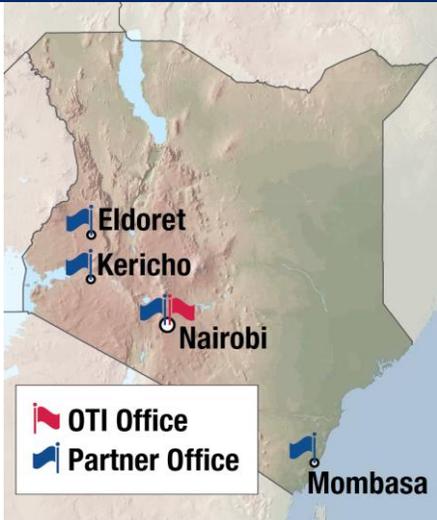




Office of Transition Initiatives

KENYA



OTI MISSION STATEMENT

To support U.S. foreign policy objectives by helping local partners advance peace and democracy in priority countries in crisis. Seizing critical windows of opportunity, OTI works on the ground to provide fast, flexible, short-term assistance targeted at key political transition and stabilization needs.

FAST FACTS

Start Date: January 2011
Budget: \$25.9M
TI: \$11.3M
ESF: \$3.4M
1207: \$325K
DRG: \$500K
PREACT: \$820K
PER: \$250K
CCF-Coast: \$3.93M
XEN: \$2.93M
ES- Coast: \$1.5M
Youth Fund: \$1.02M

PROGRAM DESCRIPTION

The Kenya Transition Initiative (KTI) program, implemented through USAID's Office of Transition Initiatives (OTI), is part of the U.S. Government's broad based policy goals to contribute to a stable Kenyan polity that mobilizes citizen participation around a national identity and political party platforms rather than ethnic identities. The program was launched in June 2008, four months after Kenya's competing political parties adopted a peace accord and power-sharing agreement to stem devastating inter-ethnic violence that followed contested December 2007 national elections. Since then, KTI engagement in Kenya has supported both national and local-level stabilization and transition efforts targeted at recovery by mitigating political and social volatility and reducing vulnerability to violence. In pursuit of this goal, the program assists Kenyan state and non-state actors to more fully exercise their capacities and, thereby, support the following broad objectives:

- Enable public institutions to undertake fundamental reforms and to manage instability and uncertainty.
- Mobilize the public, especially the youth and key change agents, to demand accountability and reform.
- Build moderation, foster identity and self confidence in at risk youth in Eastleigh in order to enable them to reject extremism.

KTI was implemented by Development Alternatives, Inc. (DAI) under a task order that closed in May 2011. Chemonics International Inc. has implemented KTI under a separate task order since January 2011, and will continue through mid-July 2013. This report covers the period between October 1, 2011 and September 30, 2012.

PROGRAM AREAS

Conflict Mitigation: Since Kenya became a multi-party state in the 1990s, pre-election periods have often been marked by violence, often centered around tribal lines. As the country prepares for the general elections scheduled for March 2013, ethnic alliances and divides among the political class have again begun to take root, escalating or creating new tensions in some areas inflamed by political rhetoric. Additional factors in the next elections include (a) the election of several new local-level offices created as part of the 2010 Constitution's devolved structure of government, and (b) two leading Presidential candidates will face trial in the International Criminal Court (ICC) next year. The engagement of Kenyan troops in neighboring Somalia has also resulted in increased xenophobic attitudes towards Muslim and ethnic Somali residents of Kenya and more inter-religious attacks around the country.

Over the last year, KTI supported activities intended to mitigate ethnic tensions among multi-ethnic and border communities that are known as hot spots, and towards youth who have historically been vulnerable to manipulation by unscrupulous politicians, in order to help avert a repeat of the type of post-election violence experienced in late 2007 and 2008. KTI supported activities in the South Rift region, for example, helped facilitate dialogue among stakeholders in tea estates known for diverse worker populations which have commonly experienced inter-ethnic violence during election periods. Through a KTI grant, workers on multiple tea estates shared their experiences from the last election as a way to encourage reflection and discuss lessons learned to avoid a repeat of violence. KTI also supported debates, radio programs, and town hall meetings where political candidates were invited to share their proposals and platforms as a way to better inform voters and encourage them to consider the qualities they wish to see in their leaders. In Naivasha, a well-known hot spot during election times, KTI engaged youth in creating peace messages through videos aimed at drawing youth away from participating in violent activities.

