



Kenya Community Development Foundation (KCDF)

Fostering local agency and ownership





The case study on **KCDF** is part of a series contributing to a larger research on intermediary organizations. [You can find all the details here.](#)

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ACKNOWLEDGEMENTS:

A special thanks to Grace Maingi, KCDF's executive director, and to Caesar Ngule, programme director, for their input and insights for this case study.

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KCDF is identified as an
organization created by civil
society actors belonging to local
movements with regranting as
their top priority.*



*We have identified 4 different models
on how intermediary organizations work.

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01. How did they start?



The Kenya Community Development Foundation (KCDF)* has its roots in 1995, **originating from a critical examination of development practices within the country.** It was **led by a group of Kenyan experts** alarmed by the prevailing top-down development approaches that overlooked the voices of local communities in project design and execution. Additionally, they were concerned about the growing reliance on Official Development Assistance (ODA), recognizing the vulnerability it posed in light of global economic shifts. The **Aga Khan Foundation played a pivotal role by hosting and nurturing KCDF** as a project between 1995 and 1997, while the **Ford Foundation provided crucial initial funding.** By 1997, KCDF was officially registered in Kenya. Since then, KCDF has been committed to reshaping development paradigms by emphasizing the central role of communities.

*More information on KCDF is available [here](#).

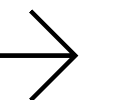


02. How do they define themselves?



KCDF identifies as a Community Development Foundation **committed to understanding the intricate interlinkages between community challenges and fostering social justice and sustainability.** Moreover, community centrality is their key concern as they endeavor to **foster local agency and ownership.** As intermediaries, they provide grants alongside continuous technical support, prioritizing capacity-strengthening and institutional effectiveness. Caesar Ngule, KCDF Programs Director, remarked **that their role as intermediaries is focused on adding value and building trust, beyond monetary transactional activities.**

Furthermore, **KCDF perceives themselves as a catalyst to defend civic space in Kenya.** Through advocacy, they concentrate efforts on improving the philanthropy ecosystem. Moreover, **they foster the conditions to nurture communities of practice and knowledge management around Kenya.** Finally, to support innovation, KCDF occasionally engages in co-implementation with its grantee partners. This means implementing a pilot initiative hand in hand with a grantee partner to test out new ideas and approaches for possible scale.



HOW DOES KCDF DEFINE ADDING VALUE AS AN INTERMEDIARY?

Taking risks to support grantee partners*, detaching this responsibility from funders.

Creating opportunities for grantee partners to network and participate in decision-making processes.

Mediating and contesting funders' guidelines when these do not align with the communities and grantee partners' realities—for example, by adjusting reporting requirements and improving financial flexibility.

Supporting innovation and piloting for scale, which may entail minimal direct co-implementation with our community partners.

Acting as a firewall between communities and funders, helping to manage and mitigate risks around our community partners.

Supporting institutional strengthening efforts of our community partners.

*Note that grantee partner and community partner are used as exchangeable words in this case study.



03. How does KCDF work on Just and Equitable Governance?

For KCDF, good governance operates on two fronts: internally within the organization and externally through their grantee partnerships. Internally, they are continuously working to establish clear, comprehensive policies aligned with national laws and best practices. This includes delineating roles and responsibilities, addressing conflicts of interest and risk management, and ensuring compliance with national legislation. Externally, **KCDF aims to enhance community voices that target inequality reduction and promote social justice and human rights principles.**

Furthermore, KCDF and their grantee partners endeavor to improve access to education, expand opportunities for communities to address **livelihood issues, combat gender-based violence, and enhance sustainability and environmental management.** Through its support, KCDF seeks to modify power dynamics, returning agency and ownership to the communities. Additionally, it involves providing communities with the necessary tools to hold governments accountable while upholding constitutional principles.



04. How do they fund?



THE COMMUNITY FOUNDATION MODEL (CFM)*

KCDF operates under the CFM, a philanthropic model that underscores the importance of community engagement, local ownership, and sustainable development. The foundation of **CFM** rests on the belief that **all communities have the resources** (knowledge, skills, money, etc.) **to tackle their challenges.**

*To learn more about this model, visit [here](#)

