem to play roles similar to that in SAP for the Ambassador's Fund and the Peace Corps Partnership.

Lessons to VADA.

At a minimum there may be reason for VADA to investigate with Peace Corps whether the volunteers may assist it with proposal, supervision and project completion and final summary if it goes into direct small grant making.

The other lesson for VDA is the speed at which selection and funding is done - one month.

PART 3.
DIRECT FUNDING.

The concept paper specifically requested discussion on sectors to be directly funded for greatest impact.

1. Priority Sectors.

The NGOs and grantees we interviewed put priority on the following:-

- a. Water
- b. Land Use/Soil Conservation
- c. Crop Agriculture/Food Production
- d. Women Income Generating Projects.

The argument is simply that these sectors, in descending order of importance, are enumerated everytime groups request for assistance. It is clear to the NGOs and their grantees that for a long time investing in the four sectors will not lead to saturation for at the moment less than 10-20 of grant applications are funded.

It should be obvious why the sectors have high potential impact. Water projects release a lot of labour (usually female) and make it available for other productive activities and /or leisure.

Land Use/Soil Conservation is new for many NGOs. Yet studies show that most groups were formed to assist individuals to struggle with issues of land use like terracing, gully erosion, opening new land, reforestation introducing new crops etc. Recent research on land use shows that the benefits of catchment based land use improvements, the only viable approach in the longterm, accrue to communities almost as much as to the individual using a specific piece of the land land resource directly. This is a reversal of the tragedy of the commons argument. It is worth paying attention to it for groups have been working on individuals lands as if they understood this new land use planning theory.

Crop Agriculture/Food Production -particularly where projects introduce new production techniques and better nutrition- contribute directly to the health and incomes of communities. If the projects are targetted to the poor, there is increased social benefits. To the extent that it is poor people who band into mwethya (community work) groups delivering projects through these groups will ensure that the social and economic benefits will be high indeed.

Justification for supporting women income generating projects is that any supplementary income to women is likely to be used in the household with tremendous benefits to the health of the family. Where women are the heads of households, this is a significant source of family incomes.

2. Target Organisations for VADA's Direct Funding.

VADA does not have a choice. If it is to go to direct funding, this will mean going to Harambee groups (mwethya groups). These groups have varied needs. The groups themselves are scattered. Most of the time

they require little money. Very seldom do they need Ksh 10,000.

One should also note that in about eight cases out of ten the community groups are owned by women.

3. Procedures for Responding to Mwethya Groups Clientele.

a. Registration.

Perhaps the most important bureaucratic issue is the problem of registration as required by the Co-financing Project. Small harambee groups do not keep the kind of legal documents specified in ANNEXE E of PVO Co-Financing Project Document 615-0236.

They are simply registered by the Ministry of Culture and Social Services. They keep functional "accounts" in ways which Pitman never dreamed of.

b. One Third Co-Financing.

The requirement that NGOs provide one third to qualify for Co-Financing should not be problematic if it is acceptable that this be in kind as is the practice in the SAP Fund. Evidence from all sorts of Harambee studies show that groups usually contribute in labour at least ten times more than what they get from donors as material or financial aid.

c. VADA Staffing.

The real problems in direct funding will be inside VADA. These will have to do with how it gets organised and the type of individuals hired.

To date only one individual with experience in community small grant making has been hired for the Development Fund. That individual did not last there long but was moved to other sections of VADA. There may be others with that experience and interest in other sections of VADA but they are not within the Development Fund.

For VADA to go into direct funding, it is important that those who get recruited will have had experience in community development work - preferably with NGOs.

Four senior people should be initially hired, and added to as the work load increase will dictate. Each should be incharge of one of the identified priority areas ie Water, Food Production, Land Use/Soil Conservation and Women Income Generating Projects.

These individuals should handle the promotion work for the sectors initially. They should be able to handle whatever projects they get and finalise them. This should include proposal writing after getting the usual sketchy requests, selection, screening, appraisal and funding decision.

To supervise the four the Head of the Development Fund should meet with all four in a binding Funding Committee to finalise the selection. The

Head of VADA should be a coopted member of this meeting.

d. From Grant Request to Funding Contract: Procedures.

Selection should legally lodge with the Head of VADA. Functionally he should not handle the process but rather pass it on to the Head of the Development Fund for distribution to the four sector specialists. The sector specialists should finalise all matters concerning the grant

This process should take at maximum ONE MONTH.

e. Contracting .

The contracting officer should be Head of VADA. On the side of Grantees it should be the Chairman of the Group. To ensure coordination with the District Focus process, VADA should consider utilising the Locational Community Development Assistants/Officers, who are the secretaries to the Locational Development Committees to also sign thereby validating the group existence. They would play a tangential supervisory role for the real supervisors will be VADAs sector specialists.

f. Disbursements

For groups with accounts, checks should be made to the groups. Where groups do not have accounts the Sector Specialists should, by consulting the group, identify suppliers and reach an operating agreement of how receipts are to be verified and reimbursed by checks to suppliers. In any case, advances should be accounted for within 90 DAYS.

On no account should cash be passed on directly to the groups.

g. Grant Time Frames.

All grants should be for a period of a year. No group should get more than one grant within the lifetime of the project. This will assure maximum spread of the funding resources as well as limiting collusions.

h. Size of Grants.

The absolute ceiling for a small grant to a mwethya group should be about Ksh. 10,000. If the requests to those interviewed are typical, and I know no reason they should not be, then most will be for amounts between Ksh. 2,000 and Ksh. 5,000.

4. Recommended Direct Funding Structure and Other Donors.

The process described above should be acceptable to other donors for most of them use sector specific program officers to handle funding to community groups.

The only point one wants to stress is that VADA must hire individuals with community group experience, self starters who like to travel (not less than 80% of their working time has to be on the road). Finally VADA must give them corporate support to do the job.

There are many such individuals in the country. However, for them to agree to work for VADA, they must be assured of coherent and fair leadership and institutional professional integrity.

5. Why Direct Funding?

The point about VADA wanting to go into direct small grantmaking was made to me forcefully by officials inside the organisation. It was also broached by Human Resources personnel.

The view of four of the organisations interviewed was that VADA did not have the management capacity, vision and the district/sector specific knowledge to even know where to begin. Those who spoke on the issue cited the problems their colleagues have been having with VADA in developing and funding some projects. They claim, and the consultant agrees, that community grant making is more complicated and calls for more experience and localised knowledge than developing a large grant proposal.

The consultant's view is that it will be easier for VADA, given its relative youth in program development work, the type of personnel already hired and current personnel problems, to first utilise other NGOs for expansion into community groups through indirect small grant making. It should reserve its role in community group grantmaking to any niches it may identify as not being well served by intermediaries in the longterm.

In blunt terms, VADA can serve the sector better by supporting existing NGOs rather than creating a program to reach community groups directly.

PART 4

INDIRECT SMALL GRANT MAKING.

1. State of Small Grants.

a. CIDA.

It was not possible to interview a CIDA grantee for the list was not available.

However one should note that this program has a reputation for being very successful. When requests come in from groups, local or international NGOs, the program officer decides whether they fit into the 19 priority funding sectors.

If they fit, the program officer locates an NGO which is willing to oversight the grant for a 10% of the proposal cost consideration. The NGO systematises the proposal, checks on the group bona fides and forwards the documentation to CIDA.

This system works and the organisation is happy with it. The only reservation is that since only one, albeit very experienced, program officer handles the work, there is little time for monitoring projects in the field.

b. METHODIST CHURCH DEVELOPMENT OFFICE

To date this office has handled development funds which were for projects identified by the church. It is negotiating with several donors to get small grants for onward lending to community groups.

The "grantee" interviewed- Lare Parish Development Group-is one of the many groups found in the new settlement areas of Igembe Division of Meru. In the past it has constructed community water projects. It is slated to get into small business lending once they get the expected small grant.

c. KENYA ENERGY NON-GOVERNMENTAL ORGANIZATIONS (KENGO)

KENGO was initially created to provide technical assistance on energy to other NGOs who did not have the capacity. In its last Annual General Meeting its mandate was extended to include technical assistance in the area of land use thereby expanding from just energy related agroforestry and efficient jiko systems.

The Grantee interviewed was Naibron Beekeeping Women Group in Ng'arua Division of Laikipia District. It has been assisted by KENGO over the last three years.

KENGO does not give direct monetary assistance. Their assistance is in the form of materials and technical expertise.

The Technical Assistance Program gets requests from harambee groups and schools for technical assistance either in agroforestry or efficient jikos. Technical assistance personnel travel to visit the groups to assess their needs and to develop a technical package for the group. During the visit they also determine what material assistance KENGO can make as a grant to the group.

There are specific officers who are responsible for particular districts in KENGO. The one incharge of Laikipia visited Naibron WSHG, discussed with the group its development plans, taught them nursery techniques, marked a nursery site, identified tree species for honey production, identified traditional honey production trees which needed conservation, taught the group how to collect wildings, and resited their modern beehives which were bought with a grant from another agency.

The material grant from KENGO consisted of several thousands of plastic tubes for seedlings, nursery tools and tree seed.

The women in Naibron WSHG were appreciative of the grant but even more enthusiastic of the technical skills they were taught. It is too early to evaluate how this assistance impacts on the honey production for the trees are still small. However in the view of the women and the agricultural officer, resident in the area, the contribution is significant for the area of Sipili was largescale wheatland which was subdivided and there were no trees for fuel and other uses until KENGO introduced treeplanting to this large group. Their activities have spread to other groups.

KENGO is not able to monitor this group or others systematically for travel is expensive. To mediate this problem it has reached a working arrangement with Rural Afforestation Extension Service of the GoK that their field officer watches over the group and transmits requests, problems etc to KENGO.

d. ACTION AID.

The Community Support Program of Action Aid is widely known for small grant making. Action Aid has extensive experience in this for it got into financing tools for village polytechnic leavers before many other agencies. Action Aid gives direct grants and operates a revolving fund. However during the consultancy, the organisation was going through serious staff changes which will probably impact on these programs.

The Community Support Program has field workers who work directly with the groups. They assist groups to plan, and supervise their project implementation. They also determine which aspects of group plans are to be funded by outright grants or by revolving loans.

The grantee interviewed was Kangure Women Tailoring Group in Kagio, Kirinyaga District. It got to know about Action Aid since the agency was assisting a school in the neighbourhood. It initially developed the tailoring project under the auspices of the Action Aid Field worker who pointed out there could be a market as their area is not well served with tailors.

Since 1985 Action Aid has provided it with sewing machines, materials and other equipment worth Ksh.35,440. Half of which was a grant and the other half a revolving loan. It has paid only Ksh.2,500 for Action Aid accepted the business expansion strategy of buying a plot for putting up a shop with rental income rather than repaying. Out of operations the group has generated about Ksh. 434,000 in three years. This income has come from selling school uniforms initially to one neighbourhood school, later to three others, and, most enterprising of all, in the open market.