To help forward the US government's goal to counter violent extremism, KTI initiated Phase III in May by establishing an office in Mombasa to focus on Coastal programming. While Kenya's Coast has historically experienced less intense conflict at election times than the Rift Valley and other areas, Coastal residents have been increasingly vocal that national-level politicians have neglected their priorities. The Mombasa Republican Council (MRC), a separatist movement that has threatened to boycott the 2013 elections, has also begun attracting increased support, contributing to fears that violent conflict in Coastal areas may escalate ahead of elections. In response to several days of violent demonstrations in reaction to the killing of a controversial Muslim cleric in that forced the KTI office to close for three days, KTI demonstrated the responsive nature of OTI programming. As the violence subsided, KTI provided support to the Supreme Council of Kenyan Muslims to create a task force to bring together key stakeholders in the region. Within a matter of hours of its creation, the taskforce was able to secure radio shows where they addressed local youth and encouraged them to maintain peace as they waited for the police to investigate the circumstances surrounding the cleric's death. This resulted in youth canceling their planned demonstrations and helped ease religious tensions in the region as Mombasa regained calm.

Public Institution Strengthening: The 2008 National Accord called for the Kenyan government to affect changes geared towards reforming many of its public service agencies, ranging from the judicial service to the police force. However, a lack of political will, combined with a dearth of funding for these initiatives, has resulted in stalled momentum for many critical reforms. As part of its objective of enabling public institutions to undertake fundamental reforms, KTI has provided support to several government institutions pushing key reforms ahead that will contribute to peaceful elections in 2013. This has included support to a number of local-level land registry offices, in recognition that unresolved land grievances and skepticism of the government's commitment to addressing them remain a potent driver of conflict in many areas. This year, KTI supported the Ministry of Lands in Kilifi District along the Coast to enhance service delivery through improvements to its records storage facility and security upgrades of the physical land registry. This will help re-build public trust in this key institution's ability to address user needs, mitigating the potential for conflict over land grievances.

Under the leadership of a reformist Chief Magistrate, the Kenyan judiciary has also begun to appear serious in its efforts to reform the country's judicial system. KTI is supporting the Mombasa High Court by purchasing and installing case management system software that will increase the amount of information that court users and the public have access to, incorporating lessons learned from prior work with the Eldoret and Kapsabet Courts. As greater efficiency and transparency give Kenyans greater trust in the Courts, it is hoped that they will be less likely to turn to vigilantism and violence to address their grievances and will be more willing to use the established legal framework to resolve conflicts in a peaceful and legal fashion.

COUNTRY SITUATION

Coastal Region Unrest: Incidences of violence in several areas along the Coastal region heightened fears of conflict around the upcoming general elections. In September, more than 100 people were killed in Tana River County during fighting between bordering ethnic communities over natural resources incited by local political leaders. Among the senior politicians implicated was then-Acting Internal Security Minister Yussuf Mohamed Haji, who is currently the Minister of Defense. The government's response to the Tana River attacks was criticized for being slow as it emerged that there may have been intelligence that warned of the potential inter-ethnic conflict yet nothing was done. Worse still, violence in the area continued even after a large police contingent was deployed to restore calm. During KTI's last rolling assessment at the Coast, the project decided to engage a consultant to conduct an overall assessment of the region that will be used to inform KTI programmatic responses to this still-volatile and evolving context.

In Mombasa, the killing of Sheikh Aboud Rogo, suspected of links to known terrorist groups, sparked two days of riots in the city as mostly youth protesters demonstrated against his killing, implicating the police. The protestors targeted

police, killing three officers in the process, and attacked Christian churches. The violence exposed underlying religious intolerance in the Coastal region.

