

# LEARNING BRIEF

## Building a supportive enabling environment for cooperatives in Kenya through public policy making process training From the USAID/CLEAR Program



Global Communities is an international Non-Government Organization operating in 25 countries globally with a mission to create long-lasting, positive, and community-led change that improves the lives and livelihoods of vulnerable people across the globe. In Kenya, Global Communities is implementing the Cooperatives Leadership Engagement, Advocacy and Research (CLEAR) program funded by the USAID Bureau of Economic Growth, Education and Environment to stimulate an inclusive broad based economic growth through support of the cooperative sector. CLEAR's key focus is on promoting youth and women socio-economic empowerment through the cooperative business model by tapping into existing opportunities in the service industry. CLEAR is working closely with key sector players in Kenya including the State Department of Cooperatives (SDC), the County Governments, Council of Governors (COG), the Cooperative Alliance of Kenya (CAK), the Cooperative University of Kenya (CUK), US International University Africa (USIU-A) and other partners to support the creation of an enabling environment for cooperatives to thrive.

The CLEAR program focuses on three main objectives; Support the Government of Kenya in the development of cooperative policy, legislation, and regulations; Provide technical assistance to 15 Cooperative Business Enterprises in housing and service sectors to improve their business performance; and Enhance cooperative networks to improve education and learning among cooperators.

## Background and Overview of the Public Policy Making Process (PPMP) Executive Course

In 2010, Kenya enacted a new constitution that provided for devolution of the governance structure, creating one unitary state and forty-seven county governments. This new constitution has empowered county governments to operate independently and has assigned specific implementation roles to the national and county governments as defined in the Fourth Schedule. According to the constitution, county governments have been assigned the role of trade development and regulation including cooperative development, meaning that the cooperative function is fully devolved under this new governance arrangement; along with other sectors such as health and county planning and development. The major goal of devolution of the cooperative sector was to allow counties to design innovative policy interventions that suited the unique cooperative needs in their contexts, encourage effective citizen participation and allow for resource mobilization. The slow policy and regulatory reform process at the national level has resulted in the delayed development of county cooperative legislation to support harmonization of the legal environment at both levels of government.

This Learning Brief shares lessons learned generated from the USAID Cooperative Leadership, Engagement, Advocacy and Research (CLEAR) program's unique capacity building approach that aims to influence policy and legislative reforms to promote the growth and development of the

cooperatives sector in Kenya. It highlights Global Communities' collaboration with counties to support them in better understanding the Kenyan cooperative policy environment and equip them with skills in policy agenda setting, formulation, and implementation. Through partnership with the Strathmore University Business School (SBS), CLEAR developed a training curriculum to build counties' capacity to establish robust policy frameworks critical for supporting the economic development of cooperatives in Kenya. This Learning Brief showcases data and lessons learned gathered through a County Baseline Survey, Training Needs Assessments (TNAs) and findings from evaluations conducted during the Executive Public Policy Making Process (PPMP) Course.

## CLEAR Program's Approach to Support the Cooperative Regulatory Framework

The CLEAR Program Policy and Regulatory Framework approach prioritizes partnerships with key cooperative stakeholders being county governments to pass tailored cooperative bills into law following a three-tier process.

Tier 1: CLEAR in partnership with the respective County Governments facilitate a collaborative and inclusive process for designing cooperatives policy and legislation.

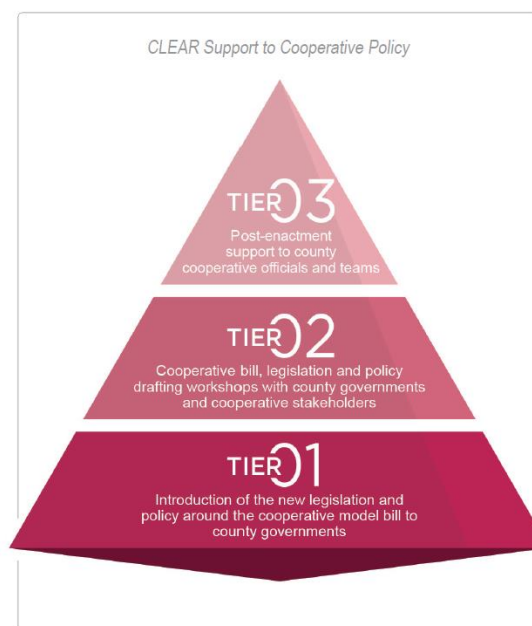
Tier 2: After counties have been introduced to new legislation and policy based on the cooperative model bill, they transition to the 2nd tier where their technical committees are sensitized with support from CLEAR Program on the provisions of the draft bill, regulations and rules; and sponsorship of draft bill by the cognizant County Executive Committee Member (CECM).