That is not all. this group initially employed three tailors to sew for them. Now 20 members are able to sew. The group can now go into high volume production. It has also come up with their unique accounting and costing system which explains to each member the benefits and thereby assures group solidarity.

This group is symptomatic of the successes of small grant making. The key is flexibility to group needs. Groups know what they want and how to organise to get there. Not many developers are sensitive to this nuance.

e. DIOCESE OF KITUI: DEVELOPMENT OFFICE.

This office has national reputation for being on the cutting edge of development work. In the last twenty years it has pioneered as varied activities as primary health care, ox-ploughing equipment, water harvesting, improved varieties of food crops, efficient construction techniques, technical training etc. Yet perhaps the one development aspect the office will always be known for is its group training for development. A lot of time and effort has been put into training all groups-not necessarily church groups- on leadership and development.

Any harambee group with a development idea can go to any of the parish offices, get a simple form and fill in what the project is about. Parish priests forward these to the Development Office where professionals incharge of Literacy, Agriculture, Women Groups, and Water receive the requests, process and finalise them and make funding proposals for the Development Committee which meets every three months. The Development Coordinator is available for resolving any programming issues, but, it is the responsibility of the sector specialists to finalise the process.

From request for support to contracting funding is ALWAYS THREE MONTHS for it is policy that no request should go over three months. Legally the Development Coordinator, who reports directly to the Bishop, contracts for small grants. The Development Committee is there to protect the Coordinator and his staff from being pressurised by either the church hierarchy or the public.

The Diocese has operated many forms of grants. We concentrate on its revolving fund. The rules of this fund is that a group has to have 50% of the total cost for which it is seeking the grant. This is a management handle for if a group is not opportunistic, it will collect 50% of the funds.

Terms of repayment are discussed by the specialists with the group until every member agrees. Often this necessitates many meetings and the related extensive travel. This is something the Diocese invests in systematically. Funds are given out in cash to the group at the local parish development center, by a representative of the development office, in cash, for banks are rare in Kitui. All members must be present in this important occasion. This setting assures everybody of the amounts lent, the repayment methods, when and where they are to be made, and the reasons why. Parish development centers normally receive the funds to minimise collection costs to the clients.

Repayments have been 100% and on time. The reason is simply that the Diocese invests heavily in group organising, monitoring and supervision by technical specialists who are always in the field.

The grantee interviewed was Kaathumulani Mukilye Self Help Group in Mutanda Sublocation of Katse Location, one of the remotest parts of the district. This group borrowed from the revolving fund initially to buy household utensils for their members. It repaid this money within the stipulated eight months. It then got another loan for farming equipment (plough and maize grinder). Repayments are about completed. The group is negotiating to get a further loan for putting up improved houses and water tanks.

The first loan was for only about Ksh.100 per person. The second was for about K.sh. 1,000 and the third being negotiated will be for about Ksh. 5,000. In exactly three years these women in one of the remotest parts of the country have learned how to plan and administer their borrowing.

The types of things groups have gone into are not determined by the Specialists. It is the groups who decide what they want to borrow for. Of course many in development would argue that household utensils are not exactly developmental. The women told say that they were a priority so as to assure them of health so as to struggle with the rest of development. This is borne out by their second borrowing. It was for farm equipment.

2.INTEREST IN VADA FUNDING.

a.CIDA is self sufficient in funding.

b.Action Aid was in the middle of major personnel changes. Funding and desired support decisions will be determined by the new director.

c.KENGO initiated discussions on possibilities of support with Head of VADA and the previous Head of the Development Fund as early as August 1986. To some extent that interest triggered this consultancy KENGO is interested in:-

1. Support for building capacity at the district level for they cannot service effectively all the groups which request technical assistance from Nairobi as supervision costs get blown out of reality by the frequent travel and per diem payments.

2. Support for expanding the material aid to groups to enable them to grow more trees, improve land use and finally to produce more energy efficient jikos.

d. The Diocese of Kitui Development Office has problems with the registration criteria for they are not a separate body. If some formula can be worked out on this, they could use more money for operations, water, agriculture, and women income generating activities. They made it clear to me that central in their operations is the idea that groups choose what they want to do. They therefore insist that the funds they get do not get tied to some predetermined activities.

e. Methodist Church Development Office can absorb much more development resources than the others for it is expanding rapidly. The priority areas are in water, agricultural tools and equipment. Discussions with some donors are afoot for establishing a revolving fund to support some small business operations for groups.

3. DESIRABLE VADA ACTIONS.

a. Personnel.

The most urgent issue is to find a head for the Development Fund.

This individual must not only be truly experienced but must have local knowledge of development- particularly community groups. The person must have stature to be seen as an equal by people who run major development operations.

It will be the responsibility of this individual to be in touch with the NGOs who may become the major route for small grantmaking expansion. The person will need to travel to the operational areas of many more NGOs than covered in this consultancy to familiarise themselves with the actual operations.

Inside VADA, there seems to be a feeling that the Head of Development Fund is overburdened. The consultant does not share that view. The job can be done effectively by anybody with good local knowledge and efficient people and office management skills.

If such a person is not found, this bit of the work could be contracted out to some consulting groups who can develop community oriented programs.

b. VADA'S Reputation.

Major NGOs interact frequently in this country. They exchange information in very efficient ways for those issues of concern to them. Without naming them, NGOs wonder whether VADA is serious about support to them since some of the programs which have been developed by the Development Fund have not come to be. The consultant believes that if VADA is to be taken seriously by NGOs, it must begin to fund something. It also must weigh carefully whether it makes sense to emphasize the

training and consultancy aspects now or slow them down so as to build up a reputation for program development.

c. Expanding Existing Programs.

Many NGOs know why they are doing the programs they are in. It probably will be prudent for VADA to fund the expansion of those rather than trying to get NGOs to develop new ones in VADA'S priority areas. Incidentally other than revolving fund, it has been hard for me to get an exact idea from VADA on their priority areas. A revolving fund is a mechanism for doing all sorts of development work. It is not particularly liked by organizations without ground personnel density.

d. Soliciting Proposals and Initial Funding.

At the outset the Development Fund should advertise in public media what sectors it is willing to give small grants.

After that the Head of the Development Fund should visit all the major NGOs and the major church Diocesan/Presbytery/Synod Development Coordinators to explain this as well as other VADA projects.

These should be working visits where the person should make decisions on the road what is possible, from what organisation, and get them to develop documentation.

The primary interest will be to get the program going so initial funding should not be massive. It should be of the order of Ksh.300,000 for a period of not more than a year at the absolute maximum. The minimum should be not less than Ksh.100,000.

Such an aggressive procedure will put pressure on the agencies and give VADA a relatively short period within which to evaluate the various bodies.

e. Sector Specialisation within the Development Fund.

The personnel under the Development Fund should be organised in terms of sector specialisations. If VADA doesnot go into direct small grantmaking it can use existing personnel.

f. Manual for Small Grant Making Procedures.

Within Aid and VADA there seems to be a view that there should be developed a Manual on Small Grantmaking Procedures distinct from the Large Grants Manual which has been approved by AID.

The consultant has tried to probe what the conception behind this is and frankly the argument is not clear.

Arguments are being made that there is need to simplify the large grants procedures so as to facilitate speedy delivery of those grants. The large grants procedures manual mentions that there would be procedures for medium grants but no documentation seems to exist on this.

Perhaps the solution lies in simplifying internal VADA procedures as suggested in the large grants manual and not in categorisation of grant

levels.

For example if KENGO wants a small grant to expand its material support to agroforestry groups in twenty districts, it should apply to VADA. All procedures and methods developed for large grants would be implemented to satisfy AID conditions on whether KENGO existing project passes muster. At that point AID and VADA do not need to know the particular groups for the issue is whether the project as designed by KENGO fits.

Before KENGO is funded, naturally it should develop procedures for VADA to use to oversight the project. If these are acceptable to VADA then funding can be arranged.

VADA during project implementation should be able to send its staff, or consultants acting for itself, to check whether the agreed procedures are being followed.

More specifically, the internal handling of a proposal should be as follows:-

- a. NGO makes application to VADA
- b. Head of Development Fund screens and assigns officer.
- c. Officer responsible organises (including negotiating with NGO) technical and administrative appraisal, selects and drafts contract. Recommends to Head of Development Fund.
- d. Head of Development Fund reviews and forwards to Head of VADA for formal contracting.
- e. Head of VADA contracts.

This system assumes a more streamlined way of working where the Development Fund Head will have officers working and finalising issues without them ending at the top. It has implications for how the other Departments of VADA function with respect to Development Fund activities.

ORGANISATIONS INTERVIEWED

1. VADA.
2. KENGO.
3. CIDA
4. ACTION AID.
5. DIOCESE OF KITUI DEVELOPMENT COORDINATION OFFICE.
6. METHODIST CHURCH DEVELOPMENT COORDINATION OFFICE.
7. NAIBRON BEEKEEPING SELF HELP WOMEN GROUP.
8. KAGURE WOMEN TAILORING GROUP.
9. KATHUMULANI MUKILYE WOMEN SELF HELP GROUP.
10. LARE PARISH DEVELOPMENT SELF HELP GROUP.

Appendix I.

SURVEY OF SMALL GRANTS PROGRAMME

1. Objectives

There are two major objectives in surveying selected small grants schemes of other organisations:

- a) to develop a small grants mechanism for VADA within the context of the NGO Co-Financing Project; and
- b) to develop ideas for a small grants scheme that VADA can implement using funds from other donors.

It is very likely that the VADA small grants programme will utilize two major strategies; direct grant-making by VADA, and indirect grants through the small grants schemes of other NGOs. Thus, the survey should, at the minimum, provide VADA with the necessary information to undertake both of these initiatives, as well as point out other possible strategies.

Direct Grants

Specifically, the survey should provide an understanding of what areas VADA direct grants should focus on (i.e, what sectoral areas are least served with high potential impact), what types of organisations, as well as the mechanics or procedures that best respond to the clientele.

Regarding mechanics, VADA would want to learn what mechanics are optimal, and use these in seeking funding from other donors, as well as how these mechanics can accommodate the requirements of the Co-Financing Project.

Indirect Grants

The survey should examine how well the small grants schemes of other NGOs are functioning: their interest in VADA funding, if their current operations can meet the requirements of Co-Financing or if and how they could adapt to meet the requirements; and formulate concrete steps on how to proceed with soliciting proposals and/or strengthen existing programmes.

2. Sample

The following NGOs will form the sample, which is representative of the broad categories under which they are grouped:

- Umbrella - KENGO, NCKK
- Bilateral - CIDA, Peace Corps
- Church Development Agencies - Maseno South Diocese, Catholic Diocese of Kitui, World Vision International.
- Specialised/Sectoral - Maendeleo Ya Wanawake Organisation, Partnership for Productivity.
- Community level projects - Action Aid.