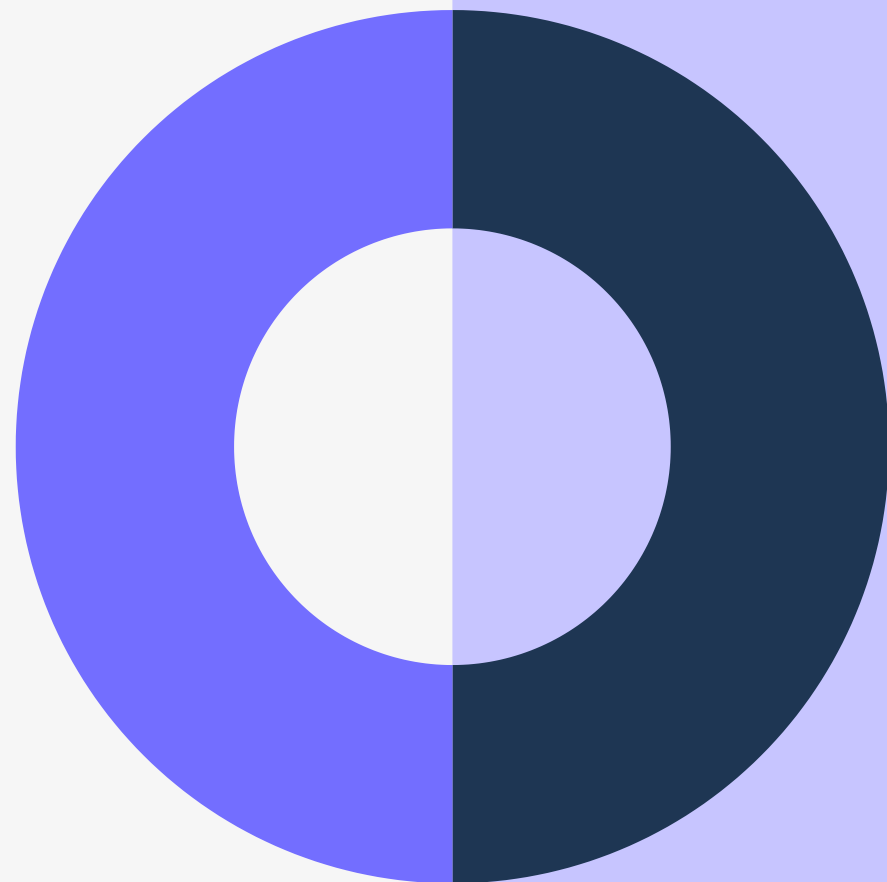


DIVERSIFYING FINANCIAL TOOLS.

Endowment Funds are a key financial tool of the CFM. These funds allow for developing a long-term sustainability strategy, as they are managed in perpetuity and are used to invest in community development (more details can be found [here](#)):

50%

Communities
contribution to
project costs



Grant matching:

Communities contribute 50% of project costs, matched by KCDF and partners. Over 200 projects have been implemented, raising over USD \$1.2 million. Grant matching enhances a strong sense of ownership, horizontal trust, and accountability. When communities contribute their own resources, significant social capital is retained, enabling continued harnessing of local resources for future projects. Moreover, grant matching incentivizes community organizations to raise additional resources locally.



DIVERSIFYING FINANCIAL TOOLS.

Endowment funds:

These funds serve as a **long-term investment tool to ensure sustainable financing for community initiatives**. KCDF raises funds for its own endowment fund locally and overseas. KCDF also facilitates a pooled endowment fund for/by community organizations, individuals, families, or companies to support their chosen causes. These two categories of funds are **invested as a pooled fund**, thereby lowering operational costs. Most contributors, **mainly community-based organizations, have endowment funds invested as a pooled fund**.

KCDF aims to increase the endowment from \$1.2 million to \$12 million as outlined in its strategic plan. To achieve this, KCDF has bolstered fundraising efforts, encouraging local giving, fostering community fund growth, and making prudent investments. KCDF, along with 25 other endowment fund builders, has the flexibility to allocate a portion of their annual profits for specific purposes. Between 50% to 30% of these profits can be withdrawn to cover project implementation expenses and organizational costs. This allows them to effectively utilize a portion of their earnings to support ongoing initiatives, cover operational expenses, and ensure smooth functioning of their organization.



SUPPORT BEYOND FUNDING

KCDF provides capacity-strengthening assistance, technical guidance, and mentorship to grassroots organizations and community initiatives. One of KCDF's key practices is its emphasis on capacity strengthening and institutional effectiveness, not only with its partners but also internally. This includes enhancing governance structures, sound financial management practices, and programmatic effectiveness.

MONITORING AND ACCOMPANIMENT

Monitoring and follow-up visits are integral to KCDF's approach. Partner organizations are visited at least twice a year, and these visits foster trust and collaboration, enabling mutual learning and growth between KCDF, partners, and communities, ultimately strengthening their collective impact. Overall, the approach to **partner engagement is always adapted to their specific characteristics and needs**. "The beauty of being a community foundation is that it enables us to be flexible," says Grace Maingi, KCDF's Executive Director.