By-elections: The Speaker of the National Assembly declared three parliamentary seats vacant after the deaths of Ministers George Saitoti, John Michuki, and Assistant Minister Orwa Ojodeh, who represented Kajiado North, Kangema and Ndiwa constituencies, respectively. The Independent Electoral and Boundaries Commission (IEBC) decided to hold by-elections to have the vacant seats filled. In the by-elections, The National Alliance (TNA) political party, led by presidential hopeful and ICC suspect Uhuru Kenyatta, won two of the constituencies while Prime Minister Odinga's Orange Democratic Movement (ODM) won the third. The results were perceived as indicative of the strength of key parties in the lead up to 2013 general elections, and have solidified public perception that Kenyatta and Odinga are the main contenders for the Presidency.

Changes in the Political Scene: Kenya's President and Prime Minister shuffled the cabinet, in what was seen as a last-minute reward system for individuals who have been their political confidants and supporters. This re-shuffling included the appointment of Loitokitok MP Katoo Ole Metito as Internal Security Minister, following the death of his predecessor Professor George Saitoti in a helicopter crash in June.

Pressure is mounting for presidential candidates to select their running mates for the general elections, with tribal allegiances playing a noticeable role in the decisions. Prime Minister Raila Odinga is being encouraged to select an individual from the Kalenjin or the Kikuyu community, as the departure of Deputy Prime Minister Musalia Mudavadi from Odinga's camp to the United Democratic Forum (UDF) party has created a vacuum that other party members are competing to fill. Other key Odinga allies have begun to defect to other parties in what analysts view as a race for political survival, and further demonstrating that the political status quo of allegiances based on tribal lines remains in place, underpinning concerns that post-election violence could occur in 2013 if one community feels that it has been sidelined.

Current Water Minister Charity Ngilu has joined the ranks of presidential aspirants on the National Rainbow Coalition (NARC) party ticket, with a campaign slogan of *Ahadi Tano Miaka Mitano* ("Five Promises, Five Years"). Ngilu is viewed as a spoiler for the chances of presidential hopeful Kalonzo Musyoka, who comes from the same region, as well as those of Martha Karua, the only other female presidential candidate.

Ruling on Mombasa Republican Council: An official ban imposed on the MRC classifying it as a proscribed group has been lifted by the High Court of Mombasa. In the ruling, the Court declared that no evidence was produced to prove MRC's connection to violent crimes and that it had a constitutional right to promote its agenda through political and legal means. However, the ruling also informed the group that their chants, slogans, and campaign for secession might constitute hate speech, propaganda for war, incitement to violence, or advocacy for hatred, which is unconstitutional. Lifting the ban has been seen as a starting point for the government and other key stakeholders to engage in discussions with the MRC to help reduce the tensions building around the group's activism and popular calls for secession. Among other programmatic responses, KTI is developing a grant to the Muslims for Human Rights (MUHURI) group to conduct comprehensive legal research to better understand and respond to the MRC's claims, and to hold forums to engage MRC leadership and the Kenyan government in constructive dialogue.

Terrorist Attacks: Kenya has been under a heightened state of alert since the incursion of Kenyan troops into Somalia in October 2011 with an increased threat level from Al-Shabaab and its sympathizers. Throughout the year there were a number of attacks across the country that resulted in fatalities ranging from 1-15 people. With the capture of the key Somali port city of Kismayo in late September, a major source of economic stability for Al-Shaabaab, more attacks on Kenyan soil are anticipated, resulting in a noticeable surge in security measures around the country, including airports and public spaces.