The following NGOs can be considered as alternates:

CARE (Kenya)
Methodist Church, Meru
Lutheran World Relief
Undugu Society.

3. Survey Content

The following categories of questions will be investigated:

a) Need

- What is the nature of the demand, with respect to:
 - level of funds
 - kinds of projects
 - duration
 - kinds of organisations
- How many projects are funded as compared to the number of proposals received?
- What sector

b) Unmet Needs

- Can the organisation meet all meritorious requests?
- If not, what specifically are they not able to fund?

- What are the area(s) that most need funding that are presently not being met, with respect to:
 - sectors
 - geographical areas
 - kinds of organisations.
- What specific needs are not being addressed by others that VADA could meet?
 - How best can these be met.

c) Procedures

- Does the NGO actively solicit proposals and/or assist with their development?
- What selection criteria are used?
- How is screening carried out?
- How is appraisal undertaken?
- What is the final selection/decision-making process?
- What form of contract is used?
- How are funds disbursed? Directly as cash or indirectly through payment of invoices?
- What is the reporting procedure, timing and content?
- What is the normal duration of funding?
- What is the average time lapse between receipt of a proposal and decision to fund or reject?
- How many people handle the programme, and are responsible for how many grants? How are tasks divided up among staff?

d) Revolving Fund

- What is the demand for this type of funding?
- What is the rationale?
- What experiences exist?

e) Grantees

One grantee of each organisation should be contacted to determine two major issues:

- i) how well the grant-making process works from their point of view with respect to timeliness and general responsiveness; and
- ii) the quality and apparent effectiveness of funded projects.

4. Time Required

Familiarisation,

Develop tools, contacts, planning & scheduling 5 days

- a. Interview six organisations and write up findings @ 1 day per organisation

6 days

- b. Interview one grantee per organisation. Field travel to 6 areas at 1½ days per area

9 days

- c. Prepare and produce report

10 days

Total:

30 days

=====

Appendix 2.

VADA

1

A. WHAT IS A SMALL GRANT?

This consultancy is seeking to understand small grant making .

1. In your opinion what is a small grant?

2. What amount of money?-----

3. For how long a period?-----

4. How is the money accounted for?-----

B. NATIONAL DEMAND

5. In your organisation's view, is there national demand for small grant making? Yes----- No-----.

6. If YES in Q5, is this national demand 'organised' ie do those who need small grants know where to solicit them? Yes----- No-----.

7. If NO in Q5, are grass-root groups getting all the small grants they want and can absorb? Yes----- No-----

8. If YES in 7, what methods are used to reach them effectively? Enumerate.

9. If NO in 7, is it because of the methods being used to reach them or is it because there is not demand for small grants? Explain,

10. Are the main sources for small grants local funds or international funds? Local----- International----- Both-----

11. Are the sources for small grants 'organised' enough to be able to reach all development sectors and areas of the country? Yes----- No-----

12. If NO in Q11, what are the most efficient organisations in making small grants?

District Development Committees

CARE

KENGO

Kenya National Council of Social Services

VADA

Church Development Organisations
 District Cooperative Unions
 Bilateral Donors
 Multilateral Donors
 AMREF
 NCKK
 Other

C. PROJECT TYPES

13. In what sectors are small grants most useful ?

Water
 Crop Agriculture
 Income Generating
 Afforestation
 Soil Conservation
 Animal Agriculture
 Women's Programmes
 Other

D. DURATION

14. What duration of is typical for your organisation's small grants?

1-6 months
 6-12 months
 1-2 years
 2-3 years
 Over 3 years

15. In your opinion what would be the ideal duration for small grants?

1-6 months
 6-12 months
 1-2 years
 2-3 years
 Over 3 years

E. CLIENT ORGANISATIONS

16. In your opinion what types of organisations are the main applicants to small grants programs?

Harambee Groups
 Locational Development Committees
 Maendeleo ya Wanawake Groups
 Divisional Development Committees
 International NGOs
 Family Planning Groups
 District Development Committees
 Parish Development Committees
 Constituency Development Committees
 Church Development Committees
 Income Generating Groups
 Village Development Committees
 Local NGOS

F. FUNDING LEVELS

17. Of all applications for small grants made to your organisation, what percentage is funded?

- 1-10
- 11-20
- 21-30
- 31-40
- 41-50
- 51-75
- 76-100

G. FUNDED SECTORS

18. Of the funded projects, what are their major sectors?

- Crop Agriculture
- Water
- Soil Conservation
- Afforestation
- Women Programs
- Income Generating
- Animal Agriculture
- Other

H. UNMET DEMAND

19. If you give small grants, can you meet all the requests made to you in a year? Yes----- No-----.

20. If you answered NO in Question 19, what is your major constraint in expanding small grant making?

- Availability of Funds
- Own Organisation's Regulations
- Poor Proposals from Clients
- Poor Accounting by Clients
- Problem of Identifying Clients
- Lack of National Organisation
- Other

I. DESIRABLE FUTURE FUNDING

21. Of the activities you are not funding now, what would you like to support in the future through a small grants mechanism? (in descending order)

- 1-----
- 2-----
- 3-----

22. What sectors do you think will need small grant funding in future?

- 1-----
- 2-----
- 3-----

23. What geographical areas/districts need but they are not getting small grants now?

- 1-----
- 2-----
- 3-----

24. What types of organisations can small grants be channelled through in the future?

- 1-----
- 2-----
- 3-----

J. SMALL GRANTMAKING PROCEDURES

25. Does your organisation campaign for proposals and/ or assist clients in developing them? Yes-----No-----

26. Briefly describe how you select proposals for funding.

27. How is screening for projects done?

28. Is appraisal done? Yes-----No-----If yes, describe briefly.

29. How are the final decisions about what projects to fund made?

30. What type of contract is used? Please provide a sample.

31. Do you give clients cash or do they have to spend money and claim with invoices? Cash----- Invoices-----Both-----.

32. How often do clients have to report on their project?

- Monthly
- Quarterly
- Half yearly
- Annually
- Other

33. List the aspects of the project and funds which are supposed to be covered by the reports.

35. How long does it take from the time a proposal is submitted you to the time a contract for a grant is made?

- 1 month
- 2 months
- 3 months
- 3-6 months
- 6-12 months
- Over 12 months

36. How many people are involved processing small grants in your organisation?-----

37. Is that the best way of processing small grants? Yes-----No-----

38. If NO in Q37, which is the best way? Explain.

39. How are the people who handle small grants organised?(organogram)

40. Can you give us the job descriptions of the various individuals who are involved in processing small grants? (Samples)

K. REVOLVING FUND

41. In your opinion is there merit in making small grants through a revolving fund? Yes-----No-----Why?

42. Do you know any revolving fund projects? Yes-----No----. List if YES.

FD16/2/87

Appendix 3

CIDA

MISSION ADMINISTERED FUND GUIDELINES

The Canadian Mission Administered Fund is a programme through which we can directly and quickly respond to a limited number of requests for assistance from community development groups nationwide in Kenya. Possible recipients of assistance include educational and technical institutions, hospitals, agricultural and community cooperatives, self-help and women groups and non-governmental organizations operating in Kenya.

Please read these guidelines carefully and complete the attached questionnaire. Your proposal will, in due course, be reviewed by the Mission Administered Fund Committee, and considered for possible funding. Since our funds for these types of projects are very limited, only a few projects can be approved each year. Refusal to fund a project is not necessarily a reflection on the value of the project. In addition we also try to give a reasonable geographic distribution to these funds.

The project must meet the requirements set out in the guidelines and attached questionnaire, and it will be considered against the merits of other project proposals submitted at that time.

Procedure

If the project receives the recommendation of the committee, the project proposal is passed to the High Commissioner for review. If then approved, the funds will be issued to the recipient organization responsible for the project's implementation and evaluation. Each project will be subject to the terms of agreement between the Canadian High Commission and the recipient, specifying the time frame of the project, the cost breakdown of expenditures, etc. In most cases, the recipient will be a Non-Governmental Organization acting on its own or on behalf of the community group. We strongly recommend that both rural and urban development projects should identify local resources and Non-Governmental Organizations (NGO's) that can assist the project in its planning and implementation. NGO's are quite often in a position to offer technical advice or training opportunities in the project as well as assisting overall financial and administrative management. Furthermore, the NGO can provide guidance if needed, after the project's completion.

It is important to note the following:-

- a) Activities which cannot be financed by the Mission Administered Fund include:
- Construction of buildings or partial funding thereof
 - Administrative salaries, operating costs and overheads
 - Emergency and disaster relief
 - Foodstuffs and medicines
 - Scholarships
 - Pure research
 - Conferences
 - Individuals and their businesses
 - Transportation and storage costs

.../2

- b) Contributions to any project are only given once - additional costs due to unforeseen circumstances will not be considered after the project has been approved.
- c) Brief progress and or end of project reports are required on all projects.
- d) Receipts are required for expenditures on all goods and services covered by the contribution and must be submitted, at the very latest, with the end of project report. This condition must be fulfilled before consideration is given to any other projects being proposed by implementing "NGO's".

QUESTIONNAIRE

GENERAL DETAILS

1. Date
2. Name and title of person responsible for this project:
3. Name and full address (with telephone number, if applicable) of organisation or group submitting this project proposal and which is responsible for completing the project:

4. Site of project:

Village:

Location:

Administrative Division:

District:

Province:

(Please provide a sketch map on the back of this piece of paper showing how to locate your project should we wish to visit it).

5. Costs

Total cost of project: K.Shs.

Amount requested from CIDA: K.Shs.

Amount requested or provided from other sources: K.Shs.
(Please identify these other sources (e.g. Government, Church, etc.)

****Please Note**

If the balance of funds is to be found by fund-raising activities i.e. harambees etc, the project will not be considered unless the funds have already been raised and are guaranteed to be available. The Committee will reject any proposal for partial funding.

6. Has your organization/group ever received assistance from CIDA or any other source before? (Please tick one answer only)

NO

YES

.../2

If YES, when and what did you receive?

Amount:

Date Received:

7. On a separate piece of paper, briefly describe your organization or group under each of the following headings:
 - A. History
 - B. Purpose (objectives/goal)
 - C. Source of funds
 - D. Staff (or volunteers)
 - E. What projects (if any) has your organization already done or tried to do?
 - F. What is the number of women in your organization and their position held?

