

FOREWORD

The Annual NGO Sector Report for FY 2013/14 (Popular Version) is a publication of the NGOs Coordination Board (NGOB). It provides highlights of the main Annual NGO Sector Report (2013/14), which details information on the NGO sector, including areas of operation, sectors, funding and projects implemented in the year under review.

The report, therefore, is a useful quick read which enables the reader to appreciate the critical role the NGO sector plays in complementing Government development efforts, including their contribution in the economy through poverty alleviation and employment creation.

The report has been produced in line with the NGOs Co-ordination Board's commitment to improve access to quality, relevant and reliable information among stakeholders, including the Kenyan taxpayer who funds our activities.

The information has largely been presented in graphical version to make it friendly to the eye and enable the reader to grasp information easily.

It is my sincere hope that readers will find this version useful and relevant to their day to day interaction with NGOs and other stakeholders.

The Board values feedback from readers and it will be glad to incorporate useful views with a view to improving similar reports in the future.

At the Board, we remain committed to keeping you informed on NGO sector.

Fazul Mahamed

Executive Director

NGOs CO-ORDINATION BOARD

ABOUT NGOS COORDINATION BOARD

The NGOs Coordination Board is a State corporation under the Ministry of Devolution and Planning. It was established in 1990 under Section 3 of the Non-Governmental Organizations Co-ordination Act, No.19 of 1990 CAP 134 Laws of Kenya. The Board's broad mandate is to register, regulate, coordinate, and facilitate all NGOs operating in Kenya.

Under Section 7 of the Act, the Board has the responsibility to advise the Government on the activities of the NGOs, their role in development within Kenya and provide policy guidelines to NGOs for harmonizing their activities to national development plan.

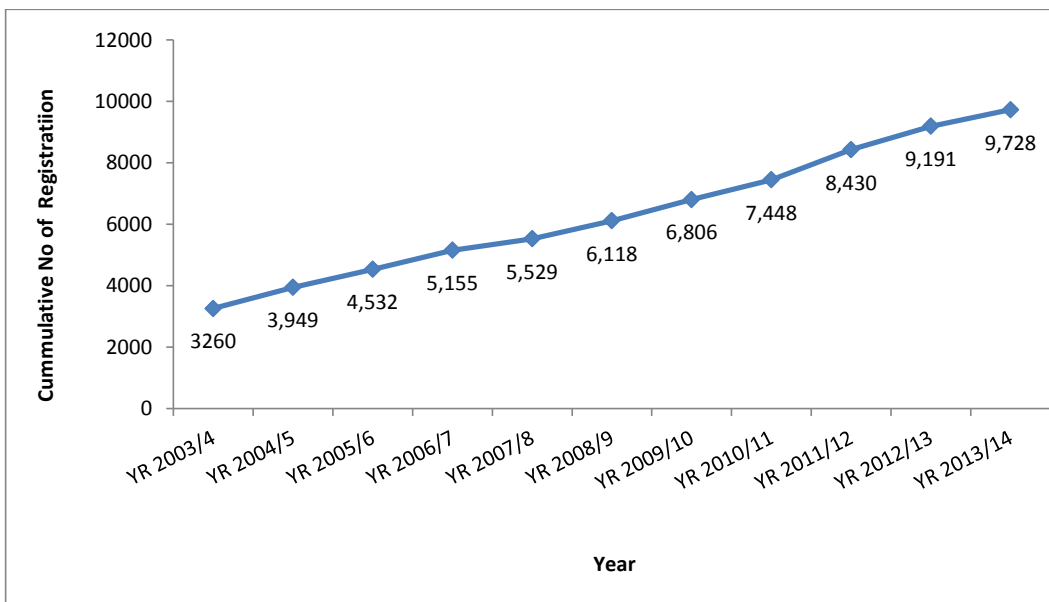
In fulfillment of this requirement, the Board derives its advisories from findings of studies on the NGO sector, which are conducted from time to time. This is a report of one of the studies.

REGISTERED NGOS

A 29 per cent decline on number of registered NGOs was recorded in the year under review. Cumulatively 9,728 organizations were registered at the Board by the end of 2013/14.