Once the bill is approved by the cabinet, it is presented before the County Assembly where it is debated and passed in accordance with the Assembly Standing Orders. The bill is then assented to law by the Governor and published by the County Government.

Currently, there are no counties being supported by the CLEAR Program under tier 2. This is due to ongoing national cooperatives regulatory reform process that will require re-alignment and harmonization at county level.

Tier 3: Once the county cooperative bill is assented to law by the Governor, CLEAR supported counties then transition to tier 3 where they receive post-enactment support package to support them in operationalization of their county-specific acts and regulations. Other activities under this tier include: Capacity building for county cooperatives team; Strengthened capacity in project management including work planning, budgeting and sub county development plans; Facilitating member engagement sessions with county and sub-county officers. 5 counties have been engaged by the CLEAR Program under this tier.

This learning brief explains the design and implementation of activities conducted and lessons learned through Tier 1 activities and outlines additional follow up activities for the next two tiers.



## Tier 1: Introduction of the new county legislation and policy based on the cooperative model bill to county governments

CLEAR Program's approach under this tier is to establish partnerships with county governments to facilitate a more collaborative and inclusive process for designing cooperative policy and legislation. This process is important to CLEAR's strategy since it provides a mechanism for counties to work with CLEAR to adapt their policies and legislation to better reflect their cooperatives needs and is also key in jointly addressing emerging issues that require multiple perspectives for policy planning, development and implementation.

Under this tier, CLEAR program partnered with Strathmore University Business School to create a Public Policy Making Process executive course aimed at engaging policy makers, cooperative developers, administrators, and implementers in advanced policy drafting concepts and new perspectives on cooperative contribution to county economies.

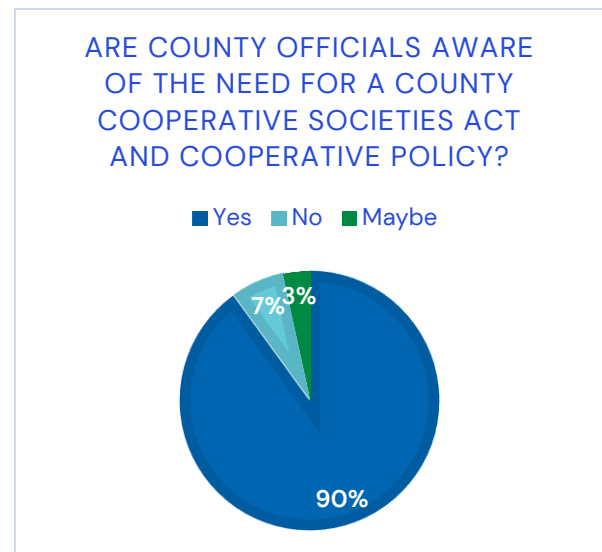


## Development of PPMP Executive Course

### Baseline Survey

**Data Collection Activity:** In 2019, the CLEAR Program conducted an online baseline survey to gather data on obstacles and challenges that county cooperative officials faced in the implementation of policy activities in their respective counties. The objective of the survey was to assess the existing capacity of county governments to formulate and implement cooperative policies and legislation by assessing legal achievements and existing gaps.

The survey was shared with 30 counties, out of which 22 county governments responded. These counties represented all six regional economic blocs in Kenya (Lake Region Economic Bloc (LREB), North Rift Economic Bloc (NOREB), Frontier Counties Development Council (FCDC), Jumuia Ya Kaunti Za Pwani, South Eastern Kenya Economic Bloc, Mt Kenya and Aberdares Region Economic Bloc). Targeted survey respondents included the County Executive Committee Members in charge of cooperatives, the Chief Officers of Cooperatives and the Directors of Cooperative Development. The overall aim of having multiple respondents was to manage political economy issues while triangulating the responses from each county.



### Major Results of the Baseline Survey:

**Percentage of Cooperative Officers with specialization in cooperative development:** The survey found that 80.8% of the Cooperative Officers in the sampled Counties have specialized in the area of cooperative development; 15.4% of the respondents were not sure while the rest had no specialization in cooperative development.