PROJECT DESCRIPTION

8. Please give a very brief summary of the project and what it will accomplish. Describe the NEED for the project or what problems you hope the project will solve.
9. How does the project relate to the development plans of your community and to your District?
10. Please provide background information on the area and the community which will benefit from this project. Include an approximate breakdown of male/female inhabitants in the community, if possible.
11. Who will be the main beneficiaries of your project? (e.g. students, women, farmers, etc.). If possible include numbers of male/female beneficiaries.
12. Who started the project? Were any of the beneficiaries involved in planning the project?
13. Do you know of any other similar or related projects in your area (District or Province)? (Please tick one answer only).

NO

YES

If YES, please describe it.

PROJECT IMPLEMENTATION

14. When will the project be started, and completed?
15. Briefly describe the steps you will take to put the project into action. (Will construction be involved? Hiring labour?)
16. Please describe what local contributions will be (e.g. labour, cash, materials, land, etc.). Where local labour is involved please state the wages per hour in the area for that labour.
17. What other sources of support do you have for this project, and who will be providing this support (e.g. technical, financial, material?)
18. Are any official or unofficial authorizations needed before the project can proceed or be completed? (please tick one answer only).

NO

YES

If YES, what needs to be authorised, and by whom? e.g. Government Chief, Project Committee, etc.

19. Budget

Please list the costs of the project:

K.Shs

- e.g. - construction
- equipment
- training
- administration etc

In the above, please show how the CIDA requested funds are to be spent

.../5

20. Do you know of a local Non-Governmental Organization which can assist you with this project (e.g. NCKK, NCWK, Mennonite Central Committee, etc).

Appendix 4: CIDA FUNDING SECTORS.

- 01 - Agriculture,
- 02 - Education,
- 03 - Energy,
- 04 - Fisheries,
- 05 - Forestry,
- 06 - Health and Nutrition,
- 07 - Population and Human Settlements,
- 08 - Mining and Metallurgy,
- 09 - Communications,
- 10 - Transportation,
- 11 - Water and Sanitation Infrastructure,
- 12 - Geographical Surveys,
- 14 - Industry,
- 15 - Institutional support and Management,
- 17 - Economic and Financial Support,
- 18 - Human Resource Development,
- 19 - Women in Development.

CIDA

Appendix 5.

MISSION ADMINISTERED FUND - Project Number _____

END OF PROJECT REPORT

1. Country: _____ Mission Responsible: _____
2. Name of Project: _____
3. Recipient Organization: _____
4. Objective of Project: as originally noted in Project Approval Document
5. Was objective achieved: Fully _____ Partially _____
(Explain in quantifiable terms where possible. Specify the female/male participation and the number of women in management in decision-making positions)

Identify any unanticipated benefits derived from project:

- 2 -

6. Description:

(a) Identify project inputs provided by Canadian project and any difficulties encountered and steps taken to overcome these -

(b) Identify and quantify outputs resulting from project -

(c) Explain any deviations from original implementation plan and disbursement profile -

- 3 -

7. Cost: (a) What were original costs for project Cdn Component _____
Others (Specify) _____

(b) Was project completed within cost estimate? If not how were
additional costs covered?

8. Comments/Observations:

Appendix 6.

ACTIONAID JOB DESCRIPTIONS.

JOB DESCRIPTION

(CSP)

- I.
- | | | | |
|-------|--------------------------|---|---|
| (i) | <u>POSITION</u> | : | Assistant Regional Supervisor (CSP) |
| (ii) | <u>REPORTS TO</u> | : | Regional Supervisor |
| (iii) | <u>REPORTED TO BY:</u> | : | Senior F/Ws and FW's |
| (iv) | <u>WORK CLOSELY WITH</u> | : | Various CSP Scheme Officers |
| (v) | <u>MEMBER OF</u> | : | - Regional PCG |
| | | | - Regional Administration Group (RAG) |
| | | | - Planning and Implementation Group (PIG) |

II. GENERAL RESPONSIBILITIES

- Ensuring efficient management and development of the CSP schemes in the region.
- Participating in the deliberations and meetings of the regional management team.
- Liaising and working closely with other Programme's management personnel in the region as well as the various CSP scheme officers in order to ensure that the various projects of CSP receive the attention needed to achieve their aims and objectives.
- Carrying out all other tasks as the Regional Supervisors. Head of CSP and the Kenya PCG, may, from time to time assign.

III. SPECIFIC RESPONSIBILITIES

(i) PLANNING

- Together with the ^{regional} field staff and others concerned, producing comprehensive plans and budgets of the CSP projects in the region, on a regular basis as often as the Kenya PCG may determine.

(ii) IMPLEMENTATION

- Ensuring prompt implementation of the approved plans, while monitoring and reporting on progress.
- Ensuring adequate and timely supplies of the inputs required by the various projects and contact groups as per the plans.
- Supervising, advising and guiding the ^{programme} field workers.
- Ensuring that adequate records of inputs, loans and repayments, are maintained and reported on as required
- Monitoring project progress.

(iii) TRAINING

Planning and Coordinating Programme: Trainings

- Organising, facilitating and carrying out training of the contact group and their volunteer leaders in the areas of their activities.
- Liaising and working closely with the relevant government departments to ensure their involvement in such trainings where necessary.
- Assessing the training needs for the field staff and organising such training.
- Participating in inter-regional trainings from time to time.

(iv) REPORTING

- Preparing periodical progress reports on the activities of CSP in the region, as laid down by the Kenya PCG

COMMUNITY SUPPORT PROGRAMME - JOB DESCRIPTION

TITLE : Regional Incomes Officer
REPORTS TO : FEWs Head of Schemes
LIASES WITH : RS, ARS-CSP, RPCG

RESPONSIBILITIES

- Ensuring efficient management and development of all income-generating activities within FEWs in their area of work.
- Liasing and working closely with RPOGs, other Scheme Officers in matters relating to the development of income generating activities of the contact groups.
- Liasing with the Government, NGOs and other bodies concerned with the promotion of income generation activities.

SPECIFIC RESPONSIBILITIES

- In conjunction with Nairobi and the region conducting social-economic baseline surveys to determine community needs.
- Assisting contact groups to select viable and sustainable projects by conducting economic feasibility studies.
- Taking a lead in planning, organising and conducting trainings for FEWs staff and contact group officials.
- Making follow-ups to group projects in order to ensure their proper implementation.
- Planning and budgeting with the CSP, ARSs and F/Ws in accordance with AA-K's planning framework.
- Undertaking other such duties as may be assigned by FEWs Scheme Head.

/gw

Community Support Programme: Job description

Title : ~~Senior Fieldworker-health~~ Health Officer.

Reports to : ARS-CSP

Liaises with: CSP F/W, SCAM, GOK and other agencies

Responsibilities

- Ensuring efficient management and development of health activities within the Family Education and Welfare Scheme.
- Liaising with the Government, NGOs and other bodies concerned with the promotion of community based health care.

Specific responsibilities

- Taking a lead in planning, organising and conducting trainings for health volunteer leaders (mama afyas) and contact group members in order to improve the health of the families and communities with whom AA-K is working.
- Translating course content materials provided for mama afya trainings to meet specific Regional needs.
- Making follow-ups to mama afya's homes in order to encourage the adoption of knowledge and skills acquired in trainings.
- Planning and budgeting with CSP F/Ws in accordance with AA-K's planning framework.
- Undertaking other such duties as may be assigned by the ARS-CSP and RS.

7/10/85

.sk

JOB DESCRIPTION

- I. (i) POSITION : Scheme Health Officer
(ii) REPORTS TO : Head - FEWS
(iii) REPORTED BY : -
(iv) WORKS CLOSELY WITH : RS's, ARS (CSP), Other CSP Scheme Officers
(v) MEMBER OF : CSP - PCG

II. GENERAL RESPONSIBILITIES

- Ensuring efficient management and development of the health education aspects of the Family Education and Welfare Scheme.
- Ensuring efficient management and development of the Primary Health education activities in schools.
- Participating in the deliberations and meeting of the Scheme officers and the CSP PCG.
- Liaising and working closely with the Regional PCG's in matters relating to the development of Community and school based primary health activities.
- Liaising with the Government, NGO's and other bodies concerned with the promotion of primary health.
- Carrying out all other tasks that the Head of FEWS, Head of CSP and the Kenya PCG, may from time to time assign.

III. SPECIFIC RESPONSIBILITIES

(i) STAFF

- Jointly with the Head of FEWS, taking appropriate measures to ensure that there are adequate numbers of suitable staff to carry out the activities related to health education.
- Jointly with the Head of FEWS, planning and organising the necessary training for the staff and ensuring that they have adequate facilities to carry out their work.
- Preparing regular, comprehensive staff position reports and participating in the staff review meetings.

(ii). PLANS, BUDGETS AND REPORTS

- Jointly with the regional management teams, preparing regular plans and budgets relating to the health aspects of the Scheme.

- X - Preparing periodic reports on the health aspects of the Scheme.
- Maintaining a constant review of the plans and budgets to ensure adherence to these by the regions and reporting on progress regularly.

(iii) TRAINING

- Assessing the training needs of the contact groups and the volunteer leaders of the various groups, planning for and jointly with the regional staff, organising and running such trainings.
- X - Preparing materials and other inputs needed for such trainings and ensuring their being available to the trainers and the groups receiving such training.
- Involving teachers in such trainings to maximise the impact of Primary Health Care in schools.

JOB DESCRIPTION

- I.
- | | | | |
|-------|---------------------------|---|---|
| (i) | <u>POSITION</u> | : | Head - Family Education & Welfare Scheme (FEWS) |
| (ii) | <u>REPORTS TO</u> | : | Head - Community Support Programme (CSP) |
| (iii) | <u>REPORTED TO BY</u> | : | Scheme Officers (2) |
| (iv) | <u>WORKS CLOSELY WITH</u> | : | RS's, ARS's (CSP) |
| (v) | <u>MEMBER OF</u> | : | CSP - PCG |

II. GENERAL RESPONSIBILITIES

- Ensuring efficient overall management and development of the Scheme.
- Participating in the deliberations and meetings of the CSP PCG.
- Liaising and working closely with the Regional PCG's in all matters relating to the Scheme.
- Liaising with the Government, NGO's and other bodies concerned with relevant interests of the Scheme.
- Carrying out all other tasks that the Head of CSP and the Kenya PCG, may from time to time delegate.

III. SPECIFIC RESPONSIBILITIES

(i) STAFF

- Taking appropriate action to ensure that the scheme is staffed with sufficient numbers of suitable staff.
- Ensuring that staff do receive the necessary training and have appropriate facilities to enable them to be efficient and effective in their work.
- Preparing regular comprehensive staff position reports and participating in the staff review meetings.

(ii) REPORTS, PLANS AND BUDGETS

- Preparing periodical and annual reports on the work of the Scheme.
- Preparing regular plans and budgets of the Scheme.
- Maintaining a constant review of the plans and budgets to ensure adherence to these.

