

Rethinking the Policy Advocacy Role of MSE Associations in Kenya

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Abstract

Kenya has in recent years witnessed a rapid growth in the formation of MSE associations. Despite this, the MSE sector remains uncoordinated and the capacity of MSE Associations to lobby for the implementation of MSE policies remains weak. This paper is based on surveys covering 202 associations in Nairobi, Mombasa, Kisumu and Nakuru. The study is guided by the question: Are MSE associations well organized to effectively play their policy advocacy role? If not, what are their main capacity limitations as far as policy advocacy is concerned? Results suggest that whereas MSE associations are expected to play a pivotal role in organizing MSEs and enhancing their participation in policy formulation, implementation, monitoring and evaluation, the institutional capacities of MSE fall below the levels required to meet challenges posed by these expectations. Perhaps the most critical constraint is inadequate human resource capacity. Other limitations include thin budgets, lack of office space and equipment, including telecommunications equipment. Most associations experience problems related to recruiting members and retaining them. Due to poor recognition and poor visibility, most of them are not involved in policy-making forums. Their officials have poor understanding of MSE policy and conflicts between primary associations and umbrella association are evident. Thus, empirical evidence supports the view that the capacity of MSE associations in Kenya to lobby for the implementation of MSE policies remains weak.

Keywords: Micro and Small Enterprises (MSEs), umbrella associations, primary associations, policy advocacy

1. Introduction

Most MSEs face economic and political barriers that inhibit their growth and can some times threaten their very existence. These challenges range from broad regulatory matters to sector-specific issues. They include any government policies or private business practices that inhibit MSE growth and competitiveness. One of the strategies of addressing these challenges is promoting self-representation through MSE Associations. MSE associations should ideally organize MSEs to identify key policy issues or private sector practices affecting their businesses; and advocate effectively for change. This is perhaps why there is a growing proliferation of business associations (Helmsing, 2000).

The origin of most, especially formal, MSE associations¹ in Kenya is traceable to the visit by the Kenyan President Daniel Arap Moi to the Kamukunji jua kali industrial cluster in Nairobi in November 1985 (Mullei and Bokea, 1999). After this visit, one of the areas of policy focus in the Presidential decree included the need for MSE sector organization and formation of groups. This was followed by explicit policy statements to the effect that the associations would provide a direct link between their members and the Government. The Sessional Paper No 2 of 1992 on Small Enterprise and *Jua Kali* Development in Kenya (GoK, 1992) states "Local groups of artisans will be encouraged to form associations to make easier the administration of assistance programmes". Subsequently, the Sessional Paper No 2 on Development of Micro and Small Enterprises for Wealth and Employment Creation for Poverty Reduction (GoK, 2005) is more elaborate and gives a greater emphasis on the role of MSE Associations. It states thus;

"MSE Associations will play a pivotal role in policy formulation, implementation and monitoring. The associations will increasingly take the initiative, not only in lobbying the Government on what they need but also in supplementing other efforts in training, marketing, technological development and transfer, information collection and dissemination, environmental management and provision of other support services. In addition, they will be avenues for channeling support services to the MSEs, securing property rights and credit for members, safeguarding quality and safety standards of products and premises for members, and entering into subcontracting and supply contracts" (GoK, 2005)

Despite the increasing attention that has been directed to MSEs and their associations, and the policy shift, there is limited understanding on the origin and actual functioning of associations in Kenya and the services they provide to members (Haan, 1999). The aims of such groups are neither well articulated nor

¹ We define an MSE association as a collective body formed for the purpose of providing a range of support services to members drawn mainly from the MSE sector. Therefore, it denotes a group of people joined together through resource pooling for a shared purpose, such as improving the sector operations or living standards of members. The definition includes jua kali associations, informal sector associations, micro-business associations, community based associations and primary associations as used by many authors (Mathuva, 1996; Haan, 1999).

elaborately documented. Studies are beginning to provide evidence of high mortality among MSE groupings (Mathuva, 1996). Similarly, the formation of most associations is driven by external pressures of government policy, political interventionism and donor funding. This top-down influence has dampened the self-help spirit that should drive collective action within the associations.