A total of **7,258** organisations were active by the end of 2013/14, representing 74 per cent of the cumulative number of organisations registered by the Board.

Trend on Cumulative Registrations per Year



Distribution of registered NGOs in 2013/14 per county

County	Number of organizations	%	County	Number of organizations	%
Nairobi	242	12%	Laikipia	36	2%
Kisumu	99	5%	Trans Nzoia	35	2%
Nakuru	86	4%	Vihiga	32	2%
Kiambu	85	4%	Meru	32	2%
Machakos	84	4%	Uasin Gishu	32	2%
Mombasa	76	4%	Embu	31	2%
Kajiado	65	3%	Nyamira	28	1%
Kakamega	58	3%	Narok	28	1%
Bungoma	55	3%	Samburu	27	1%
Nyeri	55	3%	Marsabit	26	1%
Busia	51	2%	Kirinyaga	26	1%
Murang'a	49	2%	Kwale	22	1%
Homa Bay	49	2%	Nyandarua	22	1%
kisii	46	2%	Kilifi	21	1%
Makueni	45	2%	Bomet	19	1%
Kitui	44	2%	Kericho	19	1%
Garissa	44	2%	West Pokot	18	1%
Isiolo	42	2%	Tana River	18	1%
Siaya	42	2%	Elegeyo		
Migori	41	2%	Marakwet	17	1%
Wajir	40	2%	Tharaka Nithi	17	1%
Baringo	39	2%	Taita Taveta	15	1%
Mandera	38	2%	Nandi	14	1%
			Lamu	12	1%

Number of organisations registered in 2013/14 per sector

Sector Name	2012/13	2013/14	% Change
Relief	159	179	13%
Disability	40	41	3%
Informal	1	1	0%
Energy	26	25	-4%
Children	42	40	-5%
Culture	41	39	-5%
Sports	24	22	-8%
Environment	170	151	-11%
Health	249	219	-12%
Agriculture	156	137	-12%
Governance	78	66	-15%
Road Safety	6	5	-17%
Education	340	282	-17%
Youth	60	48	-20%
Welfare	101	80	-21%
Population and Reproductive Health	38	30	-21%
Water and Sanitation	106	83	-22%
Peace Building	100	78	-22%
HIV/AIDS	149	113	-24%
Human Rights	77	57	-26%
Disaster	13	9	-31%
ICT	32	22	-31%
Micro-Finance	89	55	-38%
Housing and Settlement	20	12	-40%
Gender	7	4	-43%
Old Age Care	2	1	-50%
Refugees	4	1	-75%

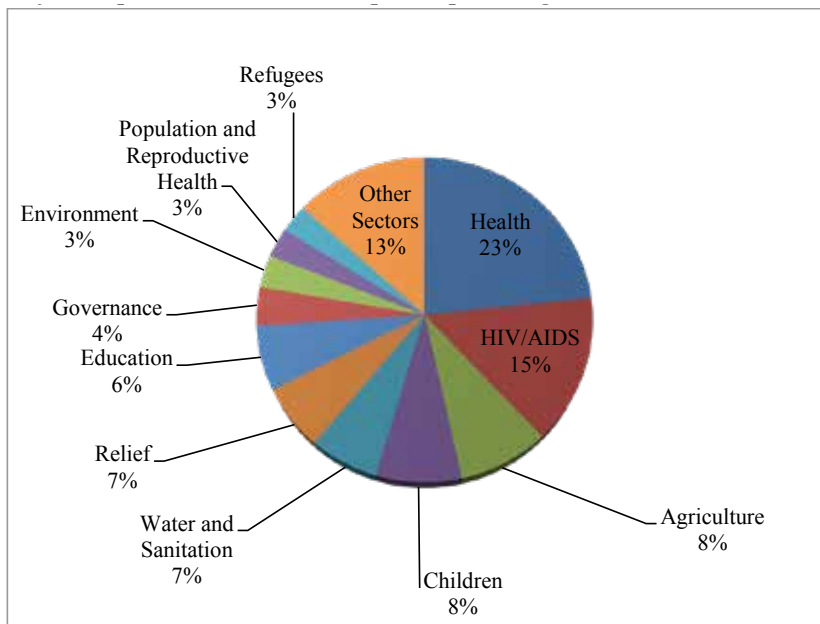
NGOS EXPENDITURE BY SECTOR

NGOs spent a total of **KES 87.6 billion** on various projects compared to **KES 74.8 billion** in 2012/13, representing 17.1 per cent increase.