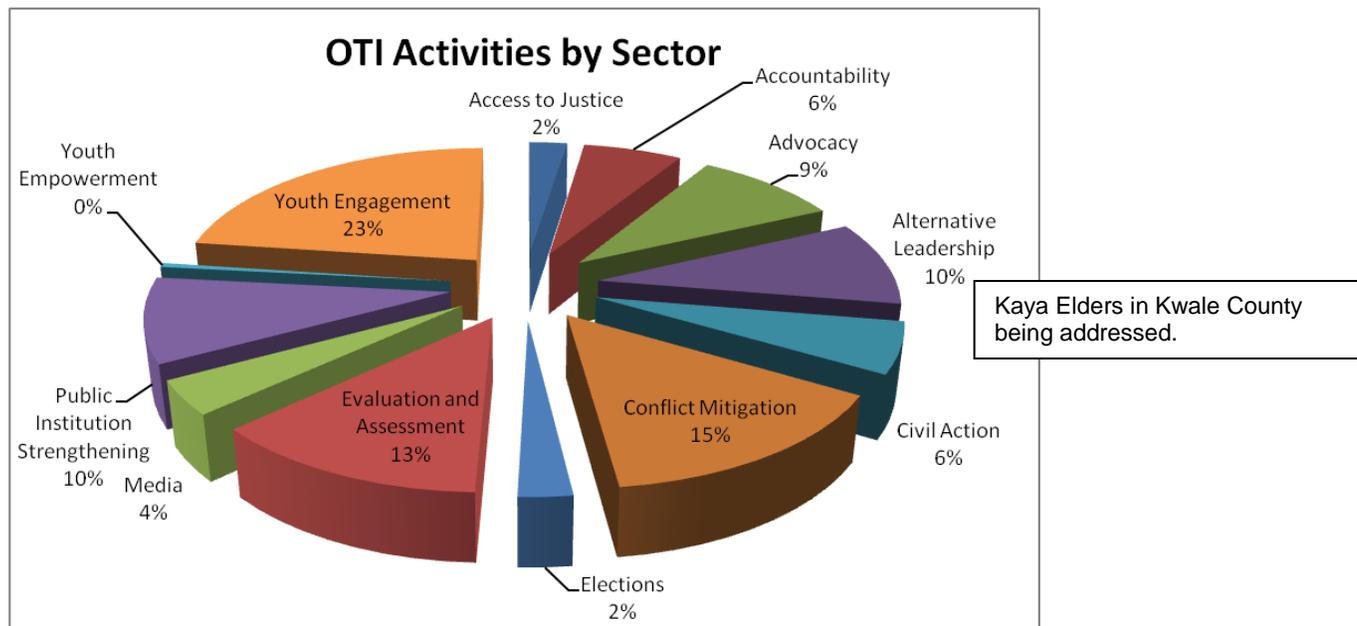
US Government Activity: During the reporting period, Ambassador J. Scott Gration departed post and US Secretary of State Hillary Clinton visited Kenya. During her visit, Secretary Clinton met with President Kibaki, Prime Minister Odinga, Chief Justice Willy Mutunga, and IEBC officials and she called for Kenyans to work together to ensure free and fair elections in 2013 and to avoid a repeat of the 2007/2008 post-election violence.

UPCOMING EVENTS

- October 2012 - Voter education and registration to begin as per the IEBC schedule
- November 2012 - KTI-Eastleigh type programming rolls out to the Coast
- December 2012 - OTI Program Performance Review (PPR) scheduled

GRANTS SUMMARY

Through September 30, 2012, KTI has funded a total of **207** activities, including cleared, completed and closed grants, short-term technical assistance (STTA), and direct distribution of goods and services (DDGS) activities, totaling **\$6,253,878**. The breakdown by sector to-date is as follows:



ACTIVITIES

Supporting Conflict Mitigation Initiatives in West Pokot County: Kenya's Rift Valley region was the epicenter of the violence that engulfed Kenya following the 2007 national elections and communities fear a repeat of the violence in response to the upcoming March 2013 elections. The prospect of post-election violence looms in the West Pokot area of the Rift Valley, which for years was sidelined by national leaders in development and the provision of government services. However, the recent discovery of oil reserves in the area has increased the profile of this area on the national political stage, as well as the potential for violence during the 2013 general electoral period. To counter this dynamic, KTI has supported the West Pokot County Commissioner's office in its efforts to mitigate the potential for conflict by engaging youth and female leaders in the region. The Commissioner's office has held monthly forums focused on strengthening the voices of youth and women as a way to motivate them to participate actively and constructively in elections and other local political processes. As a result, participants better understand the rights afforded to them through Kenya's 2010 Constitution, and are better placed to advocate for their priorities and seek elected office. In particular, women have been empowered to begin to challenge a long history of male-dominated political activity, and youth have been provided information intended to help them avoid manipulation by local politicians to carry out violence during elections.