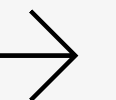
IDENTIFYING GRANTEE PARTNERS

KCDF employs a strategic approach to partner selection. **Open calls are used to engage with new partners, while targeted calls are a more frequently used mechanism, leveraging existing relationships with established partners.** This strategy helps avoid the short-term "hit and run" funding model, recognizing the limitations of short-term engagements. KCDF's granting process begins with a participatory post-grant organizational assessment, which allows tailoring better support and monitoring strategies for each partner, depending on their geographical location, previous experience, institutional strength, and other factors.

THE DECISION-MAKING PROCESSES.

An evaluation committee consisting of management and board team members makes grant decisions based on KCDF's grant-making guidelines,⁵ which are continuously adjusted based on KCDF's ongoing learning process and interaction with the communities.

*For example, [see the guidelines](#) for 2022 open call for applications



05. Who do they fund?

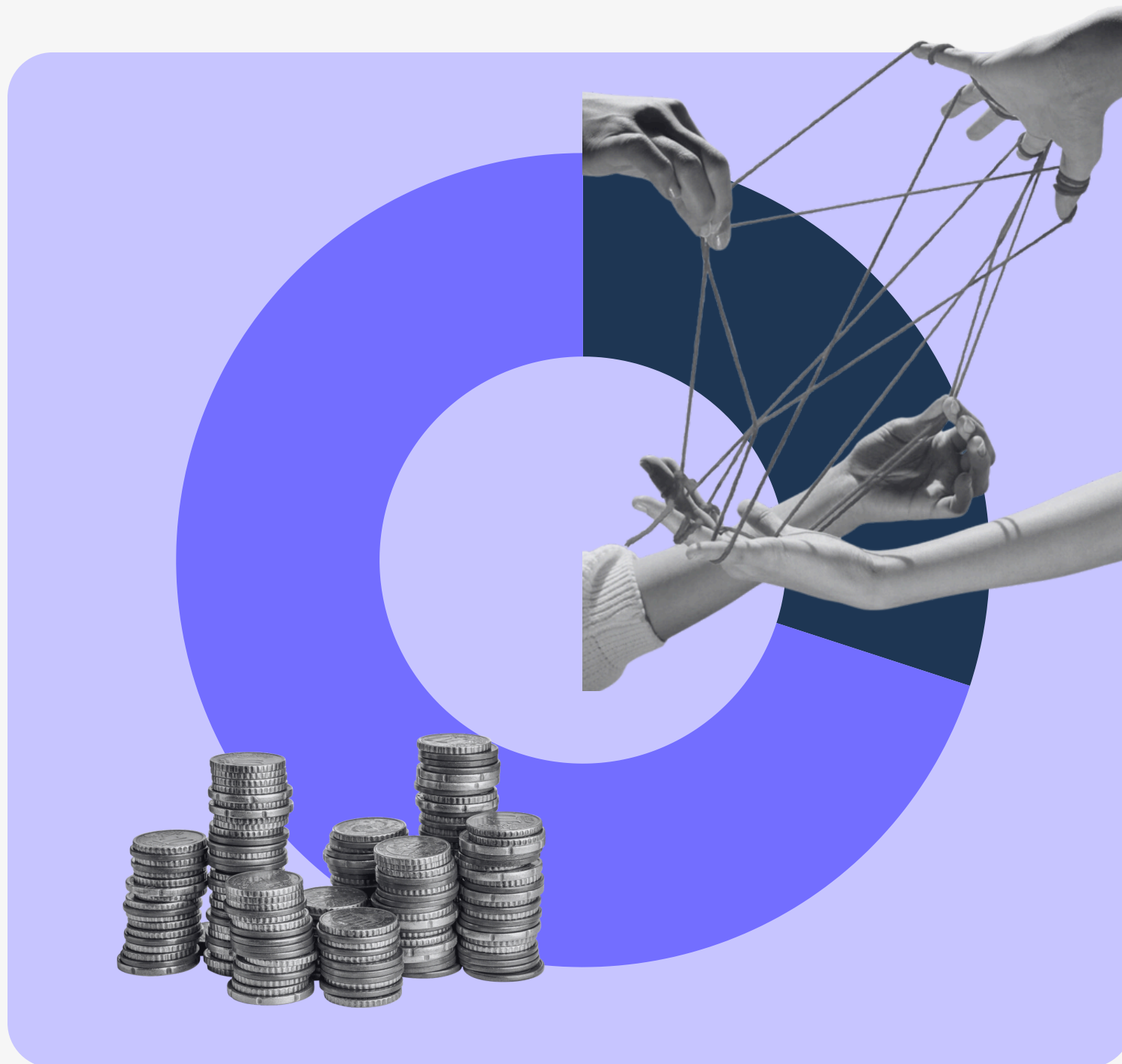
KCDF's partners are local organizations, community-led initiatives, and local movements. Initiatives and projects funded by KCDF are focused on at least one of its four strategic areas: education access, improving livelihood conditions for communities, environmental conservation and natural resource management, and strengthening community voices and promoting civic engagement.* This includes **funding initiatives aimed at building community awareness, advocacy, and active participation in decision-making processes** at the local, national, and international levels. KCDF's funding portfolio reflects a commitment to supporting grassroots organizations and community-driven initiatives that address the root causes of social, economic, and environmental challenges in Kenya.