This study will contribute to the growing literature on MSE associations in Kenya, especially on the role of policy advocacy. The study is guided by the questions: Are MSE associations well organized to effectively play their policy advocacy role? If not, what are their main capacity limitations as far as policy advocacy is concerned?

2. Expectations from Theory

Business associations aggregate the collective power and interests of the private sector and join them into a social movement (Heilman and Lucas, 1997). They harness collective entrepreneurship and act as intermediaries between individual business action and state action (Bennet, 1998; Weinberger and Jutting, 2001). Business associations lobby for more favorable economic policies and negotiate collective wage agreements with trade unions (Helmsing, 2000; Mathuva, 1996). As such, the impetus for the formation of business associations arises from both state and market failure (Helmsing, 2000). In other words, their formation should be “demand led” and “at arms length”.

A key theoretical question that follows is how and under what circumstances is cooperation among MSEs beneficial? The rational decision-making model, postulates that the costs and benefits of an action can be ascertained, and that the rational individual would weigh between the decision either to participate or refrain from participating, and would decide on the choice with the greater net benefit (see Bennet, 1998; Weinberger and Jutting, 2001). This economic theory is based on the assumption that membership is voluntary (by choice) and that the members have the capacity to assess the costs and benefits to each business including benefits and costs of any “solidarity”, social or club aspects. Therefore, MSEs join associations due to the net benefits accruing by acting collectively rather than individually.

The next theoretical question is: Why should MSEs join associations? There are two strands of thought that have been advanced to explain this – the logic of services and the logic of influence (Bennet, 1998). According to the logic of services, associations respond to member’s individual and specific demands. Members lack internal resources and the capability required to monitor and respond to technological and market changes, and need access to specialist business services (Helmsing, 2000). In this sense, the association would be service-oriented and would be perceived as a business service company with the capacity to contribute to the competitiveness of the members by filling specific niche markets for business services.

According to the logic of influence, the association acts collectively on behalf of all or at least the majority of its members’ interests. Business associations act as channels of articulating the concerns and demands of producers, pooling resources and providing (semi-) public and ‘club’ goods (Helmsing, 2000). The collective orientation of the association implies that revenue mobilization for such institutions would be mainly through general subscriptions with little income possible from fees, leading to poorly resourced bodies. Similarly, the collective nature enhances competitiveness through the provision of collective services such as industry standards, codes of conduct, branding of quality control, etc. The problem with this model is that collective services tend to have a large externality effect or “public goods features” – exposing them to the “free rider problem”¹. According to Bennet (1998), the logic of influence helps us to understand how associations benefit the government. Such benefits include (1) offering an enhanced level of compliance with regulations; (2) lowering administrative costs of regulation; (3) maximizing the tacit knowledge available through associations by designing better regulations to take account of technical and market developments.

3. Research Design

The field surveys that form the basis of this paper were conducted over the period between 21st March 2005 and 21st April 2005 in four main regions (Nairobi, Mombasa, Nakuru and Kisumu), each of which is defined by a major town and its environs. The Nairobi region covers Nairobi town, Machakos town, Thika town and Ongata Rongai town. The Mombasa region consists of Mombasa town and the surrounding towns of Kwale, Kilifi and Malindi. Nakuru region covers Nakuru town, Nyahururu town, Gilgil town, Naivasha town and Molo town. Kisumu region included the following towns: Kisumu, Nyando, Migori, Homa Bay, Kisii, Nyamira and Siaya.

In each region, the construction of the sampling frame involved three stages. At the first stage, an inventory of all active MSE associations was compiled using records and lists available from the respective Appropriate Technology Offices (of the Ministry of Labor) and Social Development offices (of the Ministry of Gender, Sports, Culture and Social Services) at the District and Provincial levels. In the second stage, listed

¹ In the literature, this problem has been discussed along with the *tragedy of the commons* and the *prisoner’s dilemma* (see Weinberger and Jutting, 2001).

associations were stratified by sector. Thereafter, balanced samples were drawn. In some instances, the enumerators had to use the snow balling approach particularly where the sampled associations were found to be inactive or where the officials could not be reached.