(iii) TRAINING - CONTACT GROUPS

- Preparing materials for use in training of the members of contact group and members of the effected Communities in the relevant fields of the Scheme work.
- Planning for and ensuring facilitation of the trainings.

- Preparing, detailed reports on the training courses run.

(iv) SPECIAL FUNDING

- Ensuring that the scheme has sufficient funding to carry out its various activities by, in consultation with the Head of CSP, preparing proposals for non-AA-K funding.
- Preparing the special reports required for the donors of any such funds, as required.

JOB DESCRIPTION

I	(i)	POSITION	:	Scheme Training/Incomes Officer
	(ii)	REPORTS TO	:	Head of FEW's
	(iii)	REPORTED TO BY	:	
	(iv)	WORKS CLOSELY WITH	:	RS's, AR's, CSP F/W's and othe Scheme Officers
	(v)	MEMBER OF	:	CSP PCG

II GENERAL RESPONSIBILITIES

- Taking a lead in the drawing up of training plans, running of such trainings and reporting on these, for the whole of CSP.
- Ensuring efficient management and development of all income generating activities within FEWs.
- Participating in the deliberations and meetings of the Scheme Officer and CSP PCG
- Liaising and working closely with Regional PCG's other Scheme Officers in matters relating to the development of income generating activities of the contact groups
- Liaising with the Government, NGO's and other bodies concerned with the promotion of income generating activities
- Carrying out all other tasks as the Head of FEW's, Head of CSP and the Kenya PCG, may from time to time assign.

III SPECIFIC RESPONSIBILITIES

(i) STAFF

Jointly with the FEWs Head, taking appropriate measures to ensure that there are adequate and suitable members of staff to carry out the necessary work related to income generating activities of the Scheme's contact groups.

- Assessing the schemes training needs, arranging these trainings in consultation with the regional teams, as well as BESP and STEPP staff concerned.
- Ensuring that concerned staff have adequate facilities to carry out their work.
- Preparing regular, comprehensive staff position reports and participating in the staff review meetings.

(ii) PLANS, BUDGETS & REPORTS

- Jointly with the regional management teams, preparing regular plans and budgets relating to income generating activities including agricultural projects.
- Preparing periodic reports on the various aspects

of the Scheme's income generating activities including loans and loan repayments

- Maintaining constant review of the plans and budgets to ensure proper implementation by the regions and reporting on progress on a regular basis.

(iii) TRAINING

- Assessing the training needs of the various contact groups and the volunteer leaders of the various groups, planning for and jointly with the regional staff organising and running such trainings.
- Preparing materials and other inputs needed for such trainings and the attendant follow-ups and ensuring their availability in good time
- Involving the relevant Government Officials and others concerned in running such courses

Appendix 7

ACTION AID

GUIDELINES FOR USING THE NEW PLANNING AND LOANS SYSTEMS FOR FIELDWORKERS

1. Introduction

These guidelines have been written to help you to understand the two new systems. One way is designed to help groups plan projects and the other is a new approach to providing loans.

(When we talk of 'groups' we mean all of the kinds of projects which ActionAid-Kenya works with. So the 'groups' will include 4K advisory committees, Young Farmers Training Centre Committees, CSP contact groups and so on).

You need to understand these notes and become familiar with the systems before you begin the process of introducing them to the groups with whom you work. You will not manage to convince anybody that they are better systems, or help a committee understand how they work unless you are completely clear about the way they operate. If you do not understand any part you should talk to your Head of Region, Assistant Head of Region or Senior Fieldworkers BEFORE you begin to introduce these new systems to the groups which you work with.

2. Why do we have the new planning and loans systems

The new ways of planning projects and providing loans to groups are designed to reduce a group's dependence upon ActionAid-Kenya. We are trying to help each group to become more self reliant. The new systems attempt to do this by:

- a. Ensuring that the committee of a group does the planning itself, instead of relying on the fieldworker to do it for them.
- b. Ensuring that the committee of a group prepare plans SEPARATELY from a budget so that plans stop being shopping lists.
- c. Ensuring that the committee utilises more of the community's own resources and find their own inputs for projects instead of relying on ActionAid-Kenya to supply all.
- d. Ensuring that loans really are loans and therefore must be repaid.
- e. Making the committee not the fieldworker responsible for administering a loan.

The new systems will be beneficial in other ways as well.

- f. The planning system will encourage groups to develop clearer and more practical projects relevant to their own area and needs.
- g. The loans system will be much simpler to understand and to use.
- h. Loan repayment will be higher.

3. So what do we do?

First you study these notes and work through a few practise examples. Once you have become fully acquainted with both the new planning system and the new loans system you may start introducing them to the groups which you assist.

You should introduce these new systems to the groups by giving the committee a talk. You will prepare this talk from the notes which are entitled "GUIDELINES FOR USING THE NEW PLANNING AND LOANS SYSTEMS - for groups". A copy is enclosed and they are the same as the following details except that they have a different introduction. Once you have given this first talk and are sure that the committee understands what is involved you should help the committee prepare a similar talk so that they can brief the rest of the group. The second talk from the committee to the group must be given by the committee, not you.

4. The steps in planning and budgeting

a. Planning

You should encourage the committee to begin planning NOW, and not wait until the usual time of February and August. Planning is a long process especially if ALL of the committee participates fully. There will still be date given by Nairobi to the Regional office as a deadline for sending plans etc to the various programme heads but incompleted plans can be worked on and carried into the next period. There is no hurry, and it is more important to prepare good workable plans over a longer period of time than produce poor quality plans in a hurry.

To help the group to plan there are some guidelines called "NOTES TO ASSIST GROUPS IN PLANNING PROJECTS". These guidelines should be used for any project whether home-based or demonstration, new or old (i.e continuing). All of the questions in these notes should be answered, so the planning of a project will probably take more than one meeting.

The fieldworker should stress to the group that if the project is going to be expensive, the group will still be paying for most if not all of it. (Remember that loans are really loans and in the future they must be repaid).

Also, the fieldworker must remember that he or she will not only guide the planning process, and will not be doing the planning on behalf of the group.

NB. At this stage the group SHOULD NOT PREPARE ANY BUDGET. There are no reasons for calculating out all of the detailed costs at this stage except to provide an estimate of the profitability of the project. This information on profitability is included in the answers to the questions in the "NOTES TO ASSIST COMMITTEE IN PLANNING PROJECTS".

Once the plans have been prepared the group should send them to the Regional office requesting advice. If the staff at the Regional office say that they are good plans they will return them to the group with copies of the "BUDGET SHEET" and the "PROJECT BUDGET ANALYSIS" so that the group can move to the next stage. If the Regional office think that the plans are not complete or that

changes should be made then notes and comments will be made and then the plans returned to the group.

The group should then rewrite or modify their plans in the light of these suggestions then send them to the Regional office again. Only when the plans are good and complete will the group be encouraged to move to the next step.

h. Preparing a budget.

Once the plans are in a satisfactory form the group may need to prepare a budget. Preparing a budget is NOT just writing a list of things wanted from ActionAid. In working out what inputs are required for each project, the group should discuss how they can obtain them, and if they do request some items from ActionAid they should remember that they will be paying for them as a loan.

NB. At the end of the first year of operation of the new loans system the group must have paid back a certain proportion of the total loan taken for that period. If they have not paid back to specified proportion of the loan they will not be able to get an ActionAid-Kenya loan for the next year.

To help the groups to work out what inputs they need, where they will get them and the costings for the projects a "BUDGET SHEET" will be provided. This "BUDGET SHEET" is what the group should use to draft their first analysis of inputs, sources and expenditure.

(The back of the sheet is for explanation i.e sources of inputs, calculation of quantities needed etc).

So the "BUDGET SHEET" is the rough work and when it is completed the group should transfer the budget information to the "PROJECT BUDGET ANALYSIS". On this form the group will show all of the inputs that they need, indicate what they will provide and, if relevant, what they would like ActionAid-Kenya to provide on loan.

Once the "BUDGET SHEET" and the "PROJECT BUDGET ANALYSIS" forms have been filled they should be sent to the Regional office with the plans which have already been accepted. The Regional office will study the budget with reference to the plans and will give advice and comment upon what the group is asking ActionAid-Kenya to provide on loan (if anything is requested). If the budget is sensible and good it will be returned to the group with a "PROJECT LOAN APPLICATION FORM" and a copy of "THE WHAT WHEN WHO FORM" so that the group can go to the next step. If the regional office is not happy with the budget then the group should rework it in the light of the advice given, and send it to the office again.

NB. Not all projects will need a loan. In fact we want to give less loans in the future - besides not all clubs will need a loan; they may be able to supply all of the inputs themselves. If a group does not want a loan it is still best that they send their budgets to the Regional office for advice because the ActionAid-Kenya staff may be able to make suggestions for better inputs or suggestions which may save the group some money.

c. Obtaining inputs from ActionAid

If the budget is accepted the next stage is preparing "THE WHAT WHEN WHO FORM". This gives a breakdown of what materials are to be obtained (and in what quantities), when they will be obtained and who will provide them. It is like a timetable of inputs and instead of ActionAid-Kenya supplying them all, the group should specify different sources for different things. "THE WHAT WHEN WHO FORM" is prepared from the plans, from the explanations on the "BUDGET SHEET" and the information on the "PROJECT BUDGET ANALYSIS". The group, if requesting a loan, should also complete the "PROJECT LOAN APPLICATION FORM".

Then, all of the work prepared so far should be sent to the Regional office for approval i.e the "PROJECT BUDGET ANALYSIS", "PROJECT LOAN APPLICATION FORM", "BUDGET SHEET", "PROJECT BUDGET ANALYSIS" and the plans. Again, the Regional office will study them and either accept them or suggest further modifications.

d. Administering the loans system

If a loan is provided, it will be given to the committee or group as a whole. The group will be responsible for administering the loan to the individual group members so individual loan records will not be kept by ActionAid-Kenya or the fieldworker. In fact there will be only one record needed for the group and this will be on the "CLUB RECORD" and will serve all projects i.e not one per project but one for a group covering all of the projects which the group has. Therefore the group will receive the inputs and then be responsible for giving the members the individual loans. The group will keep their own records using an exercise book (No cards). The exercise book could be laid out as shown in the diagrams "SUGGESTED LAYOUT FOR GROUP RECORD BOOKS". The group will also be responsible for collecting the loanes repayment and repaying the loan to ActionAid-Kenya. Loan repayment will also be recorded on the "CLUB RECORD CARD".

e. Repaying the loan

As a group repays a loan they will ask the fieldworker to bring the receipt book from the Regional Office. There will be one receipt book per group - ONLY ONE - and it will be kept in the regional office until it needs. If a fieldworker carries a receipt book to a group he should sign for it and return it with the loan repayment as he has collected.

