



Institute of
Economic Affairs

ANNUAL REPORT 2013



Institute of
Economic Affairs

Annual Report 2013

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Message from the Chief Executive Officer

I am pleased to present the report of the activities of the Institute of Economic Affairs (IEA-Kenya) on behalf of the staff, management, members and Board of Directors. As you read through this report, you will see that we had another fruitful year of activities and events in pursuit of our mission. This report confirms that our activities are led by the quest to “facilitate the review of policy and public affairs in order to inform decision making processes.” This year was also an important one primarily because it marked the final lap of the strategic plan which commenced in 2008.

Membership

The IEA-Kenya saw the growth of membership in numbers owing to renewal of subscriptions together with the new members recruited from graduating students in addition to professionals covering sectors from banking, academic, non-profit and law. To the management and the board of directors, this is desirable because it represents the expansion of the span of professionals and also growing and maintaining the overall membership. We interpret the stability and growth of our membership to the fact that the institution plays a leading and prominent role in enabling these professionals to participate in policy processes but also to educate themselves about the implications of particular policies in Kenya. The IEA-Kenya will continue to strive to maintain and grow our membership.

Research and Policy Analysis

Activities and research at this institution is driven wholly by the four programme teams. In the past year, we produced more than one dozen pieces of policy analyses and research publications. Starting with the analysis of the budget, we presented findings on the fiscal position of the government, highlighting the significance of this budget for devolution in particular. The high profile and visibility of the budget presents a constant opportunity to conduct analysis and contribute consistently to policy discourse and public education on this issue. Our analyses was sent to parliamentary committees and individual legislators to inform their debate on the both the spending and revenue proposals of the executive. This culminated in the budget guide for legislators and the public.

Regional integration is a salient issue for Kenya and its partners within the East Africa Community (EAC) and beyond. We consider it essential to create an understanding of the state of play and specific implications of the EAC customs union. The Trade Information programme developed a working paper that explores the potential to increase overall trade for Kenya and other partners. With the admission that employment creation remains the major challenge for economic policy in Kenya, the IEA-Kenya has maintained a long term focus on understanding the problem of unemployment, exploring its features and proposing alternatives for expanding employment. In 2013, we used an established methodology to conduct an Employment Diagnostic Analysis (EDA).

In another study, we also considered the role of agriculture in selected counties in Kenya and to highlight what investments may be necessary to support productivity improvements. The findings emphasize the need to consider agriculture as a business sector with provision of public goods to enable farmers to make investment decisions. Together with other publications, this series of papers and policy analyses will generate new information and remain the centerpieces for IEA-Kenya’s public education and policy engagement for the medium term.

The IEA-Kenya has always tried to inform policy discourse by using innovative approaches and was the first policy institution to use and publish scenarios for Kenya. In the last year, we applied the scenarios building technique to the devolved system of government. The result was the publication of four possible scenarios on what Nairobi County would like in 2040. This has been published in a series of stories and highlights the main areas of challenge in provision of services and maintaining the growth of the city over that period.

Policy Engagement

Relevant research can only be effective where it is used in policy dialogue and public education. Individual officers of the IEA-Kenya provided analysis for public consumption through print, electronic and social media. Using the results of the IEA-Kenya’s research, we published up to 40 opinion articles in diverse media in the

country. This broad public engagement ensures that the results of the work is available to a broad audience that has a professional interest in the policy issues of the day. Other media engagements involved appearances in the electronic media as interviewees in both local and international media to offer the insights gained from the research conducted by the institution.

Besides informing critical audiences of the outcomes of the research and seeking to inform public opinion, policy engagement is most effective when it involves policy making institutions. We responded to two calls from the committees of Kenya's parliament and made written submissions in addition to appearances for oral testimony related to public finance and regulatory affairs. This is a direct confirmation of both the relevance of the IEA-Kenya's work together with recognition by the law making body. There was also ongoing contact with specific offices in the executive arm of government with research and policy recommendations sent to the treasury to inform the budget policy.