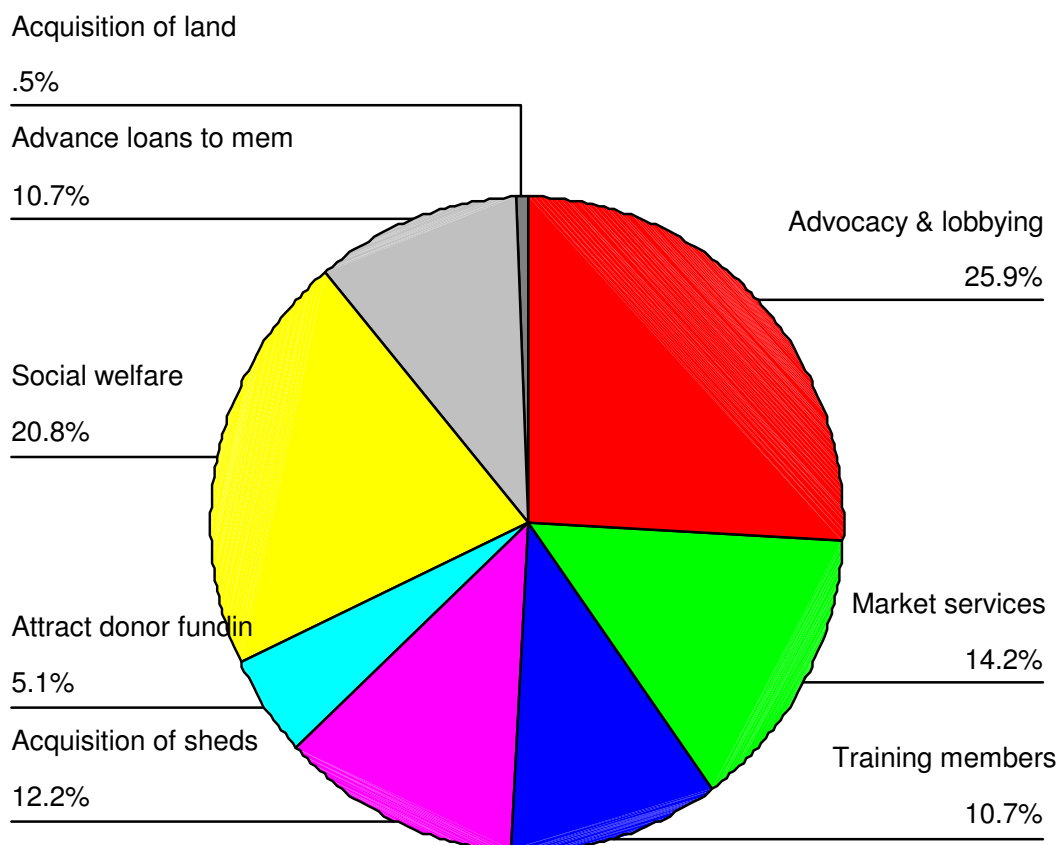
Data was generated mainly using a structured questionnaire although some limited key informant interviews were also conducted. Although the questionnaire was designed to capture data on various areas (general characteristics of the association; core business; organizational processes and capacity; training needs; perceptions on policy and regulations; representation and voice; technical support, networking and support services; and future plans), the focus of this study is on the policy advocacy capacity of MSE associations. The unit of analysis was the MSE Association and the respondents were key personnel charged with administrative and strategic management of the sampled MSE Associations. Balanced samples were drawn from agriculture, manufacturing, construction, trade (retail/wholesale), and services. The sampling procedure yielded 202 associations distributed as follows: Nairobi region (78), Mombasa (34), Nakuru (62) and Kisumu (28).

5. Survey Results

5.1 Core functions of the association

In order to understand the policy advocacy role of MSE associations, respondents were asked what their core functions were. Most associations had multiple core functions. The results in the figure below indicate that the most common functions were advocacy and lobbying (25.9%), social welfare (20.8%) and advancing loans to members (10.7%). This finding corroborates with the observation by Haan (1999) and Mathuva (1996) that most associations exist to provide collective insurance, assisting each other in times of need, bereavement, dowry, weddings and communal farming. These findings tend to confirm the logic of services theory rather than the logic of influence theory.