When a fieldworker receives money for loan repayment from the group he will write a receipt, sign it and give the top copy to the group for their safe keeping. Then he or she will take the book and the money to the Regional office where the Head of Region or Regional Clerical Officer will sign the two remaining copies and the third will remain in the receipt book.

5. So what makes these better systems

The new planning and loans systems have many advantages to both the new community and to ActionAid-Kenya. These include:-

- a. Less reliance on ActionAid-Kenya and the fieldworker to plan, to budget and to administer a loans system.

b. Less forms for us to fill in.

c. Better planning (and planning which is more relevant to the needs and resources in a community).

d. More effort by communities to find the inputs they need for projects.

e. Loan repayment will be higher

f. More self reliance and better local leadership

It will also make the fieldworkers job more interesting.

Appendix 8

- 6 -

NOTES TO ASSIST GROUPS IN PLANNING PROJECTS

1. Introduction

This is a checklist or series of points which you as a committee should answer as you begin to plan a project. You should draft your plans around these points for any project whether it is:-

- a demonstration unit you wish to start
- a demonstration unit which already exists
- individual home-based projects
- other group projects

The checklist is provided to help you to plan more effectively and to develop projects or ideas for projects which are relevant to your area and to your needs.

NB. It is important that at this stage you only do the planning. D NOT PREPARE A BUDGET YET. Until you have prepared good, workable and appropriate plans there is no need to budget the project. First you should develop ideas of what you want to do, why you want to do it and how you will implement it.

2. The checklist

The committee should discuss all of these points and then record their ideas on paper. Only short explanation to these questions are needed, but don't make them too brief or you may lose the ideas you have developed in a poor answer.

- a. What kind of project are you planning
- b. Describe the project i.e what will the project consist of?
- c. Why are you going to start this project?
- d. When are you going to start this project?
- e. Wh will benefit from this project?
- f. Describe how this project is suitable to your land and climate
- g. Describe how the project will improve the farming and/or way of life in your area.
- h. List the resources in your area which you can use in this project.
- i. Suggest how much profit you can make from this project and explain how you have calculated this.
- j. What is the name (or names) of the person who will organise the work of starting this project?
- k. List the steps in chronological order for starting the project and what is the name of the person (or group of people) who are going to carry out the work at each step?

/gw

ACTION AID

NOTES TO ASSIST GROUPS IN PLANNING PROJECTS

Introduction:

This is a checklist or a series of points which, you as a committee, should answer as you begin to plan for projects. You should draft your plans around these points for any project whether it is:

- a demonstration unit you wish to start
- a demonstration unit which already exists
- members home based projects

This checklist is provided to help you to plan more effectively. Once you have prepared these initial plans you should send them to the ActionAid regional office to get their advice. If they feel that your plans are good, then you should prepare a budget using the BUDGET PLANNING SHEETS, if you do have any costs for the projects. If they suggest changes etc. to your plans you should consider their advice, modify your plans and send them to the office again. Only when you have produced good plans should you begin to budget for the project.

The checklists:

The committee should discuss all of these points and then record their ideas on paper. Only short explanations to these questions are needed, but don't make them too brief or you may lose the ideas you have developed in a poor answer.

1. What kind of project are you planning?
2. Describe the project.
3. Why are you going to start this project?
4. When are you going to start this project?
5. Who will benefit from this project?
6. Describe how this project is suitable to your land and climate.
7. Describe how the project will improve the farming and way of life in the area.
8. List the resources in your area which you can use in this project.
9. Suggest how much profit you will make from this project and explain how you have calculated this.
10. Who will organise the work of starting the project?
11. List the steps in chronological order for starting the project.
12. Who is going to carry out the work at each step?
13. Who will organise the work of running the project once it is established?
14. Once the project is established who will be responsible for the day to day duties?

15. Who will teach the group the skills involved in this project?
16. How will this person polish his/her skills in this field and when?

Note:

This work may take more than one committee meeting. An example of this planning exercise is enclosed with these notes.

/ck

ActionAid-Kenya
P.O. Box 42814 NAIROBI

BUDGET SHEET

Name of group: _____ Date: _____

Title of project: _____

When started / to be started: _____

[illegible]

PROJECT BUDGET ANALYSIS

Name of group: _____ Date: _____

Title of project: _____

When started / to be started: _____

[illegible]

Total cost of project: _____

Total sum requested: _____

When started / to be started : _____

[illegible]

Appendix 12

ActionAid-Kenya
P.O. Box 42814 NAIROBI

PROJECT LOAN APPLICATION FORM

Name of group _____

Date of application _____

We wish to apply for a loan from ActionAid-Kenya to the value of Kshs: _____

The project is called _____

and was started/will be started _____

We have attached a copy of our plans which we have discussed with the
ActionAid-Kenya regional office in _____

We also enclose a copy of our budget

We guarantee to pay back this loan in full by _____ 19____

Signatures of the members of the committee

Chairman _____

Treasurer _____

Secretary _____

Volunteer Leaders 1. _____

2. _____

4. _____

Approved by Regional Office

Date received: _____

Signature of approving staff member: _____

Notes:

Loan repayments.

[illegible]

K.E.N.G.O. Kenya Energy Non Governmental Organisation
Appendix 14.

T.A.P. Material Distribution Form:

Name of Organization Nakborom Bee Keeping Women grp
Address Box 10 Kunamba
Location Sipili
Division Ngara
District Laukipis
Date 17-2-86

Material Assistance Given:

- a Shovel
- b 2000 polybags
- c 1 watering can
- d _____
- e _____
- f _____
- g _____
- h _____

Any other assistance:

posters
brochures

Comments:

need water assistance. To send
projects reports to be forwarded to
(V.A.D.A.)

Signature of receiving Person: [Signature] (CSA)

Signature of issuing officer [Signature] Date 17/2/86

U.S. Peace Corps.

Appendix 15

INFORMATION FOR PEACE CORPS/KENYA
VOLUNTEERS ON FUNDING SOURCES FOR
LOCAL PROJECTS:

1. THE PEACE CORPS/USAID SMALL
PROJECTS ASSISTANCE (SPA) FUND
2. THE AMBASSADOR'S SELF-HELP
FUND
3. PEACE CORPS PARTNERSHIP
(SEPARATE BROCHURE)

EXPLANATION AND APPLICATION PROCEDURES

FOR THE PEACE CORPS/USAID.

SMALL PROJECT ASSISTANCE (SPA) FUND

I. Background:

In January, 1983, Peace Corps Director Loret Miller Ruppe and AID Director M. Peter McPherson signed a memorandum of Understanding (MOU) on the establishment and use of the Small Project Assistance Fund. The SPA fund is one result of the efforts of both agencies to ensure that their separate resources most effectively contribute to the attainment of their shared development objectives. Specifically, SPA grew out of an opportunity identified by both Peace Corps and AID field staff to support low cost, high impact projects at the village level. These projects would be developed and implemented by Peace Corps Volunteers working with local community members. This approach would facilitate local self help efforts by combining the PCVs knowledge of local conditions and established working relationships at the community level with AID resources.

In Fiscal Year '83, AID provided to the Peace Corps in each of 38 countries served by both AID and Peace Corps, \$40,000 for the SPA fund. Although Peace Corps has some reporting requirements to AID and AID assists in the overall administration of the fund, the money earmarked represents essentially a direct grant to the Peace Corps. Approval authority for projects submitted rests with the principal Peace Corps officer in each country. Each country in which SPA funds were made available negotiated application and approval criteria. In FY '84, the SPA was renewed for an additional \$40,000 for use in the current and succeeding fiscal years. An additional \$40,000 is also available from FY '85 funds.

Another critical component of this SPA fund is that it is designed to provide funding quickly to address critical problems. The application and reporting requirements are simplified to provide speedy funding of worthwhile projects.

Finally, as part of SPA, AID has provided Peace Corps/Washington PASA (Participating Agency Services Agreement) funds to enable Peace Corps to provide technical and programming assistance to activities supporting the SPA fund. Normally, Peace Corps Volunteers will only be concerned with the country specific SPA fund, although technical assistance for a project may be requested as part of a SPA proposal.

II. Approval Criteria:

For SPA funds to be granted, the following project approval criteria must be met.

- A. Although there is some flexibility in interpretation, SPA funds can only be used for projects that support food production, energy (production and/or conservation) competitive enterprise development and income generating activities. (examples include vegetable or small animal production, fuel efficient stoves, production of energy saving devices, irrigation projects and projects which are geared toward the generation of income).
- B. The activity or project must be scheduled for completion within one year of its commencement.
- C. The estimated contribution of SPA funds toward completion of the activity must not exceed \$10,000.
- D. The activity must not encourage reliance on U.S. assistance.
- E. The activity must be conceived and implemented in conjunction with a local community organization or group. For Peace Corps/Kenya, this also means that the local community should contribute at least 25%

of the activity's cost in "in-kind" (labor or material support) or financial input.

Note: Peace Corps Volunteers should continually keep in mind that PCVs are not in service to "do for" but rather to help build local self-help capacity. An activity that results in the Volunteer performing all the work and financial accountability may be personally satisfying to the Volunteer, but will have little long term positive effect on the community.

- F. The PCV submitting the proposal must have been on site for at least 3 months and have at least six months remaining on site following disbursement of funds.

III. Funding Restrictions:

The following types of projects cannot be funded through SPA:

1. Projects that support educational, religious, cultural, sports or recreational activities.
2. Projects cannot assist purely religious activities. Funds can be allocated, however, for activities which are supported by religious organizations as long as the project serves the needs of the community and not just religious group.
3. Funds cannot be used to finance police, military or prison program activities.
4. Funds cannot be used to exclusively support educational facilities, an educational student group or educational support service such as a school library (except as indicated in IIB above).

- B. Between the criteria and limitations on the use of SPA funds, there are several types of activities which may or may not be undertaken, depending on the nature of the activity. Those arising most often are as follows:

1. Training:

Training would not normally meet the SPA criteria because only a very limited number of people benefit directly from such training. However, providing or financing the practical training costs of a local official, of a community member, or of a PCV SPA project manager as an integral part of an overall local community development program could be a legitimate SPA activity. In such cases, the potential multiplier effect is to be the determining factor in deciding whether or not such proposal generally meets the SPA criteria.

2. Personal Services:

The financing of personal services is normally discouraged. However, financing the personal services of a local artisan or a local professional in certain cases may enhance the success of a SPA activity. The securing of such personal services must be restricted to a local source or, at most, must be from within the cooperating country. These services are to be short term normally, for example, 90 days or less.

3. Vehicles:

Under most conditions, SPA funds are not to be used to purchase vehicles. However, there may be times when a SPA activity may legitimately require the

4. The expected specific impact and how the impact will be observed and measured, including estimated number of beneficiaries.
5. A detailed operating budget that includes a description of all costs associated with the project. The budget must demonstrate how the community is contributing at least 25% of the total costs. The community's contribution can be either in cash, materials or "in-kind" (labor). Exactly how much in Kenya shillings is required from SPA funds should be clearly stated. The IAA should clearly state to whom the SPA check(s) should be issued. See V disbursements.
6. Where applicable, a statement of any technical assistance required to design or implement the activity.