Partnerships and Institutional Development

Members and staff of the IEA-Kenya repeatedly state that the partnerships that we build is a strategic resource for the institution's work. We therefore acknowledge the advice and resources that our partners provide to enable our work to continue. We note with appreciation the long standing partnership with the Think Tank Initiative (TTI), the International Development Research Centre (IDRC), the Rockefeller Foundation, DANIDA, the Centre for International Private Enterprise (CIPE), the Ford Foundation, URAIA, The Global Development Network (GDN), UNICEF Kenya office, SUNY-Kenya, the International Budget Project (IBP), GIZ, the Forum for the Future and Action Aid Kenya. We thank you all for investing in the mission and efforts of the IEA-Kenya.

Mr. Kwame Owino



**Chief Executive Officer,
Institute of Economic Affairs (IEA-Kenya).**

Governance of the Institution

Board of Directors

Mr. Solomon Macharia Muturi - Chairperson

Mr. Anthony Mwithiga

Ms. Atsango Chesoni

Mr. Charles Onyango-Obbo

The IEA - Kenya Secretariat in 2013

Mr. Kwame Owino
Chief Executive Officer

Mr. John Mutua
Programme Officer
Budget Information Officer

Ms. Veronica Nguti
Programme Assistant
Futures Programme

Dr. Miriam Omolo
Programmes Co-ordinator &
Trade Information Officer

Ms. Mary Odongo
Programme Officer
Trade Information Programme

Mr. Stephen Jairo
Programme Assistant
Trade Information Programme

Mr. Oscar Ochieng
Assistant, PR & Communication

Mr. Paul Obinge
Finance & Administration Manager

Ms. Nelly Kibathi-Kamande
Executive Assistant

Mr. Chrispine Odour
Programme Officer
Futures Programme

Ms. Zilper C. Audi
Programme Officer
PR & Communication

Mr. David Owiro
Programme Officer
Regulation & Competition Policy Programme

Mr. Raphael Muya
Programme Officer
Budget Information Officer

Ms. Millicent Onsongo
Accounts Assistant

Mr. James Ndungu
Office Assistant

Mr. Mungai Karori
Driver

Ms. Tandisonia Mwandama
Front Desk Receptionist

Ms. Ruth Wanja Kinyanjui
Programme Assistant
Trade Information Programme

Abbreviations

ACP	Africa, Caribbean and Pacific
AGOA	African Growth and Opportunity Act
BIP	Budget Information Programme
CABRI	Collaborative Africa Budget Reform Initiative
CIDP	County Integrated Development Plan
CIPE	Center for International Private Enterprise
CSO	Civil Society Organization
EAC	East African Community
HERAF	Health Rights Advocacy Forum
IBP	International Budget Partnership
IEA	Institute of Economic Affairs
IRS	Indoor residual spraying
ITN	Insecticide treated nets
MOU	Memorandum of Understanding
MUHURI	Muslims for Human Rights
NCWTO	National Committee on World Trade Organization
OBI	Open Budget Index
PEAP	Post Election Action Programme
PFM	Public Finance Management
PIN	Parliamentary Initiative Network
RCPP	Regulation and Competition Policy Programme
TIP	Trade Information Programme
UNICEF	United Nations Children's Fund
VAT	Value Added Tax

About Institute of Economic Affairs

The Institute of Economic Affairs – Kenya (IEA-Kenya) is a civic forum that seeks to promote pluralism of ideas through open, active and informed debate on public policy issues. The IEA – Kenya is independent of political parties, pressure groups, lobbies and any other partisan interests. The IEA – Kenya is Kenya’s first public affairs dialogue forum. It grew out of the 1992 Post Election Action Programme (PEAP), a joint effort by Kenyan professionals and academics.

The Vision of the IEA-Kenya

A Kenyan society with a well managed economy and an informed public in which national interest; justice and dignity for all citizens are upheld.

The Mission of the IEA-Kenya

To facilitate the review of policy and public affairs by Kenyans in order to inform decision making processes, provide just choices and improve the quality of decisions made.

Goals of the IEA-Kenya

The goals of IEA-Kenya are:

- To facilitate economic policy formulation and analysis at the national, regional and global level
- To facilitate effective public participation in economic and related decision making processes
- To develop a sustainable IEA-Kenya institutional capacity

IEA-Kenya Programmes

The IEA-Kenya’s activities are organized around the following Programme thematic areas:

- Budget Information Programme
- Futures Programme
- Trade Information Programme
- The Regulation and Competition Policy Programme and
- Special projects

Programme Report

1.0 BUDGET INFORMATION PROGRAMME

The programme's main goal is to promote transparent and participatory engagement of key institutions in public finance management with emphasis on execution and auditing.