Figure: Core functions of the association



Source: Own Survey

Further survey results indicate that most associations appear weak to provide any tangible services. Only a small proportion (39.4%) of the associations were able to fulfill their core functions. This practice is explained by the low retention rates of members by the associations. Financial constraints were cited as the most important

limiting factor, followed by lack of government support and lack of market information. These factors also help us to understand why MSE associations in Kenya have remained inactive in advocacy and lobbying.

5.2 Policy Advocacy

The concept of advocacy is so much used but less understood. Advocacy involves “speaking up, drawing a community’s attention to an important issue and directing decision makers towards a solution. It involves attempts to influence the political climate, public perceptions and policy decisions” (AC-EGA, 2000). Ideally, the responsibility of lobbying, advocacy and negotiation rests with a steering committee and a policy analysis and planning technical team (KIPPRA, 2005).

Table 1: Training for policy advocacy

		Do you think policy advocacy is important for MSE associations?			Have you received any training support in the area of policy advocacy?		
		Yes	No	Total	Yes	No	Total
Nairobi	N	54	22	76	14	61	75
	%	71.1	28.9	100	18.7	81.3	100
Nakuru	N	55	5	60	17	43	60
	%	91.7	8.3	100	28.3	71.7	100
Kisumu	N	25	3	28	3	25	28
	%	89.3	10.7	100	10.7	89.3	100
Mombasa	N	34	0	34	12	22	34
	%	100	0.0	100	35.3	64.7	100
Total	N	168	30	198	46	151	197
	%	84.8	15.2	100	23.4	76.6	100

Source: Own Survey

Whereas most MSE associations (about 84.8%) indicated that policy advocacy was important for them, a relatively small number had benefited from policy advocacy training (table 1). In Mombasa, about 35.3% of the MSE associations had benefited from training in policy advocacy. The respective proportions for Nairobi, Kisumu and Nakuru were 18.7%, 10.7% and 28.3%. The results indicate that most of the training activity in the associations was supported by external agents (the Government, NGOs and foreign donor agencies), therefore indicating the weak internal capacity within the associations to provide training for their staff and members.

5.3 Awareness on MSE policies

The MSE associations can only make a difference in policy advocacy if they are aware of the existing government policies. Using technology, workspaces and marketing to assess policy awareness of the respondents, it was surprising that levels of awareness were low but varied by policy area (table 2). Awareness levels were relatively higher in the area of workspaces and relatively lower in the area of technology.

Table 2: Awareness on MSE policies and their implementation

	Conversant with MSE policy?			Has policy been implemented?		
	N	Yes	No	N	Yes	No
Technology	197	18.3	81.7	93	7.5	92.5
Marketing	193	21.8	78.2	98	14.3	85.7
Workspaces	196	40.8	59.2	119	38.7	61.3

Source: Own Survey

It was surprising to note that most of the respondents who cited policy awareness were not able to specify the actual policies that they knew. For instance, in the area of technology, there were about 36 respondents who indicated they knew MSE technology policy. However, only 12 of them cited actual government policies to modernize technology and enhance technology skills. In marketing, there were 42 respondents who indicated that they were aware of MSE marketing policies. However, only 16 respondents cited actual government policies of providing market information on local and external markets and custom regulations. They also cited the African Growth and Opportunity Act (AGOA) and Agricultural Society of Kenya (ASK) shows. In workspaces, about 80 respondents indicated that knew government policies on workspace provision. However, when asked to cite the policies, only 57 cited actual government policy to allocate sheds to MSEs through the local authorities. In terms of implementation, most respondents indicated that there has been a poor government record. The results indicate that the area where implementation has been relatively better is in provision of sheds. Implementation is very low in the area of technology.