Democratic and Participatory Problem Solving: This year, Kenya experienced a series of strikes by public servants, including teachers and doctors, calling for improved pay and better working conditions. Students in secondary schools and institutions of higher learning have followed this trend and participated in their own strikes which have frequently escalated into violence. Students are increasingly turning to violent strikes to air grievances instead of learning how to become responsible citizens and future leaders. Youth were the major perpetrators of the 2007/2008 post-election violence, and it is critical to engage them in constructive political activity ahead of 2013 elections. Recognizing schools as a key entry point for youth engagement, KTI supported [redacted] to work in learning institutions to produce future leaders who value dialogue, democracy and compromise. The activity provided a forum for students to engage in open dialogue with the school administration and have their views heard and acted upon, demonstrating how conflict could be resolved through peaceful means. The use of notice boards to disseminate information to students was key in popularizing the debates and increasing attendance. The creation of *bunges* ("parliaments") has served as a tool for students to build their confidence and discover ways to resolve disputes in a collaborative, rather than combative, fashion.

Cultural Elders Vetting Political Aspirants: During campaign season, politicians often seek the approval of tribal elders in an attempt to woo voters. Historically, this process has resulted in tribal leaders being co-opted and

manipulated into lending their support and influence to candidates who serve them poorly once in office. As the 2013 general elections approach, politicians are once again seeking tribal elders' blessing. This year, KTI collaborated with the [REDACTED] to support Kaya elders, representing the Coast's indigenous tribal group, in selecting candidates to endorse for the 2013 elections based on their perceived ability to address the Coast's priorities. [REDACTED] has partnered with Kaya elders to form a vetting committee for political aspirants hoping to represent the Coastal region, which has received extensive publicity. The vetting board will develop criteria against which they will scrutinize political candidates through a public integrity test.

PROGRAM EVALUATION

This year marked a period of growth for KTI, both operationally and programmatically. In October 2011, the project welcomed a new operations manager to replace the operations manager that was removed from his position earlier in the year. An expatriate finance director also joined the project in January 2012, further increasing capacity to manage growing levels of financial transactions, including grant disbursements, while maintaining strong financial controls and compliance systems. Under the leadership of the finance director, the KTI finance team now totals 8 staff in 4 offices. The finance director has been instrumental in instituting mobile banking systems that allow significant levels of payments to be made using mobile money, reducing the risks associated with cash transactions. KTI has received agency-wide recognition for the project's leadership in this regard. The KTI management team has been proactive in responding to and learning from challenges experienced during the initial months of implementation, and continues to review processes and systems to identify further ways to improve.

The Kenyan government's decision to send troops to Somalia in October 2011 was an important development that has impacted KTI's programming and priorities. Kenya's involvement in the conflict has resulted in an escalation of threats to Kenyan interests from Al-Shabaab and its sympathizers. Multiple fatal grenade attacks have occurred in Nairobi and northeastern Kenya, most of them attributed to terrorist elements resident in Kenya. The fact that a number of these attacks targeted houses of worship points to growing tensions between Muslims and Christians that can be seen as an unfortunate outcome of the conflict, along with increased anti-Somali sentiment. One way this dynamic has played out in Eastleigh and environs is in police round-ups of youth after security incidents which has, on multiple occasions, resulted in delays or cancellations of KTI-funded activities.

In addition, tensions significantly increased along Kenya's Coast during the year, reflected in the growing popularity of the MRC, which promotes a secessionist agenda has called for a boycott of the 2013 general elections, and has been blamed for a number of violent incidents in recent months. There is growing concern among donors and analysts that there is significantly greater potential for election-related violence along the Coast than in previous elections. In response, KTI received additional funding through USAID's Complex Crisis Fund and other USAID funding sources to help KTI further USAID's goal of countering violent extremism (CVE) and xenophobia and addressing conflict along Kenya's Coast. CCF funds received in May 2012 enabled KTI to initiate Phase III of the program and establish an office in Mombasa by early June 2012 that now houses 17 staff, supervised by an expatriate regional program manager (RPM). The Mombasa office cleared 15 activities totaling nearly \$600,000 by September 30, with many more under development that will be cleared in October and November.