1.1 Highlights of BIP Achievements for 2013

a) "Go-to" institution for collaborative budget advocacy work at the local and international level.

The IEA through the BIP Programme has widely been involved in promoting budget transparency through the various research work with international budget partnership (IBP), Collaborative Africa Budget Reform Initiative (CABRI) UNICEF and Action Aid. Through collaboration with these institutions, the BIP programme managed to launch the Open budget index (OBI) 2012 Survey results with IBP, reviewed the country performance on the fiscal transparency with CABRI, completed a consultancy study on Budgeting and Costing Analysis as Part of the Situational Analysis of Children in the Justice System in Kenya under UNICEF and Public Spending in Agriculture: Is it Beneficial to Small Scale Women Farmers in Kenya under Action Aid.

b) Increased knowledge repository in public finance management

The BIP Programme managed to hold the annual pre budget hearings, Forum on Division of Revenue Bill 2013 and the budget analysis retreat. This culminated in the production and dissemination of the Citizens Alternative Budget 2013/2014, MPs Budget Guide for the year 2013/2014 and the Forum on the Division of Revenue Bill 2013. This led to increased media engagement, interviews and public education.

c) Enhanced collaboration between parliament, CSOs, research institutions and other institutions to facilitate policy formulation in public finance management.

Through the Parliamentary Initiative network (PIN) which bring together Civil Society Organizations (CSOs) whose programmatic focuses on working with parliament, the network was able to consider and draw membership for International budget Partnership in the year 2013. In the year 2013, the Institute of Economic Affairs (IEA) was nominated to be the convening partner of PIN and since then, IEA has been hosting, chairing all PIN meetings and coordinating the activities of the various thematic groups. This has increased the vibrancy of the network through analysis of critical bills with Parliament. Some of the analyzed Bills included the NSSF Bill, VAT Bill, review of The Statute Law (Miscellaneous Amendments) Bill 2013 and The County Governments (Amendment) Bill, 2013.

d) Improved civil society budget analysis, monitoring and advocacy capacity for county budget work

The BIP Programme built the capacity of civil society to demand for budget transparency through training on expenditure and taxation analysis series and the development of a trainers' manual. This has resulted in CSOs being able to interrogate the budget and provide budget proposals at the county Level. Under the CIPE project on promoting transparency and accountability in county government budget, the coalition partners (Chemi Chemi Ya Ukweli, HERAF and MUHURI) through the technical support provided by IEA managed to conduct budget analysis for three selected regions of Migori, Nyeri and Kilifi respectively. All the findings of the budget analysis were shared with the county Assembly and county executive in a roundtable meeting and a regional post budget analysis of the respective region. Additionally the coalition partners prepared and shared with the county executive and the county members of the Assembly the county Alternative budget for the three regions

e) Promotion of budget transparency

Research and eventual launch and dissemination of OBS 2012, engagement in CABRI review of Kenya fiscal transparency and participation reforms has put IEA in the map as champions for reforms in budget transparency and accountability through our engagement with the executive and other important oversight institutions.

2.0 TRADE INFORMATION PROGRAMME

The programme's main goal is to be an influential actor in Kenya's trade negotiations, policy formulation, reforms and impact assessment. The trade programme this year was characterized by a combination of publications, research and networking activities.

2.1 Highlights of TIP Activities for 2013

a) To monitor, identify and examine the impact of multilateral, regional and bilateral trade negotiations and agreements in Kenya.

IEA provided inputs at the National Committee on the World Trade Organization (NCWTO) workshop held from 30th September to 4th October 2013 at Bontana Hotel Nakuru. The objective of the workshop was to prepare and refine Kenya's position during bilateral, regional and multilateral negotiations, for the following meetings:

- African, Caribbean and Pacific Countries (ACP) Joint Ministerial Trade Committee meeting held in Brussels from 7th to 11th October 2013;
- African Trade Ministers' meeting held in Addis Ababa from 21st to 25th October 2013; and
- 9th WTO Ministerial Conference (MC) held in Bali, Indonesia from 3rd to 4th December 2013

b) To facilitate the participation of media, private sector, civil society and parliamentarians in trade policy debates.