5.4 Involvement and participation in policy making

One of the key issues of concern to development practitioners, academics and policy makers has been the involvement of stakeholders in policy formulation, implementation, monitoring and evaluation. The MSEs are more likely to be heard and achieve influence if they are well organized in representative associations (ITDG, 2001). Since MSEs associations are central stakeholders on MSE policy, it was important to assess their level of

involvement in MSE policy formulation. Table 3 reports the responses.

Table 3: Involvement in policy-making

	Does the association participate in policy-making forums?					
	Yes		No		Total	
	N	%	N	%	N	%
<i>Region</i>						
Nairobi	37	60.7	40	29.6	77	39.3
Nakuru	11	18.0	48	35.6	59	30.1
Kisumu	2	3.3	26	19.3	28	14.3
Mombasa	11	18.0	21	15.6	32	16.3
Total	61	100	135	100	196	100
<i>Association Type</i>						
Primary	50	82.0	128	94.8	178	90.8
Umbrella	11	18.0	7	5.2	18	9.2
Total	61	100	135	100	196	100

Source: Own Survey

Apart from MSE Associations located in Nairobi, the results confirm that MSE associations in all the other study areas were poorly represented in policy-making forums. Overall, about 31.1% of the respondents indicated that the government had engaged them in policy-making processes. The rest (68.9%) indicated they had not been involved. This provides evidence of their limited chances to influence policies affecting the sector through policy advocacy and lobbying.

5.5 Staffing structures

The staffing strength and structure affect the effectiveness of the operations of any institution. Most associations lack permanent staff and where there are, they are too few to effectively manage the associations functions (table 4). Volunteers dominate the staffing structures. The heavy reliance on volunteers and part-time staff indicates the high instability in the staffing structures of these associations.

Table 4: Staffing Structure of the Association

Employees	Nairobi		Mombasa		Kisumu		Nakuru		All	
	N	%	N	%	N	%	N	%	N	%
Full time	23	30.7	3	11.3	1	3.6	7	11.1	34	17.7
Part-time	7	9.3	2	1.6	0	0.0	1	7.4	10	5.2
Volunteers	45	60.0	22	87.1	27	96.4	54	81.5	148	77.1
Total	75	100	27	100	28	100	62	100	192	100

Source: Own Survey

A typical association in Kenya is therefore managed by volunteer staff, who serve as officials of the association and run their own businesses by the side. The limitation with this mode of operation is that it spreads the effort of the staff too thin and adversely affects the effectiveness of the associations. Such staff have to divide their attention between their own business (where they are employed to make profit) and the association (where they serve on voluntary basis with no regular pay). It is easy to see that such staff would devote more time to their business than to the association given the relative rewards.

5.6 Size of the association

Results indicate that in total, there were 59,512 members in the 158 associations¹. Out of the total membership, 30,714 (or 51.6 %) were male whereas 28,798 (or 48.39 %) were female. Therefore, the males exceeded females by 3 per cent points – indicating a slight bias towards males. Despite this bias, the gender imbalance in the membership was not a serious issue.

Results indicate that all associations had membership concentrated within the ranges 2 to 50 and 51 to 100. Most primary associations had memberships within the range 1 to 100 while membership in umbrella associations was mainly within the range 2 to 50 and above 801. Primary associations had a total membership of 42,782 while umbrella associations had a total membership of 29,012. These membership figures translate into an average figure of 233 members per primary association and 1,612 members per every umbrella association. This illustrates relative membership strength in umbrella associations.

Relatively, more associations (58%) had problems retaining their members compared to those without the high member turnover problem. This problem is attributed to weak financial capacity (57.1%) and the failure by the associations to fulfill the objectives of the association (17%). In addition, about 8% of the respondents indicated that some members (especially those expecting short terms gains) were frustrated when such gains took long to be realized.

¹ It should be noted that about 44 associations did not report how many of their members were male/female.

5.7 *Conflicts and their resolution*

Qualitative results of the surveys indicate that there are conflicts of interest among MSE associations. Such conflicts would either be between primary and umbrella associations or between umbrella associations. As the case study reported in the box below indicates, umbrella associations would automatically have an edge over primary associations where there is a conflict between the two. However, conflicts among umbrella associations are more ugly and more difficult to resolve than primary-umbrella association conflicts.