D. Upon receipt of the IAA, the RPPCD will review it to assure it meets all technical requirements. A site visit may be required for this assurance. Upon review and concurrence the RPPCD will submit the IAA to the SPA coordinator (currently Deputy Director Robert M. Jackson). The SPA coordinator will seek the approval of the Peace Corps Director and submit the IAA to AID for approval and funding.

V. Fund Disbursements:

- A. Upon concurrence for the IAA by AID, a copy of the IAA will be returned to Peace Corps indicating availability of funds. Upon receipt of funds, the Peace Corps SPA will disburse the funds to the local community organization and/or PCV. The check will be accompanied by a letter explaining accountability, reporting requirements and a receipt tracking form.

To ease financial accountability and minimize Volunteer liability; it should be specified clearly in the IAA to whom the check(s) from SPA should be issued. In order of preference:

1. Direct payment to vendors. For material purchases, when possible, the IAA should include a Pro-forma Invoice from the vendor(s) to supply the necessary materials. AID will issue the check(s) in the vendors name. Upon delivery of the check, the local community representative and/or PCV can pick up the materials and retain an original receipt for reconciliation.
2. Grants to the local organization. If the local organization has the necessary financial management capability (or instructing such is part of the project) grant funds may be disbursed directly to the local organization. It is generally desirable to establish a project account at a local bank to provide a suitable accounting mechanism. It may also be advantageous to have a joint account with the local organizational representative and PCV approving all disbursements.
3. Disbursements to Peace Corps Volunteers. This method should only be used when the local organization has no financial management capability.

B. Proof of Accountability:

The following general procedures and guidance should be followed in all cases:

1. Invoices should be obtained from vendors. Invoices should be legible, in English, and

contain the name of the vendor, the date, each item purchased, cost per item and total amount. The invoice should also contain the name of the purchaser.

2. For goods and services where receipts are traditionally not used, e.g. day laborers, receipts should be made and signed by the PCV or local community representative and countersigned by vendor/laborer if possible.
3. Excess funds received should be returned to the SPA Coordinator for transmittal to AID immediately upon completion of the activity.

Inadequate documentation will result in suspension of activity financing. Funds advanced but not properly substantiated must be repaid to AID by the individual responsible for disbursements (i.e. the local community organization and/or the Volunteer).

VI. Activity and Financial Reporting Requirements:

- A. If the proposed activity implementation period is less than 30 days, no interim reporting is required. Only a final report, or activity completion notification is required. The PCV is a brief written notification indicating that the activity's purpose was fulfilled. Any significant deviation from the original purpose should be explained. See project completion report (ACN) attached.
- B. For activities more than 30 days duration, interim progress reports should be submitted at least at 30 day intervals. If a portion of the funds have been spent by such time, receipts accounting for the expenditures may

also be submitted so the balance of unliquidated funds is reduced. Receipts should not just be put in an envelope and sent to Peace Corps. A clear accounting of what the funds were used for is required. Please use the accounting summary sheet (attachment C: clean copy to be supplied if IAA approved).

- C. Amended IAAs may be submitted to the Peace Corps SPA Coordinator to adjust the obligation for unforeseen financial changes up to the maximum limit of \$10,000 for each activity. However, expenditure of funds in excess of the original SPA amount should not occur until after the amended IAA has been approved by the Peace Corps Director and AID.
- D. Activity completion notification and final record of receipts should be submitted within 30 days of the completion of the activities.

Questions about the Small Project Assistance Fund may be directed to the responsible RAPS or the SPA Coordinator for Peace Corps Kenya. The SPA Coordinator is currently the Deputy Director.

Appendix 16
FORMS:

U.S. Peace Corps
INDIVIDUAL ACTIVITY AGREEMENT

(a) Total Budget Request US \$ Local Currency
Kshs. 15,000 Ksh

(b) AID Accounting Data:
Appropriation: Project No. 698-0506-15

Budget Allowance: IAA No: 3.615-915

(c) Maximum dollar amount of US grant:

Note: The maximum dollar amount of the grant can be the amount of the grant requested.

(d) Activity implementation period: NOVEMBER, DECEMBER 1984

(e) Terminal date for issuance of implementing documents such as purchase orders (no later than five months after date of agreement).

(f) Authority: This individual Activity Agreement is executed pursuant to the authority of the SPA Program Country Agreement between USAID and US Peace Corps dated June 30, 1983, and in accordance with the Foreign Assistance Act of 1961, as amended.

(g) IN WITNESS WHEREOF, USAID and US Peace Corps, pursuant to the terms and conditions of the agreement mentioned above, each acting through its respective duly authorized representative, have caused this individual Activity Agreement to be signed in their names and delivered as of this date and year.

Joyce E. Swayne
Volunteer Signature

R. Ochieng
Organization Director
Signature

Joyce E. SWAYNE
Printed Name

Rachel Ochieng
Printed Name

[Signature]
U.S. Peace Corps 2/11/84

Livingston Church Social Service
Organization Depr.

DIRECTOR
PEACE CORPS

CHARLES L. GLADSON
U.S.A.I.D.

THE U.S. PEACE CORPS

Appendix 17

PC - USAID SMALL
GRANTS FUND

District: Kakamega

Location: Vihiga

Name of Kenyan Organization participating in Proposal:
Fudumi Mitungi Women's Group

Name of Kenyan person responsible for Activity:
Stephen S. Wanje

(Type or print)

Stephen S. Wanje
(Signature)

Name of PCV:
Richard Allen / Vera Kinzer

(Type or print)

Richard Allen / Vera Kinzer
(Signature)

Please check one of the following:

- ☒ Advance check written to Kenyan person
☐ Advance check written to PCV
☐ No advance. Reimbursement on basis of submitted receipts.

(b) AID Accounting Data:

Appropriation: Project No. 698-0506.15

Budget Allowance: IAA No: 3-615-916

(c) Maximum dollar amount of US grant: Full Amount

Note: The maximum dollar amount of the grant can be the amount of the grant requested.

(d) Activity implementation period: 9-30-85

(e) Terminal date for issuance of implementing documents such as purchase orders (no later than five months after date of agreement).

(f) Authority: This individual Activity Agreement is executed pursuant to the authority of the SPA Program Country Agreement between USAID and US Peace Corps dated June 30, 1983, and in accordance with the Foreign Assistance Act of 1961, as amended.

(g) IN WITNESS WHEREON, USAID and US Peace Corps, pursuant to the terms and conditions of the agreement mentioned above, each acting through its respective duly authorized representative, have caused this individual Activity Agreement to be signed in their names and delivered as of this date and year.

Richard N. Allen
Volunteer Signature

James Limanua
Organization Director
Signature

Richard N. Allen Vera Kinzer
Printed Name

James Limanua
Printed Name

Elton F. King
U.S. Peace Corps

Future's Workers Group
Organization

Joseph F. Gladson, Jr
CHARLES L. GLADSON

ELTON F. KING
Acting PEACE CORPS/DIRECTOR

U.S.A.I.D., DIRECTOR

Proj 698 0506.15
A/R 72-1131021
B/C 6244-83-21615-A912
Contract K365910
Commod IAA-3615910
\$1,193.65
@ 15.12

Appendix 18

U.S. Peace Corps

AID PROJECT OFFICER ADMINISTRATIVE
APPROVAL OF PAYMENT VOUCHERS

Project Number _____ Title _____

PSI Number _____ Payee _____

Project Officer _____ Office _____

Pursuant to Handbook 12, Chapter 3II, I have administratively approved
payment voucher for _____

_____ dated _____
in the amount of _____. My signature has been

affixed immediately following the appropriate Statement No. _____

Any exceptions made to the amount claimed is explained by an
accompanying statement.

1. AID Direct Contracts and Grants

"I have reviewed the voucher, the related invoice(s) and
supporting documentation attached thereto. Based on this
documentation and my personal knowledge of the project, I see no
reason to withhold payment. Therefore, the voucher is
administratively approved for payment subject to the financial
review and certification by the paying office."

Signed _____ Date _____

2. Reimbursements to B/G for Costs Incurred in the Project for
Services Performed and/or Goods Delivered.

"I have reviewed the voucher, the request for reimbursement and
supporting documentation attached thereto. Based on this
documentation and my personal knowledge of the project, I see no
reason to withhold payment. Therefore, the voucher is
administratively approved for payment subject to the financial
review and certification by the paying office."

Signed _____ Date _____

3. Reimbursement to B/G Applicable to Projects Implemented under Fixed Amount Reimbursement (FAR) Procedures

"I have reviewed the voucher, the request for reimbursement and relevant inspection reports. Based on this documentation and my personal knowledge of the project or activity, the voucher is administratively approved for payment subject to financial review and certification by the paying office."

Signed _____ Date _____

4. Borrower/Grantee Contracts Financed Under AID Direct Letter of Commitment Procedures

(a) PO AND Paying Office at the Same Location:

"I have reviewed the voucher, the related invoice(s) and supporting documentation. Based upon (1) my personal knowledge of the project, (2) the representations of the contractor in the Contractor's Certificate (Form AID 1440-3.), or other documentation, and (3) the representations of the borrower/grantee in the Certificate of Performance, I see no reason to withhold payment. Therefore, the voucher is administratively approved for payment subject to the financial review and certification by the paying office."

Signed _____ Date _____

(b) PO and Paying Office at Different Locations and the Alternative Procedure, 3H2c (2) above, is applied:

"Based on the summary data provided which is applicable to the voucher and supporting documentation, including representations of the contractor and borrower/grantee, and my personal knowledge of the project, I see no reason to withhold payment. Therefore, the voucher is administratively approved for payment subject to the financial review and certification by the paying office."