- IEA, a stakeholder of the NC-AGOA, facilitated the ad hoc Committee to a series of outreach activities in Machakos, Malindi, Kisumu and Embu. The objective of the outreach was to sensitize the public on how to utilize the benefits and opportunities provided by AGOA to Kenya. IEA in collaboration with the committee made presentations during these outreach programmes.
- IEA in collaboration with the National Committee on AGOA met to discuss Kenya's AGOA strategy for the 2013 AGOA forum. The objective of this meeting was to discuss the various reports from the Kenya Civil Society Alliance, the Cotton Development Authority, the Kenya Investment Authority and the report on monitoring and evaluation from the Export Promotion Council. From this meeting Kenya's position for 2013 AGOA was prepared for presentation in USA.

c) To facilitate the development of appropriate trade policies in Kenya based on research

- The IEA in collaboration with the National Committee on World Trade (NCWTO) organized a Pre-Bali workshop held on 26-27 November 2013 at Panafric Hotel. The purpose of the workshop was to come up with a common country position as Kenya prepared to take part in the 9th WTO Ministerial Conference in Bali, Indonesia scheduled from 3rd to 6th December. National positions were developed for various issues including: market access, food security, exports Competition, Trade facilitation, Development and least Developed Countries Issues and Post Bali Issues

d) To strengthen and sustain partnerships with relevant government departments and ministries and other institutions engaged in formulation of trade policy.

- IEA took part in the National Committee on AGOA (NC AGOA), 11 June 2013, Ministry of Foreign Affairs and International Trade Boardroom, Teleposta Towers. The objective of the meeting was to prepare for the 2013 AGOA Forum to be held in Ethiopia. Discussions revolved around preparing a common position concerning the East Africa Community (EAC) on AGOA while factoring all concerns raised by the partner states such as the expiry of the third-country fabric provision in 2015, exclusion of key EAC exports

from the list of AGOA-eligible products, and issues arising from the link between the WTO and AGOA.

e) Institutionalize trade policy research analysis formulation and capacity building with selected institutions.

- IEA in collaboration with Internews disseminated the research finding of the research paper “Vector Control in Malaria Policy Simulations: Policy simulations on combined use of insecticide treated nets (ITN) and indoor residual spraying (IRS)”
- IEA and Internews developed a MOU on information sharing and dissemination of health issues through the media. IEA would provide the information to Internews who would then use their network of trained journalists to disseminate the information.

Summary of publications

Trade Bulletins

- Trade notes: Economic Partnership Agreements, WTO Compatibility and Development for Kenya- Issue no. 35, February 2013.
- Antidumping as Trade Remedy: The Way Forward for Kenya- Issue no. 36, July 2013.
- Trade Remedies: Subsidies and Countervailing Measures; its Application in Developing Countries-Issue No. 37, July 2013.
- The Safeguards Measure and its Application in Selected Countries- Issue no. 38, July 2013.
- Trade notes: Africa Growth and Opportunity Act, Challenges and Opportunities- Issue no. 39 July 2013

Research Papers

- The study on “Vector Control in Malaria Policy Simulations: Policy simulations on combined use of Insecticide Treated Nets (ITN) and Indoor Residual Spraying (IRS),”- Completed
- China Studies Report
 - a) Historical Contexts and Trade and Investment Patterns by Stephen Jairo (Draft)
 - b) Trade and FDI Impacts by Miriam W.O. Omolo, Ruth Kinyanjui (WIP)
 - c) Food Security Impacts by Georges Poquillon(Draft)
 - d) Aid Relations, Political Economy and its Implications on Governance by Jacob Akech (Draft)
- EAC Customs Union and Common Market Studies

Two research papers under the EAC Customs Union and Common Market Studies are ongoing. They are:

- a) Regional Integration and Intra -EAC Trade: Exploring the potential of increasing Kenya’s trade flows within the East African Community – Mary Odongo
- b) Democratizing Institutions of Global Governance: The case of the East African Community- Tom Mboya

3.0 REGULATION AND COMPETITION POLICY PROGRAMME

The programme's main goal is to facilitate the formulation and implementation of appropriate economic regulation and competition policy in Kenya.