Out of the KES 87.6 billion, **KES 71.4 billion** was spent on project implementation in Kenya while **KES 16.2 billion** was spent on projects in other countries.

The highest expenditure on projects implemented in Kenya was on health (23 per cent), HIV/AIDs (15 per cent), agriculture (8 per cent) and children (8 per cent).

Projects implemented and amount spent in percentages in 2013/14



The road safety sector recorded the highest growth (49,553 per cent) followed by disaster (327 per cent), energy (233 per cent), population and reproductive health (166 per cent) and health (96 per cent).

Peace building (72 per cent) had the highest percentage decrease, followed by refugees (45 per cent), wildlife (43 per cent), relief (41 per cent) and housing and settlement sector (41 per cent).

Percentage change in expenditure by sector (2012/13 and 2013/14)

Sector Name	Amount Spent in Kenya 2013/14	Amount Spent in Kenya 2012/13	% Change
Road Safety	23,584,979.00	47,500.00	49553%
Disaster	1,592,668,503.56	373,159,359.50	327%
Energy	72,478,399.00	21,769,805.56	233%
Population and Reproductive Health	2,109,904,644.64	793,820,828.55	166%
Health	16,676,213,605.87	8,517,417,398.25	96%
Governance	2,737,960,113.78	1,717,537,857.55	59%
Micro-Finance	903,998,129.15	586,491,317.95	54%
Old Age Care	227,556,970.41	154,450,804.05	47%
Youth	1,262,108,122.07	898,564,508.54	40%
Sports	25,001,071.00	17,886,358.00	40%
Agriculture	6,034,696,254.03	4,423,523,807.17	36%
HIV/AIDS	10,532,829,868.54	7,882,989,655.83	34%
Environment	2,310,664,474.43	1,763,488,141.55	31%
Education	4,603,832,356.81	4,064,726,593.33	13%
Water and Sanitation	4,622,862,846.02	4,215,362,279.38	10%
Disability	375,063,079.44	345,790,492.80	8%
Gender	994,836,304.02	929,084,849.89	7%
Welfare	861,650,928.36	816,720,677.00	6%
ICT	193,594,172.99	190,586,187.38	2%
Human Rights	210,073,001.00	210,358,138.00	0%
Children	5,722,414,504.10	6,346,814,008.87	-10%
Other Sectors (unspecified)	1,724,723,324.14	1,928,574,868.18	-11%
Informal	363,960,197.76	466,689,289.91	-22%
Culture	15,141,474.20	21,982,854.00	-31%
Housing and Settlement	6,915,355.00	11,750,878.00	-41%
Relief	4,617,845,231.43	7,884,129,885.31	-41%
Wildlife	7,387,316.00	12,986,446.00	-43%
Refugees	1,994,076,188.57	3,604,727,425.39	-45%
Peace Building	623,330,316.86	2,204,646,447.83	-72%

EMPLOYMENT

A total of 46,617 Kenyans were in formal employment, 90 per cent (41,772) were based in Kenya while 10 per cent (4,845) were based in other countries.

1,694 international staff (expatriates) were employed by NGOs in Kenya, 43 per cent (732) were deployed in other countries while 962 (57 per cent) were based in Kenya.

There was a total of **28,984** interns/volunteers engaged by NGOs, 95 per cent (**27,392**) were local staffs volunteers/interns compared with 5 per cent (**1,592**) international volunteers/interns.

In total, NGOs engaged a total of **77,295** employees, 63 per cent (48,311) were paid employees while 37 per cent (28,984) were volunteers/interns.