Signed _____ Date _____

Appendix 19

US Peace Corps

Standard Form 1034 Revised January 1980 Department of the Treasury GSA FPMR 4-2000 1034-115		PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL				VOUCHER NO.	
U.S. DEPARTMENT, BUREAU, OR ESTABLISHMENT AND LOCATION				DATE VOUCHER PREPARED November 13, 1984		SCHEDULE NO.	
				CONTRACT NUMBER AND DATE		PAID BY	
				REQUISITION NUMBER AND DATE			
PAYEE'S NAME AND ADDRESS Singer Sewing Machine Company P.O. Box 40350 Nairobi, Kenya				DATE INVOICE RECEIVED			
				DISCOUNT TERMS			
				PAYEE'S ACCOUNT NUMBER			
				GOVERNMENT B/L NUMBER			
SHIPPED FROM		TO		WEIGHT			
NUMBER AND DATE OF ORDER	DATE OF DELIVERY OR SERVICE	ARTICLES OR SERVICES (Enter description, item number of contract of Federal supply schedule, and other information deemed necessary)		QUAN- TITY	UNIT PRICE COST PER		AMOUNT
		Advance of funds in accordance with Small Projects Assistance Grant Agreement 698.0506.15 IAA No. 3.615-915					Ksh. 10,000
(Use continuation sheet(s) if necessary)				(Payee must NOT use the space below)		TOTAL Ksh. 10,000	
PAYMENT: <input type="checkbox"/> PROVISIONAL <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL <input type="checkbox"/> PROGRESS <input type="checkbox"/> ADVANCE		APPROVED FOR BY <i>Esther Mbajah</i> 11/13/84 TITLE Program Analyst		EXCHANGE RATE = \$1.00		DIFFERENCES	
						Amount verified, correct for	
						(Signature or initials)	
Pursuant to authority vested in me, I certify that this voucher is correct and proper for payment.							
(Date)		(Authorized Certifying Officer) ³				(Title)	
ACCOUNTING CLASSIFICATION							
PAID BY	CHECK NUMBER	ON ACCOUNT OF U.S. TREASURY		CHECK NUMBER	ON (Name of bank)		
	CASH	DATE		PAYEE ²			
				PER			
				TITLE			

¹ When stated in foreign currency, insert name of currency.
² If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the space provided, over his official title.
³ When a voucher is receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.

Previous edition usable

GSA FPMR 4-2000 (7-302)

NSN 7540-00-634-4206

PRIVACY ACT STATEMENT
The information requested on this form is required under the provisions of 31 U.S.C. 82b and 82c, for the purpose of disbursing Federal money. The information requested is to identify the particular creditor and the amounts to be paid. Failure to furnish this information will hinder discharge of the payment obligation.

Appendix 20 U.S. Peace Corps

PROJECT OFFICER CHECKLIST FOR ADMINISTRATIVE APPROVAL OF VOUCHERS

(Please check as many as are applicable)

1. I have made _____ field visits to the project site(s) in the last three months and have personally observed project implementation _____
2. I have visited the main office of the implementing agency(ies) _____ times in the last three months and discussed project implementation _____
3. I met with my counterpart(s) _____ time in the last three months and discussed contractor level of performance and/or commodities delivered _____
4. I have visited the project site(s) as part of my Project Officer responsibilities and have sufficient information to enable me to provide an administrative approval _____
5. None of the above. My administrative approval is based on the following: (Please be concise, i.e., two or three sentences.) _____

.....

Project Officer Name

.....

Project Number

U.S. Peace Corps

Appendix 21

PROJECT COMPLETION SUMMARY & EVALUATION

PROJECT SUMMARY: Summarize the current project status, briefly state what you did to complete the project and whether the project was completed within your original time frame. We have 35 3 month old chicks. 15 died. In 3 months they will start to lay eggs. Our hen house is built.

EXTENT TO WHICH PROJECT OBJECTIVES WERE ACCOMPLISHED: List major project objectives and the extent to which each was accomplished. Example, income generation projects should specify the amount of income generated and future anticipated income. We have generated no income yet. But when the chickens start laying we expect to be able to sell approximately 20 eggs per day at a shilling apiece. This will be enough to pay for more chicken feed and will generate a small amount of income for the club. The idea however was to get the students interested in chickens. They have been enthusiastic and we even had a women's group come to see what we were doing because they wanted to raise chickens also.

IMPACT OF THE PROJECT ON THE COMMUNITY: Note specific impacts of the project activities upon the community. See above. Of course, when the hens start laying, there will be eggs in the centre for people to buy.

PROBLEMS ENCOUNTERED IN PROJECT IMPLEMENTATION: Describe major problems encountered and possible solutions, i.e., community failure to provide inputs, difficulty in purchasing project materials and management of project funds. (Your comments can be used to improve future project development by avoiding similar problems). Feel free to offer whatever your thoughts are regarding problems you encountered.

The chicks were purchased during the rain season. Even in the Kerio valley, it was cold enough that several died. We have planted some maize for feed, but not enough to totally eliminate the need for chicken feed.

FINANCIAL SUPPORT: Provide brief comments regarding receipts of project funds and whether problems revolving around funding hindered project implementation.

no problems

COMMENTS/SUGGESTIONS REGARDING ADMINISTRATION/INPUTS PROVIDED BY SPA PROGRAM: Suggestions and recommendations would be greatly appreciated.

none

COMMUNITY CONTRIBUTION TO PROJECT: Did the community, group or school participate as extensively as agreed prior to receiving approval of funds? Please provide suggestions which might improve the SPA element of projects.

yes. The school built the chicken house. The students did this. So they contributed and it was probably more than 25%. The students also carried the chicken feed from Kabarnet to Kaplak. This is approximately 14 miles and there were no vehicles

U.S. Peace Corps.

Appendix 22

GRANT PROPOSAL

Joyce E. Swayne,
Business Manager
Twendelee-Lavington
P.O. Box 25030
Nairobi

Joyce E. Swayne

ph. 48915

Background

The Lavington Church Social Service Department was established ten years ago, in an effort to meet the economic needs of women residing in Gatina, Kongo, Kawangware, Muslim, Kamith and Kobiru villages.

The initial thrust of the program was the creation of an income-generating project for women who were referred to the social worker, a full-time employee of Lavington Church, because they had been abandoned by their husbands or families, or because their children were suffering from malnutrition or related diseases. These women were taught handcraft skills in beadwork, knitting, and weaving. Throughout the years, it has been observed that the money these women have earned has not only helped them to better care for their children, but also their self-confidence and esteem as individuals have improved.

Today, the income-generating project, Twendelee-Lavington Church, employs sixty (60) women who are involved in making beaded jewelry; hand and machine knitting in cotton, natural wool, and acrylic yarns; crochet; the weaving of natural wool carpets; hammock making; and the construction of maize husk nativity creches. Average monthly income for the project is approximately KSh 23,000 per month; wages are approximately KSh 11,000 per month. Twendelee employs two

full time workers, the project manager and the kiosk sales manager, both Kenyan women who reside in the village area.

All monies from the sale of goods are used to purchase materials and supplies, to pay wages, and to pay the overhead expenses. In this respect, the project is completely self-supporting. Within the past two years, donations to the project were used to purchase a small washing machine and frame weaving looms; however in the 1984 fiscal year, donations totaling only KSh 1890.00 were received.

Lavington Church provides the space used during the week for the five weavers and the five machine knitters. This space of about 675 square feet is shared with the Sunday School. Approximately 360 square feet are used solely by the project as storage and office space. The Church also pays the water and electric bills. With these exceptions, the Church provides no direct financial assistance.

The Social Service Department functions under the auspices of the Social Service Committee, which is in liaison with the Lavington Church Leaders. Mrs. Mary Mugambi is the Chairperson of the Social Service Committee. All major decisions concerning the project are approved by this committee.

Statement of Need

During the past two years, 1982-1984, the project has grown tremendously. The quality of produced goods has improved and new designs in knitwear and carpets have resulted

in increased sales. More women are making more money than ever before and the project is financially stable.

In conjunction with three other Spinning and Weaving workshops--Kenya Weaverbird, Leocraft, and Makena-- Twendelee is involved in the opening of a new store, located in the city center, which will sell locally designed clothing and articles for the home. This store will not only cater to local residents, but will be able to tap into the tourist trade. Plans are already underway to coordinate Twendelee knitwear with the clothing produced by the other workshops. This new market potential makes it even more imperative for the project to make knitwear that remains stylish and marketable.

This goal can be accomplished with the purchase of two new Singer 360 Model Knitting Machines with the additional attachments of Lace Carriages.

The addition of two new machines, with increased design capabilities, will allow for the two most experienced knitters to be placed on these machines. (These women have attended the Singer school during the past year and are knowledgeable in knitwear design.) Two additional knitters will then be trained to knit on the smaller models, currently used. Because the machine knitwear is hand-finished, twelve hand-knitters will be provided with additional work, thereby increasing their earning potential. (Working full-time, an experienced machine knitter can earn as much as KSh 750 per month. For all knitters, the average is about KSh 300-400

per month, but most of these women work in their homes when time allows.)

Increased knitwear sales will also result in an increase in the wages of the bead workers. The profit margin on beadwork is limited because of the high cost of beads and materials. And the project management encourages all sectors to be self-supporting. However, the bead workers have not had a raise in over five years and they need additional money to keep up with the rising costs of living. Excess profits from knitting can be directed into this area. Sixteen beadworkers will be affected by this increase in their wages. In addition to those women previously mentioned, additional women will be needed for washing and packaging of the finished products.

Overall, the entire project will benefit because the knitting and weaving sectors provide for almost all of the overhead expenses.

Adding the new machines at this time also affords the project the opportunity to prepare the new designs in time to meet the demands of the Christmas season, when sales are at their highest.

Community Contributions

Twendelee is capable of contributing as much as twenty-five percent (25%) of the total cost of the machines. This money has been earned from sales and a 1983 donation which has been reserved for the purchase of the new machines.

Supervision

Twendelee is now managed by a U.S. Peace Corps Volunteer, Dr. Joyce E. Swayne, who will handle the project money, purchase the machines, and submit all receipts. In August, Dr. Swayne will be joined by a German knitting and weaving design expert, whose contributions to the project will be greatly enhanced by the addition of the new machines.

The Singer 360 knitting machines are now available in Kenya. One is being reserved for the project, with options to purchase a second machine. Upon receipt of the money, these machines will be acquired immediately. Use will begin upon acquisition.

Itemized Costs:

2	360 Model Singer knitting Machines	KSh 15,000.00
2	Lace Carriage Attachments	KSh 5,000.00
	Total Cost	KSh <u>20,000.00</u>
	Project Contribution (25% of Total)	KSh 5,000.00
	<u>Total Grant Request</u>	<u>KSh 15,000.00</u>

In summary, the addition of two Singer 360 knitting machines will enable Twendelee-Lavington to take advantage of an expanding market and to increase both wages and work opportunities for all the women involved in the project. The addition at this time will also allow the project to realize

greater profits for the coming Christmas season (and throughout the year) and to more fully benefit from the new German design expert.

Pro Forma

INVOICE

SINGER SEWING MACHINE COMPANY

P. O. Box 40350 NAIROBI
TELEPHONE 28315/28316

No.: 14024

Date 21/8/84

To LIVINGSTON CHURCH
P.O. Box 25030
NAIROBI

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
1	360 KNITTING MACHINE	8300	
1	LACE CARRIAGE	2700	
	LESS 1000/- CASH DISCOUNT	11000	
	SERIAL NO 459399		
	SINGER SEWING MACHINE COMPANY		
	CASH NET	10,000	
	Goods Despatched our EAC Number.....		