3.1 Highlights of RCP Activities for 2013

a) Enhancing the role of regulation in economic development in Kenya and the region

i. Employment Policy Reform: The IEA through the study on employment diagnostics analysis in Kenya, provided analysis and recommendations to the sector working group on labour for informing the development of the second Medium Term Plan of the Vision 2030. Stressing the importance of skill formation in the development of a quality workforce that meets the demands of a dynamic economy.

ii. Energy Sector Reform: The IEA conducted an analysis of the energy policy, strategy and industry in Kenya with a view of conducting a situational analysis of the sector, and identifying key challenges facing the sector. One of the main findings is that in spite of the underdevelopment of installed capacity over the years, the ambitious 5,000 MW development plan will result in idle capacity since peak consumption has been just over 2000 MW, coming at a significant cost to the Kenyan taxpayer. This analysis then informed the development of scenarios given the alternative policy choices facing the nation.

iii. Regional Industrial Development Strategy: The IEA provided a critique of the EAC industrial development strategy with a view of harmonizing the national and country development strategies in line with the member states economic priorities and needs. The forum noted with concern the lack of national level public participation in the development of the regional strategy, while also noting the absence of national policies and strategies that enhance the implementation of the regional strategy. The research and advocacy targeted the East Africa Legislative Assembly, and the regional policy makers from EAC member states.

iv. Unclaimed Financial Assets Act and Regulations: The IEA contributed to the policy reform in the financial services sector by way of research and advocacy on unclaimed financial assets resulting in the enactment of legislation to regulate unclaimed financial assets. The act also established an authority to regulate the sector.

b) Promoting adoption of competition policy in Kenya

i. Economic Platforms in Kenya's Political Parties Manifesto: The IEA analysed the economic platforms of all the leading coalitions contending for leadership in the presidential election. The analysis was based on the reform priorities for the selected coalitions with a view to enhancing the debate on the country's economic policy

c) Increasing the use of Regulatory Impact Assessment in Kenya's Policy Development

i. The program is undertaking research on the use of regulatory impact assessments in the design and development of economic policy reform. Regulatory Impact Assessments have been applied in advanced economies to enhance the effects of a desired policy reform. Its use helps in analysing the likely impact of a proposed policy reform given its set reform objectives. The IEA is developing a RIA tool that will contribute to the analysis of desired and undesired impacts of policies enacted by government.

d) Enhancing private sector development through promotion of better regulation and competition policies in Kenya and the region

i. Enhancing Property Rights Regime in Kenya: The IEA completed a research study examining the impact of property rights regime on small businesses, with a particular focus on central business district of Nairobi. The

study observed the lack of protection and enforcement of Property rights by SMEs operating within the city centre owing to lack of awareness and exploitation by informal property agents and landlords.

ii. Enhancing business environment through economic cluster strategy: The IEA reviewed the economic strategies of cluster cities in Kenya by specifically examining Konza technocity. The analysis was presented to the minister in charge with a view of providing an alternative policy option for reforming the country's economic clusters model.

4.0 FUTURES PROGRAMME

The programme's main goal is to facilitate increased utilization of futures methodologies (Visioning, strategic planning and scenarios thinking) in development planning, research, policy formulation and analysis.

4.1 Highlights of Futures Activities for 2013

a) Stimulate and guide change towards the desired goal for different sectors and provide the development of consistent frameworks

- The Programme provided technical support and training on county budgeting and public participation and social accountability in county budget process to CSOs and Members of County Assembly from Laikipia County. Since then, the CSOs have used the Laikipia County CSOs network formed during the training in their engagements with the County Government
- The programme undertook a study on the 'Role of Agriculture on County Economies' in West Pokot, Kakamega, Baringo and Migori counties with the aim of determining: the significance of agriculture in the county economies and sub-sector relevant to investment in interests of women and communities living in exclusion

b) Initiating the effective use of futures methodologies for long term planning in Kenya