On average an international staff based in Kenya is paid **KES 1,380,213** annually while a local (Kenyan) staff is paid **KES 562,375** annually.

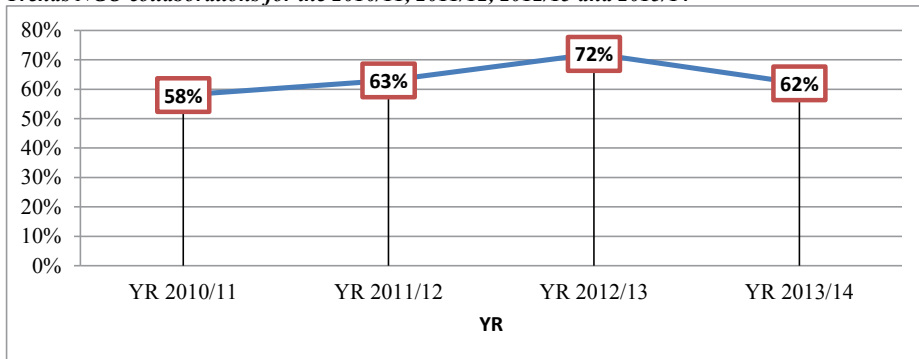
Staff establishment

Stationed in Kenya	Local Staff	International staff
2011/12	26,006	1,981
2012/13	32,172	1,008
2013/14	41,772	962
Stationed in other countries	Local Staff	International staff
2011/12	1,671	544
2012/13	6,849	584
2013/14	4,845	732
Volunteers/interns in Kenya	Local Staff	International staff
2011/12	20,093	975
2012/13	27,187	1,193
2013/14	27,392	1,592

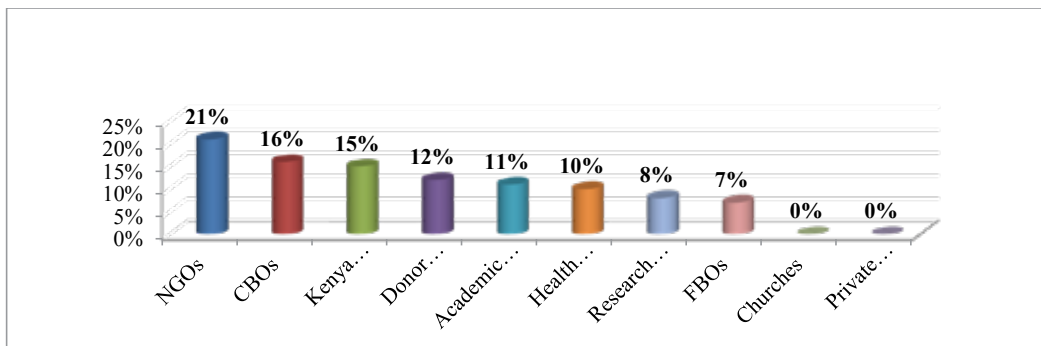
COLLABORATIONS

1,757 (62 per cent) NGOs reported having engaged in collaborations compared to 1,601 (72 per cent) NGOs in 2012/13. This represents a 9.7 percent decrease.

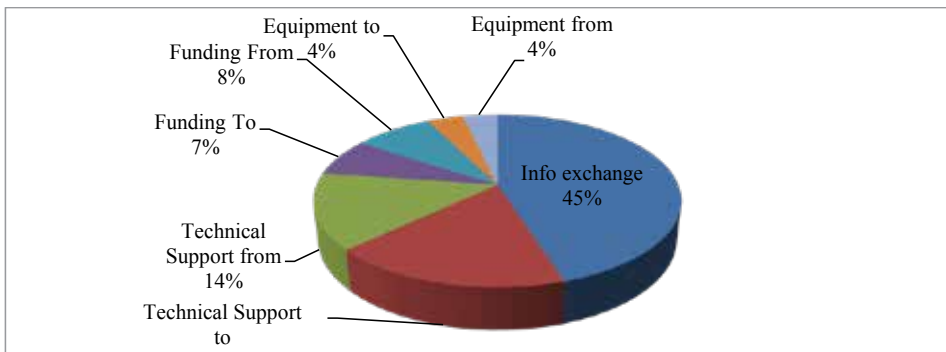
Trends NGO collaborations for the 2010/11, 2011/12, 2012/13 and 2013/14