**Average Level of Education of Cooperative Officers:** The average highest level of education attained by County Cooperative Officers is a Master’s Degree with the lowest being a high school diploma. Out of the responses given, 65.4% indicated that their Cooperative Officers had an average of Bachelor’s degrees; 23.1% indicated that their Cooperative Officers had some level of university education; 7.7% indicated that their Cooperatives Officers had an average of high school education; while 3.8% indicated an average of Master’s degrees at the County Cooperatives Officers level.

**Awareness of the need to have County Cooperative Societies Act and Cooperative Policy:** 65% of the respondents indicated that the Counties had mapped out the stakeholders but had not conducted stakeholder forums to discuss the County legislation or policy. In relation to the legal framework currently being used at the County level, 86.2% of the respondents indicated that their Counties were using CAP 490<sup>1</sup>; 6.9% passed a County law but are still unofficially using CAP 490; while another 6.9% enacted their County specific law and have begun implementation of the same.

### **Challenges and Gaps Identified from the Baseline Survey**

CLEAR found that despite the fact that most of the county officials had undergone cooperatives training and specialisation, much greater capacity building was required to increase the officers’ contribution to the policy development process where most of them stated that they had not made much progress.

Despite the fact that cooperatives functions were now devolved under the new Kenya Constitution 2010, most county governments were not ready with the necessary legal structures and policies to undertake these functions as required. They therefore relied on CAP 490 which was overruled by the constitution and is therefore ineffective. In relation to the Tier II Counties, it was evident from the study that public participation – where applicable – was undertaken unsatisfactorily with a majority not having documented the process.

### **Baseline Lessons Learned:**

CLEAR designed, piloted and deployed an effective capacity strengthening approach in collaboration with Strathmore University Business School that was curated to address the gaps identified from the baseline survey. The approach was centered on county officials and stakeholders as champions for the development of mutually supportive and enabling policy environment that will allow cooperatives to work best.

The baseline also revealed that there was also an opportunity to enhance coordination and share best practices and experiences between counties to promote learning and ensure consideration of counties’ requirements and needs.

Additionally, knowledge and lessons exchange promotes stakeholder engagement and ensures adequate involvement and “buy-in” for new policies or policy-making processes promoted through capacity building programs.

## **Design of the PPMP Executive Course**

In line with the policy and legislative affairs strategy and following a competitive bidding process, CLEAR Program collaborated with Strathmore University Business School (SBS) to develop a 40-hour

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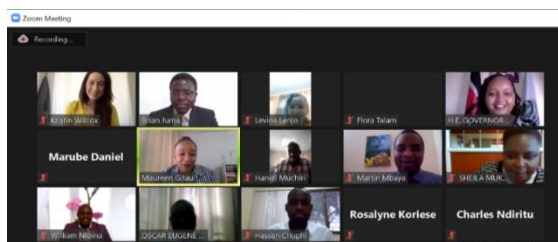
<sup>1</sup> <http://kenyalaw.org/kl/fileadmin/pdfdownloads/Acts/Co-operativeSocietiesActCap490.pdf>

Public Policy Making Process (PPMP) executive course. Through this partnership, CLEAR Program leveraged on SBS’s experience as a university in developing curriculum and their credibility amongst political entities and stakeholders.

The PPMP training was designed to equip leaders in the cooperative sector with adequate skills on the various aspects of the policy process in the cooperatives sector. The target group for this training included county executive committee members in cooperative development, chief officers, county directors, sub-county cooperative officers and cooperative auditors. The training was critical in advancing evidence-based public policies especially in the cooperative sector.

Specifically, the training addressed:

- a) Increased understanding of the requirements of the devolved cooperative function as according to Fourth Schedule<sup>2</sup> of the Constitution of Kenya, 2010;
- b) Increased knowledge on methods for tailoring the county’s cooperative legislation through problem identification;
- c) Increased understanding of the elements of inclusive policies that support minority groups, people living with disabilities, women and youth;
- d) Enhanced awareness of public policy processes that support county economic growth policies;
- e) Strengthened capacity of the cooperative county officials to draft enabling policy and legislation informed by evidence-based research;
- f) Strengthened capacity on the identification and engagement of actors within the Kenyan cooperative ecosystem and identify opportunities for leadership; and,
- g) Enhanced capacity within stakeholders for continued learning and professional growth.