- The Programme held discussions around urban informality in Nairobi resulting in the development of the Nairobi City Scenarios 2040. Through the scenarios building process, the stakeholders were engaged in (1) discussions on urban informality and the drivers that would shape and influence the future of Nairobi; and, (2) Identification of innovative options and ideas that will help Nairobi build on the strengths of its informal to achieve a more inclusive city; and to build the resilience of individuals, families and communities against rapid changes, future shocks or stresses facing their city.
- The programme used the Kenya Youth Scenarios stories in increasing awareness and inclusion of youth in policy making; influence policy makers and influencers' strategies during key decision making processes and to promote meaningful public participation by the target groups in democratic processes such as elections and other leadership opportunities. Through various meetings, we were able to influence the target audience approaches or strategies regarding their Civic Education and advocacy work Pre-and Post the General election period, equip them with innovative tools suitable for discussing sensitive issues like ethnicity and participation of the youth in governance process

c) Disseminate and facilitate debates on alternative policy proposals

- The programme held workshops on devolution in Siaya, Nakuru and Nairobi counties to create awareness on devolved governance. As a result, the participants shared that they had gained clear information on issues discussed and that they felt that they could actively engage with the duty bearers as well as in various decision making processes.
- The programme provided technical support to Laikipia County Government in the development of the first county CIDP. The programme also helped the County Government incorporate public participation in the planning process and build consensus on the CIDP via the Planning and Devolution Conference it helped facilitate. This was attended by over 160 including the County Governor, the Deputy Governor, the County Speaker, County Commissioner and members of the County Executive Committee. Others included members of the County Assembly, both the elected and nominated, departmental heads, representatives from Non State Actors, business and private organizations and other stakeholders.

- The programme offered technical assistance to DANIDA- Danish embassy in the development of the 5 year strategy for engagement in devolution in Kenya. The work included the development of papers including: Positioning Counties for Democratic Governance, Matters of Concern; Peace and Security under a Devolved System of Government, Administrative Implications; Effective Public Finance Management in a Devolved System of Government: Foundational matters; How will a devolved system of Government impact the Business Environment?; Natural Resource Management in a Devolved System of Government: What are the priorities?; Health Service Delivery in a Devolved System of Government: Issues of concern; and Aid architecture under a Devolved System of Government.

Summary of publications

Surveys

- Baseline survey on corruption prevalence in service delivery in public health sector in Busia County.
- Baseline survey on corruption prevalence in service delivery in the water sector in Machakos County.

Bulletins

- Opportunities for youth to engage in devolved governance and economic development in Kenya.
- Anchoring devolution: The Acts and Basics in the Constitution.
- Learning by Doing: Towards Better County Budgets in 2014/2015 (Developed jointly with partners).
- 16 Key Questions about Your County Budget. (Developed jointly with partners)

Other achievements

- Networking through workshops e.g. Workshop on inequality, poverty, growth and institutions organized by the economics department of the University of Nairobi in collaboration with KIPPRA; Workshop on strengthening of the National Integrated Monitoring and Evaluation System by the Ministry of State for Planning National Development and Vision 2030; The International Commission of Jurists consultative meeting on the Implementation of Devolved Systems in Kenya; Took part in the National Monitoring and Evaluation framework review meeting organized by the Monitoring and Evaluation Directorate.
- Presentations e.g. Presentation on the future of the youth in Kenya based on Kenya Youth Scenarios during the National Youth Summit 2013 at KICC; Presentation on role of youth in the governance of Kenya at the Linda Amani Conference hosted by Norwegian Church Aid on 19th February; Improving Local Governance through Public Private Participation was made during the Kenya Association of Manufacturers (KAM) and Center for International Private Enterprise (CIPE) meetings held in Mombasa, Eldoret and Nairobi.

5.0 PR AND COMMUNICATION DEPARTMENT

The department's main goal is to facilitate in the planning, implementation and reporting of communication and knowledge management activities with the aim of informing the institute and public on public policy issues.