Type of collaborator and the number of organizations that collaborated with



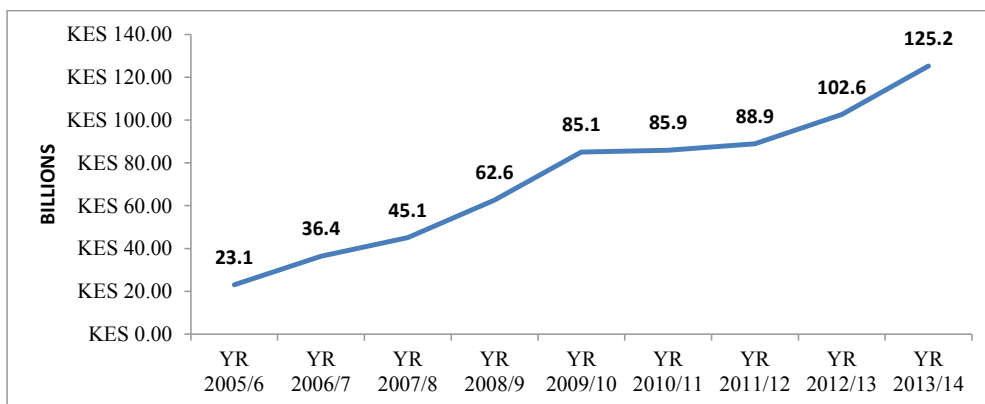
Nature of collaboration



AMOUNT OF FUNDS RECEIVED

In 2013/14 the sector received KES **125,210,051,754.97 billion** compared to KES **102,662,646,999.56 billion** in 2012/13.

Amount of funds donated to NGOs between 2005/2006 to 2013/14



SOURCES OF FUNDS

Foreign government agencies donated **KES 42,307,118,238.33**, followed by organisations the NGOs are affiliated to **KES 36,283,315,375.78** and other international NGOs/foundations/trusts **KES 20,332,029,206.28**. Agencies of the Kenyan Government contributed **KES 797,289,817.00**

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NGOs' sources of funds in 2013/14

FUND SOURCE TYPE	SUM OF AMOUNT (KES)	%
Foreign Government Agency	42,307,118,238.33	34%
Affiliate of NGOs	36,283,315,375.78	29%
NGOs/Foundations/Trusts	20,332,029,206.28	16%
United Nations Agency	9,256,652,290.96	7%
NGOs self generated income	4,280,825,176.17	3%
Individual donors	3,539,214,412.71	3%
Affiliate FBOs	3,334,178,405.05	3%
Unspecified sources	2,305,892,195.68	2%
Corporate foundation/trust/business organization	1,541,005,298.80	1%
Agency of Kenya Government	797,289,817.00	1%
Members/Director's Contribution	637,181,600.76	1%
Research/Academic Institution	595,349,737.45	0.5%
TOTAL	125,210,051,754.97	100%

MONEY GENERATED LOCALLY AND FROM OUTSIDE COUNTRY

Most of the funding in year 2013/14 was from outside the country (81 per cent) as opposed to (14 per cent) from in country.

Amount of donation received

SOURCE	AMOUNT	Percent(%)
Out Country	101,004,920,842.84	81%
In Country	18,135,628,617.59	14%
Unspecified sources	6,069,502,294.54	5%
TOTAL	125,210,051,754.97	100%