*More details regarding the specific thematic areas can be found [here](#)

Since beginning operations in 1997, **KCDF has directly and indirectly benefited over 2,000 grantee partners.** Additionally, more than USD \$2.75 billion have been disbursed to community-led projects. KCDF has attempted to maintain a balanced geographical distribution, visualizing the myriad of approaches to address local challenges. **The current funding portfolio integrates over 40 partners, whose grants oscillate between USD \$2,500 and USD \$65,000.**



06. Who funds KCDF?



KCDF manages diverse sources of financing. **At the core of its strategy is community philanthropy**, which strives to encourage communities to mobilize their own resources to invest in their development priorities, thereby fostering a sense of ownership and accountability. **Around 30% of KCDF's total funding comes from community philanthropy.** This strategy is complemented by partnerships with bilateral organizations and international donors, such as Wilde Ganzen, Ford Foundation, TechSoup, USAID, the Mott Foundation, and others. However, KCDF remains committed to ensuring that international funding complements, rather than replaces, local efforts and priorities. Moreover, KCDF has also appealed to private and corporate partners, such as Isuzu East Africa, I&M Foundation, the Chandaria Foundation, and others.



06. Challenges

CHANGING FUNDING PRIORITIES

Rapid changes in funding priorities create uncertainty and may divert resources away from critical issues. It can be challenging for grassroots organizations to adapt to changing funding priorities and maintain focus on long-term goals.

RESTRICTIVE FUNDING REQUIREMENTS

Some funders impose restrictive requirements that limit innovation and organizational sustainability. Common restrictions involve thematic area of focus, technical approaches, budget, or geography.

SHORT-TERM FUNDING CYCLES

Funding cycles tend to be short, which challenges strategic long-term thinking and planning for communities and local organizations.

POWER DYNAMICS

Power imbalances between funders, organizations, and communities influence funding decisions and hinder collaboration. Organizations may feel pressured to conform to funders' expectations, limiting their ability to pursue innovative approaches.





LIMITED FUNDING MODELS

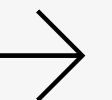
Traditional funding models may not adequately address the complex challenges faced by communities. There is a need for more flexible and inclusive funding models that enable communities to lead decision-making and support systemic change.

LOCAL PHILANTHROPY

Corporations and the private sector prefer to support development projects rather than initiatives focused on social justice.

SIGNIFICANT FOCUS ON PROJECTS, AT THE EXPENSE OF DEVELOPING ROBUST INSTITUTIONS

Many funders prioritize project investment over strengthening the implementing organizations. This results in a donor-dependent ecosystem among CSOs in the country, where organizations survive from one project funding cycle to the next, hindering innovation and long-term sustainability.



07. Recommendations for funders and donors



EMBRACE LOCAL MODELS OF SUCCESS

Funders should acknowledge and support successful local models of development, recognizing the value of community-driven initiatives and solutions. Rather than imposing external frameworks, funders should seek to amplify existing strengths and capacities within communities and countries. Shift from attribution to contribution.



PRIORITIZE FLEXIBILITY AND SUSTAINABILITY

Funders should prioritize flexibility and sustainability in their funding approaches, allowing for adaptive responses to evolving needs and contexts. This may involve providing unrestricted funding, supporting long-term capacity-strengthening initiatives, and investing in organizational effectiveness and resilience.



EMBRACE BOLD APPROACHES

Explore innovative funding models like endowment fund building and unrestricted funding. Take calculated risks to support sustainable solutions and long-term impact. Encourage funders to invest in organizations willing to accept the risk of localization.



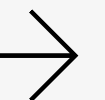
FOSTER COLLABORATION AND SYNERGY

Advocate for collaboration among funders to pool resources and avoid fragmented initiatives. Promote funding strategies that complement existing efforts and build synergy across sectors. Encourage funders to support initiatives that address systemic challenges.



TAKE A SYSTEMIC PERSPECTIVE

Funders should adopt a systemic perspective when addressing multifaceted challenges, recognizing the interconnected nature of social, economic, and environmental issues. Rather than focusing solely on short-term project interventions, invest in building resilient ecosystems of civil society actors capable of driving sustained change.





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[DETAILS HERE](#)