5.1 Highlights of Public relations and communication Activities for 2013

a) Membership recruitment and retention

- Membership recruitment and retention has greatly improved since the carrying out of the membership survey in 2012. This year, thirty-five (35) members were recruited and fourteen (14) members renewed their annual membership. A total of Kshs. 344,000 was realized from the membership subscription.
- On 6th September 2013, the department organized a quarterly membership cocktail dinner at Serena Hotel. The objective of the meeting was to present a platform where members could air their grievances with respect to IEA membership (benefits), how they can be involved in IEA activities (writing research papers) and also to learn more about the Institute in general.

b) Coordination of both internal and external communication

- There was wide media coverage of IEA activities, evident in nearly all the local broadcast, print and online media channels. The department facilitated: Media briefings, media interviews, and also media placement (buying advertising space in dailies), press releases and media monitoring. The department also sent out monthly e-Newsletters to update the subscribers and members on the happenings in the organization (right from researches, events, media coverage, and call for articles and proposals among others).
- The department oversaw the editing, design and layout, and eventual dissemination of all IEA publications in the year. 10 bulletins, 3 research papers, and 2 quarterly newsletters. In addition, the department was instrumental in supporting the programme staff in their communication needs as well writing of institutional reports like Quarterly Reports, Monitoring and Evaluation/Retreat reports as well as the Annual Report.

c) Website and social media management

- Consistent and continued use of online and social media tools to disseminate information has greatly played a significant role in increasing the number of visits to our website and improving the visibility of the Institute. Twitter followers 3,710, Facebook followers 1,000, use of mail chimp has greatly helped recruit members.
- The website was updated with latest publications, media coverage of the IEA, calendar of events and blog articles, which led to the increase in web traffic, evident in hits, visits and downloads in the analytics.

d) Resource centre

- The IEA resource centre continued to support the research activities at the Institute by proactively selecting and acquiring relevant materials for use by our staff members as well as our members and also providing other library services to the Institute. During the year, our research publications were disseminated to different stakeholders including parliamentarians, universities, policy makers, donors, government ministries, embassies and other research institutions. Several publications were acquired during the period. Government reports were the most popular among the researches. Publications were also received as gifts from various institutions and on exchange bases from collaborating institutions like Institute of Development Studies (British Library for Development Studies).

6.0 Financial Report

Income Statement for the year end 31 December 2013						
	Year ended 31st December 2013(Audited)			Year ended 31st December 2012(Audited)		
	Donor funds	General operation	Total	Donor funds	General operation	Total
	Shs	Shs	Shs	Shs	Shs	Shs
Donor funds - restricted	31,897,919	-	31,897,919	18,870,719	0	18,870,719
Donor funds - unrestricted	31,547,531	-	31,547,531	20,476,607	0	20,476,607
Other income	-	7,473,271	7,473,271	0	10,844,151	10,844,151
Total	63,445,450	7,473,271	70,918,721	39,347,326	10,844,151	50,191,477
Transfer to general fund	-	-	-	0	0	-
Administration and establishment costs						
Donor funds						
-Restricted	(7,494,331)	-	(7,494,331)	(10,412,506)	0	(10,412,506)
-Unrestricted	(11,142,468)	-	(11,142,468)	(6,913,692)	0	(6,913,629)
General operations	-	(5,098,749)	(5,098,749)	0	(2,840,965)	(2,840,965)
Total costs	(18,636,799)	(5,098,749)	(23,735,548)	(17,326,135)	(2,840,965)	(20,167,100)
Programme expenditure						
Donor funds						
-Restricted	(9,697,561)	-	(9,697,561)	(11,912,897)	0	(11,912,897)
-Unrestricted	(9,362,691)	(750,269)	(10,112,960)	(8,416,771)	(3,391,530)	(11,808,301)
General operations	-	0	0	-	0	0
Salaries & wages	(14,111,159)	(603,290)	(14,714,449)	(10,606,087)	(1,787,763)	(12,393,850)
Total programme expenditure	(33,171,411)	(1,353,559)	(34,524,970)	(30,935,755)	(5,179,293)	(36,115,048)
Total expenditure	(51,808,210)	(6,452,308)	(58,260,518)	(48,261,890)	(8,020,258)	(56,282,148)
Net (deficit)/surplus for the year	(11,637,240)	(1,020,963)	(12,658,203)	(8,914,564)	2,823,893	(6,090,671)
Fund Balance brought forward	(8,002,623)	(7,080,728)	(922,345)	(16,917,187)	(9,904,171)	7,013,016
Funds refunded during the year	(2,463,691)	0	(2,463,691)	0	0	0
Balance carried forward	17,176,172	(6,059,315)	11,116,857	8,002,623	(7,080,278)	922,345

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