Virtual Public Policy Making Process Training by Global Communities and Strathmore Business School

The 13-module PPMP Executive Course was designed to ensure that participants were trained on policy design, policy formulation and implementation, monitoring and evaluation, negotiation, advocacy upskilling, stakeholder mapping, and agenda-setting in the context of gender mainstreaming, cooperative development and the worker cooperative model. The principal objective of each module was to introduce trainees to the basic tenets of Kenya’s public policy process and to communicate emerging issues in the local and national cooperative development space. The format of the training included interactive lectures, workshops, group projects, plenary discussions and an exchange of experiences among participants on county policy and legislation processes.

Since September 2020, CLEAR conducted six cohorts were trained representing 28 counties, 2 state agencies and 9 non-state organisations. 264 individuals, including county level officials and cooperative leaders have graduated. More information on the trainings can be found in the table below:

<sup>2</sup> [http://www.kenyalaw.org:8181/exist/kenyalex/actview.xql?actid=Const2010#part\\_XLIX](http://www.kenyalaw.org:8181/exist/kenyalex/actview.xql?actid=Const2010#part_XLIX)

Training	Dates	Counties & Institutions	Number of Graduates
PPMP I	September 2020	Kiambu; Narok; Nandi; Homa Bay; Nyeri	57
PPMP II	October 2020	Mombasa; Makueni; Taita Taveta; Kericho; Kilifi	40
PPMP III	December 2020	Bungoma; Nakuru; Tana River; Bomet; Vihiga; Council of Governors	52
PPMP IV	February 2021	Mandera; Uasin Gishu; Siaya; Kisumu; Kisii	47
PPMP V	April 2021	Busia; Kwale; Kirinyaga; Elgeyo Marakwet; West Pokot	32
PPMP VI	June 2021	Laikipia, Machakos, Isiolo, International Co-operative Alliance-Africa (ICA Africa), Media Council of Kenya, Africa Cooperative Consortium, Kenya Society of Professional Cooperators (KSPC), Nuru Kenya, Youth Digital Engagement (YDE), ActionAid SACCO, Unaitas Sacco Society Ltd and We Effect.	36
		TOTAL	264

## Lessons Learned from Implementation of the PPMP Executive Course

The PPMP Course allowed for gathering lessons learned in both implementation of the course and the technical public policy making process. Lessons learned were gathered through a Pre – PPMP analysis of needs where the team received responses from 28 Counties notes from participant discussion, 60 sessions of After-Action-Reviews (AARs) held jointly with implementing partners and participant feedback. A post-hoc assessment for participants is planned for 6 months after the completion of the course.

**Engagement with Council of Governors (COG) as a coordination mechanism:** A stakeholder coordination mechanism is necessary to guide the public policy process as it will provide an opportunity for all county policy stakeholders to speak in one voice. Participation of the Council of Governors (COG) at the PPMP Executive course by Global Communities was applauded by stakeholders and was an assurance that their voices and concerns were heard and will be considered. The Council of Governors (COG) is a body established under the Intergovernmental Relations Act comprising representatives (Governors) of the 47 counties. COG’s mandate is to share information on the performance of the counties in the execution of their functions with the objective of learning and promotion of best practice and where necessary, initiating preventive or corrective action. Having the COG as an accountability mechanism is key as it brings a measure of responsibility. In its capacity as a coordinating mechanism, the COG can strategically contribute positively in the policy process through: information-sharing; discussion of strategy and coordination of policy activities, and therefore is an asset to all cooperative development organizations.

**Integration of Gender in policy:** Although on average 63% of county officers reported previous informal experience on matters legislation, only 33% have been exposed to formal training on gender matters in the cooperatives sector. Evaluation of the Gender and Public Policy session of the PPMP Executive course by Global Communities revealed that 87% of the participants found gender training session relevant to their work. Policy recommendations from the group highlighted the need to adhere to the two-thirds gender rule as provided for in the Constitution of Kenya, 2010. Integrating gender in public policy capacity building initiatives will contribute to inclusive and modern policies and legislation.

**Cohort-Based Capacity Strengthening:** There is value in adopting a cohort-based training approach in public policy process. This is key as it fosters an environment of inter-county consultations as well as encourages and initiates information sharing on the performance of the cooperative departments with regards to county-specific policy. Global Communities adopted this approach by clustering counties into groups of five for each of their training sessions. The cohorts were selected through an invitation-only process and underwent a review of their readiness to benefit from participation in the PPMP executive program. The cohort-based approach emphasizes deep capacity building and intentional learning on multiple levels including peer-learning sessions, test-and-learn cycle that promotes a culture of learning and continuous improvement and a peer-based learning community. The county-based policy stakeholders are able to build lasting relationships with other leaders or organizations like the COG and this enables them to exchange resources and ideas, address shared issues, and act in concert to accomplish what cannot be accomplished individually.