NGOs' expenditure in 2013/14

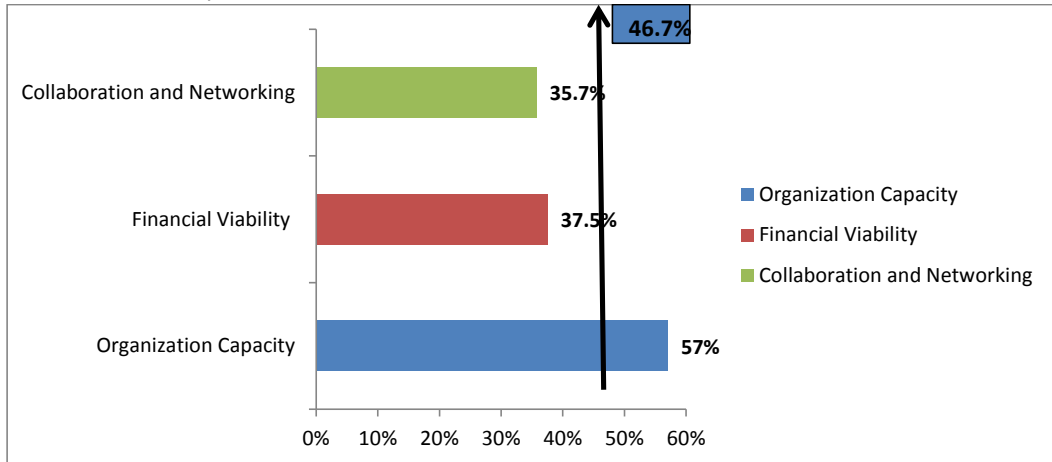
	Kenya	Other Countries	Total
Purchase of tangible assets	KES 4,533,107,464	KES 548,374,722	KES 5,081,482,185
Administration Cost	KES 10,282,104,728	KES 682,915,833	KES 10,965,020,561
Project Cost	KES 71,447,371,732	KES 16,160,480,024	KES 87,607,851,756
Local staff	KES 26,216,267,167	KES 1,851,357,607	KES 28,067,624,774
International staff	KES 2,338,081,322	KES 608,519,927	KES 2,946,601,250
Other running cost	KES 5,420,497,467	KES 580,681,633	KES 6,001,179,100
TOTAL	KES 115,704,322,416	KES 20,432,329,746	KES 140,669,759,626

SECTOR SUSTAINABILITY

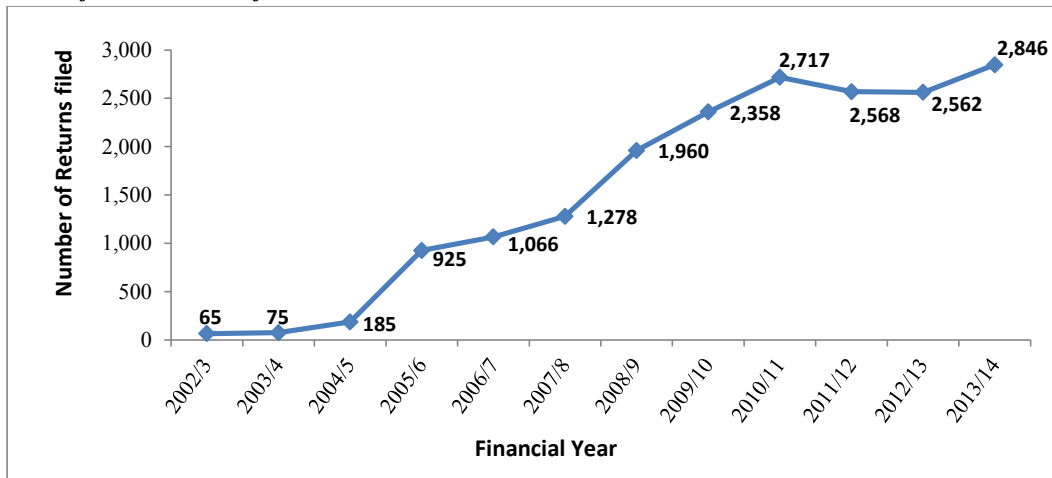
The NGOs adaptation of the index was based on three interrelated dimension: organizational capacity, financial viability, collaboration and networking with various indicators for each dimension. The Index was prepared using data gathered from annual returns submitted in the 2013/14 financial year.

The overall sustainability index was 46.7 per cent (3 per cent increase compared to the previous year index). NGO sector in Kenya is at developing stage.