Box 1: Crowding out of primary associations by umbrella associations

Kisumu Centre Jua Kali Artisan Association has 950 members. In 1983, the Government of Kenya allocated land to Jua Kali artisans in Kisumu Central Business District. At the time, the artisans operated from outside the allocated land (e.g. on the streets of the town center) and there were only two formally registered primary MSE associations (Obaria Jua Kali Association and Cooperative Jua Kali Association) into which the MSE operators could join. This latter aspect was of a logistical concern to occupying and managing the allocated land. At the center of the conflict was, "Which of the two associations qualified to take the management of the allocated land?"

In 1986, the two associations resolved their differences and joined forces to establish Kisumu Centre Jua Kali Artisan Association, an umbrella association. This Association was to take over the management of the developed piece of allocated land. As the years passed, the two primary MSE associations faded as their members ceased to subscribe to them. These members, instead directly subscribed to Kisumu Centre Jua Kali Association. In explanation, on joining forces, the requirement was that the individual members were answerable directly to Kisumu Centre Jua Kali Association. Currently, membership to Kisumu Centre Jua Kali Association is open to individual members as long as they meet the criteria for membership into the Association.

Source: Munandi (2005)

Some of these conflicts can be explained by the regulatory environment, which allows for simultaneous registration of umbrella associations, even with similar and duplicative objectives. In Kenya, regulatory power as it affects the registration of MSE Associations is highly dispersed and characterized by ambiguity, uncertainty and duplicity. There are four Acts of Parliament under which MSE Associations can be legally registered, namely the Societies Act (Cap 108), the Trade Unions Act (Cap 33), the Cooperative Societies Act (Cap 490) and the Companies Act (Cap 486) of the Laws of Kenya. In addition, MSE Associations can register at the Department of Social Services (Ministry of Gender, Sports, Culture and Social Services - MGSCSS) as welfare societies although this is extra-legal (based on Government rules but not enshrined in the law).

Respondents were asked whether they experienced any conflicts of interest among their members. The results indicate that about half of the associations experienced conflicts among their members while the rest did not. About 61.9% of the respondents ranked the conflicts as less severe, 25.7% as severe while 12.4% indicated that the conflicts were very severe. In terms of conflict resolution, most (82.1%) of the associations indicated that they applied member arbitration to resolve such conflicts while about 12.7% of the associations applied dialogue or negotiation with elders or local council. Only 5.3% of the respondents resorted to court procedures to resolve such conflicts. This confirms that the observation that the MSEs avoid the judicial system due to the complexity, cost, unfairness and time wastage (Government of Kenya, 2005).

4.8 *Budgets and finances*

Survey results indicate that most associations have a weak financial base. Incomes from entry and membership subscriptions constitute the main source of revenue for the associations. About 45% of the associations had annual budgets ranging from Ksh 1 to 99,999 while 15% had budgets and expenditures within the range of Ksh 100,000 and 199,000 (table 5). Therefore, about 60% of the respondents had annual budgets falling below Ksh 200,000. This translates to about Ksh 17,000 per month. For an association of about 50 members, this would amount to a monthly subscription of Ksh 340 per member, which is too low to reasonably sustain any organization.

Table 5: Annual Budgets and Expenditures

Range (Ksh)	Annual Budget (%)			Annual Expenditure (%)		
	Primary	Umbrella	All	Primary	Umbrella	All
1- 99,999	47.9	22.2	45.1	52.8	22.2	49.7
100,000-199,999	17.4	0.0	15.4	13.2	0.0	11.9
200,000-299,999	6.9	0.0	6.2	9.4	0.0	8.5
300,000- 399,999	9.7	0.0	8.6	8.2	0.0	7.3
400,000-499,999	2.1	0.0	1.9	1.3	0.0	1.1
500,000+	16.0	77.8	22.8	15.1	77.8	21.5
Total	100	100	100	100	100	100
Count	144	18	162	159	18	177

Source: Own Survey

It may be surprising that about 22.8% of the associations had annual budgets of over Ksh 500,000. Cross-tabulated results of size of annual budget by type of association (umbrella vs. primary) reveal that umbrella association's account for relatively larger budgets. This confirms the perception that umbrella associations have relatively stronger financial bases than primary associations. Further results indicate that most associations (81.9%) kept books of accounts and the books were subject to audits by registered auditors (38.1%), non-registered auditors (20.4%) and by members within the association (40.7%). Results show that most of them (about 60.2%) did not make any returns to the Government. However, umbrella associations responded better to this statutory requirement than primary associations.