**Resources availability and allocation:** Resources were identified as a key facilitator towards supporting the policy formulation and implementation process. Many County officials feel that they do not receive sufficient human and financial resources to push the cooperatives policy agenda forward. A clear budgetary allocation to support activities is needed. County policy activities need a range of resources from: technical assistance in drafting, formulation and implementation; funding for meetings, travel, and support services provided by capacity building service providers. The availability of different resources to the county stakeholders involved in the policy process, their production, allocation and management, can exert a significant influence on the processes, results and effects of a policy.

## Recommendations and Next Steps

Based on the feedback gathered during the execution of the six PPMP courses, the CLEAR program developed a set of recommendations that have guided the adaptations to their approach for capacity building to support cooperative-friendly policy in Kenya.

**Engage with Apex Organizations:** Apex organizations, including the Council of Governors (COG) in Kenya and the Cooperative Alliance of Kenya (CAK), can play a significant role in ensuring effective public policy process in counties. By increasing their presence in the counties, these organizations can then create better connections with cooperatives and advocate for cooperative enabling legislation while at the same time supporting counties in implementation of National Government policy. Partnership with organizations such as the COG can help development programs such as CLEAR, gain an entry point to both national and county stakeholders and this can further policy development efforts within the counties. Having interacted with the Council of Governors in the third cohort of the PPMP training, the CLEAR Program continued to deepen the collaboration with the Council to support development of draft model county cooperative legislation for stakeholder

review. The COG will also serve as the entry point by the CLEAR Program to reach out to a majority of cooperative stakeholders at both the national and county level.

**Gender Integration:** While the participants showed great interest in gender equality and women's leadership in the process, more training and advocacy is needed. Policy makers should be champions of gender equality, diversity and inclusion thus ensuring robust and meaningful policy development. Women must be included in the policy process signaling to cooperatives that women must be included as both members and leaders in all processes. Finally, gender equality in new policy must be forward thinking and go beyond the minimum expectations of "participation." Policy making must go beyond sensitization of issues and push for equality and meaningful decision making roles for all people.

**Facilitate Peer-to-Peer Learning:** Learning workshops can be an effective way to promote facilitated peer exchange and learning on how to deal with challenges and management of policy and legislative reforms. These forums encourage accountability among local governments to apply lessons learned and feedback gathered during trainings. Peer-learning approaches, such as facilitated discussions and experience sharing, also foster a learning environment that promotes policy and legislation dialogue for local governments, strengthens ownership, and complements donor-driven approaches. Peer-to-peer platforms can provide a safe space that enables open discussions and generates new ideas around policy reform for cooperatives. In its efforts to foster a learning environment amongst the counties working with the Program, CLEAR will conduct learning workshops with all the counties that have participated in the PPMP training.

**Regularly Bring Together Cooperative Stakeholders with Public Agency Representatives:** There is need to conduct regular (monthly or quarterly) meetings with public and private cooperative development stakeholders *along with* public agency representatives to obtain and share updates on emerging policies and legislative initiatives that have an impact on cooperative enterprises. In order to facilitate inclusive policy dialogue and coordination between the national government, county governments and private sector including non-state actors, a 'collaborative and inclusive approach' is required to engage in consensus-oriented decision-making. This includes transparent dialogue on budgets available to private cooperative stakeholders to support the government and the need by government to apply policy-based mechanisms during the budgeting process to ensure that cooperatives are allocated sufficient funding. Following this, development and civil organizations then have an opportunity to follow up on the effectiveness of processes such as county public participation and whether the outcome of engaging the public is reflective of counties' aspirations. Based on this recommendation, CLEAR Program will continue to facilitate and convene public-private policy dialogues with cooperative stakeholders.

## **Acknowledgments**

This learning brief was written by Maureen Wanjiru, Policy and Legislative Affairs Officer, CLEAR Program, with contributions from Olga Oyier, Policy and Legislative Affairs Specialist, Ashley Holst, Senior Technical Specialist & Tindi Sitati, CLA Officer.





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