Overall sustainability index



Trend of annual returns from 2002/3 to 2013/14



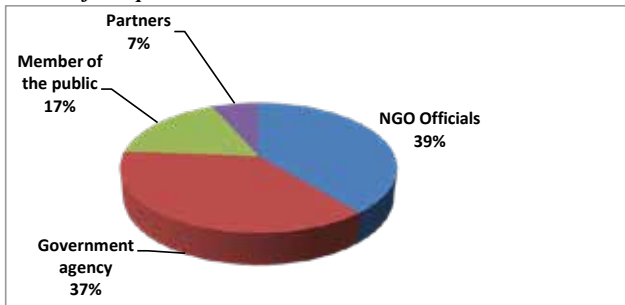
ENQUIRIES AND ENFORCEMENT

During the year in review, a total of 46 complaints against NGOs were received from various sources.

Most complaints were against National NGOs (67 per cent) compared with complaints against International NGOs (33 percent).

NGO officials recorded the highest number of complaints at 39 per cent, government agencies 37 per cent which is inclusive of the NGO Boards internal investigations, 17 per cent from members of the public and lastly 7 per cent from the partners this includes donors and corporate organisations.

Source of complaints



SUMMARIES

Sector growth: The NGO sector in Kenya has grown tremendously since enactment of the NGOs Co-ordination Act 1990. The report established that accumulatively, 9,728 NGOs have been registered since inception of NGOB, however; the report indicates that the total number of active NGOs is 7,258. Among 537 NGOs registered in 2013/14, most of them preferred to operate in Nairobi County while education and health sectors remained the most preferred sectors.

Contribution to national development: The report has demonstrated that NGOs are making immense contribution to Kenya’s national development. A total of **KES 71.4 Billion** was spent in various projects across the country. Additionally, the amount spent on health, HIV/AIDS, Agriculture, Education, Water and Sanitation; which are important components of the social pillar of Kenya Vision 2030 reflect an important contribution by NGOs towards realization of vision 2030. Further, the report has indicated that NGOs employed 46,617 Kenyans nationals and also engaged 27,392 Kenyans on internship programmes.

Collaboration: Collaborations between NGOs and other stakeholders are important in ensuring reducing wasteful duplication and enhancing synergies and resource sharing thus contributing to efficiency and effectiveness. The report has shown that among the NGOs that filed annual reports, 62 percent reported having engaged in collaborations. Further analysis revealed a low level of collaboration between Government and NGOs. This does not augur well for the attainment of MDGs and Kenya Vision 2030, especially the social pillar which requires joint efforts by Government and NGOs.

Funding: The report established that the NGOs that filed annual reports in 2013/14 received a total of **KES 125.2 Billion** meant for a wide range of public benefit interventions. Eighty-one percent of this money was from external sources which translate over-reliance of NGOs on donor funding from Western countries.

Sustainability: NGO sustainability continues to be a challenge. Based on a sustainability index, it was noted that NGOs in Kenya are in the evolving level of sustainability implying that significant effort is required to ensure sector sustainability. Generally, the NGOs are largely unsustainable and may not be able to continue offering services and pursuing their objectives in the event that their donors are unable or unwilling to support them. Nevertheless, there is a possibility of NGOs being self-reliant in future. This is demonstrated by the ability of NGOs to raise 3 percent of the total donations through income generating projects. NGOs can also avoid over-reliance on donor funding from western countries by exploring more avenues to fundraise locally since 14 percent of the donations raised in 2013/2014 were from in-country sources.

Compliance: There has been a remarkable improvement in submission of annual reports over time from 65 in 2002/2003 to 2,846 in 2013/14. However, the level of compliance is still very low considering the number of NGOs in the Board's register.

Enquiries and enforcement: While Board of directors is expected to exercise effective oversight of organizations in their fiduciary role, it is evident that board members are increasingly failing to play this role due to inadequate knowledge and skills or pure negligence since 39 percent of complaints were reported from the board of directors.

The statutory cases reported were referred to relevant government departments for action; however, organizations that violate terms and conditions attached to registration certificates should be dealt with according to Section 16(1) (a) of the NGOs Co-ordination Act, 1990.