The dynamic pace of KTI programming on the Coast and other offices was maintained despite the removal of the initial Mombasa RPM in July, which required significant travel to the Coast by KTI senior expatriate staff until a replacement was selected in September. KTI ramped up staffing across all four field offices during the final quarter of the year, onboarding 23 employees. Higher staffing levels contributed to increased activity clearance rates and higher monthly spending, with 24 activities worth more than \$1 million cleared in August and activity disbursement records in July, August, and September. October is also on target to exceed KTI's current clearance records.

Over the course of the year, the project held periodic rolling assessments for its Nairobi, Eastleigh, and Rift Valley components. A start up workshop was held in Mombasa when the Coast office was staffed, in June 2012, and a rolling assessment was held in September that also included Eastleigh staff members who provided input on rolling out CVE programming to the Coast in response to additional funds received for this purpose. In addition to reflecting on recent programming and conceptualizing activities to respond to the current political context and upcoming critical events, KTI rolling assessments have generally included representatives from the US government and other USAID-funded programs to determine areas for collaboration and coordination. These have included staff from USAID's Democracy and Governance team, as well as the U.S. State Department's newly formed Crisis and Stabilization Office (CSO).

The KTI external final evaluation team also traveled to Kenya during August and September, the first of several planned trips to Kenya as part of a broad final evaluation that will cover both KTI Phase 1 and Phase 2. Members of the team attended KTI's Rift Valley rolling assessment in September, and traveled to Eldoret, Kericho and Mombasa.

A one-year review was also conducted for the Eastleigh program in August 2012. Shortly afterwards, three Eastleigh team members traveled to Chad along with the OTI deputy country representative to participate in a USAID-hosted conference focused on CVE programs in the region. An Eastleigh rolling assessment focused on reviewing and developing responses to the one-year review's findings (mostly positive) and recommendations, and updating the work plan.

Despite challenges of operating in a deteriorating security environment and an increasingly tense political atmosphere, responding and ramping up quickly to program significant new funding in the last six months of the year from multiple sources each with its own priorities, and the ongoing operational challenges inherent in a complex operation which now consists of four offices and nearly 70 staff, KTI effectively executed activities in a dozen sectors, ranging from youth engagement to conflict mitigation and public institution strengthening to supporting radio programming in northeastern Kenya. As elections grow closer, the project is responding to issues that could serve as triggers for post-election violence in all parts of the country, including increasing instances of politicians rallying voters against ethnic lines. To promote voting along issues rather than ethnicity, the project funded several innovative grants that engaged media and civil society groups in publicizing politicians' performance records to help voters elect the leaders that serve their interests. KTI also ramped up its use of SMS technology, both under grants and internally, such as to rapidly alert and check in with staff after security incidents. In grant activities, KTI is using its own SMS system, through which KTI can send messages and surveys to registered users, who can in turn send free text replies to a dedicated short code that is in place for all four major cell phone networks. The system is used to register participants, poll beneficiaries on reactions to grantee initiatives and send surveys that can be used to assess impact and inform future activities. The project also demonstrated its ability to respond rapidly to unfolding events, as evidenced by KTI's swift action to respond to riots that erupted in Mombasa in the aftermath of the murder of a controversial Muslim cleric under questionable circumstances, executing an activity within 48 hours to bring influential stakeholders in front of youth to encourage peace and prevent violence. As general elections approach, scheduled for March 2013, KTI will continue to implement significant programming along the Coast and elsewhere that will allow the US government to respond to events that rock stability in the region, while proactively addressing the underlying factors that foster extremism and threaten peace.

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Visit the OTI Website at <http://www.usaid.gov>, Keyword "OTI"