The results on financial sustainability of these institutions reveal poorly resourced bodies with weak financial capacity to support effective policy advocacy.

5.9 Office space and equipment

The problem of office space was very critical among the MSE associations. Due to this problem, most of the interviews for this study were conducted either at the respondents' personal business premises or at an appointed place (e.g. café, restaurant, or in the open). Whereas most of the umbrella associations had offices, a large proportion of the primary associations lacked offices. Where the primary associations had offices, such were poorly equipped and lacked basic facilities like chairs, cabinets, telephones, typewriters, photocopiers, tables and so on. It was evident that a large proportion of respondents had no office equipment.

To assess the critical areas of need, the respondents were asked the question: If you had to buy one new office equipment, what would it be? The results indicated that most associations had a critical need of computers and office furniture. Whereas all associations indicated shortage of computers, it is clear from the results that requirements for office equipment varied by type of association. Primary associations had more critical needs for furniture than umbrella associations.

Additional results show that about 59.5% of respondents indicated that the association could be contacted by phone while 40.5% indicated that this was not possible. Most of them (59.5%) indicated that there was someone all the time to answer the phone while the rest (39.5%) did not have a regular person to take calls.

6. Conclusions and Recommendations

This paper is based on surveys covering 202 associations in Nairobi, Mombasa, Kisumu and Nakuru. The study was guided by the question: Are MSE associations well organized to effectively play their policy advocacy role? If not, what are their main capacity limitations as far as policy advocacy is concerned? Empirical results suggest that despite the recent surge in the formation of MSE associations, the MSE sector remains uncoordinated and the institutional capacity of MSE Associations to lobby for the implementation of MSE policies remains weak. These findings put into question the policy advocacy role of MSE associations and definitely call for a rethink of the policy advocacy role of these institutions. We provide a summary the main issues and the required policy interventions in table 6 as follows;

Table 6: Main Findings and Recommendations

Problem Area	Suggested Interventions
1) Most associations indicated that policy advocacy was important for them but a small number had benefited from policy advocacy training.	Encourage sectoral MSE associations to establish a “Sectoral Training Fund” reserved for training members. Contributors to such a fund would include all stakeholders, including fixed amounts by MSE associations themselves.
2) Generally, MSE associations are poorly represented in policy-making forums.	(i) Encouraging MSE associations to market their services to MSEs and other stakeholders to enhance their visibility and recognition, (ii) Conducting policy advocacy training for MSE associations, especially those involved in advocacy work. (iii) Encouraging MSE associations to form lobbying, advocacy and negotiation “steering committees” and “policy analysis and planning technical teams”.
3) There is low policy awareness in the MSE associations.	To enhance awareness levels, stakeholders in the MSE sector should adopt deliberate policy to disseminate MSE policies to the MSEs and their associations. This can be enhanced by establishing strong linkages between the associations and government (e.g. through joint workshops, policy events, monthly meetings).
3) Conflicts between umbrella associations and between primary and umbrella associations. In addition, half of associations experienced conflicts among members.	To minimize umbrella vs umbrella association conflicts and primary vs umbrella association conflicts, there is need for the government to legislate the MSE Act to define the rights and obligations of both primary and umbrella associations.
4) Staffing structures dominated by volunteer staff.	This could be minimized through staff collaborative schemes where the government and other stakeholders could second certain technical personnel (experts) to MSE umbrella associations to strengthen the institutional capacities of the associations.
5) Lack of office space and equipment.	Associations should be encouraged to adopt the “shared office concept” and “collective ownership of equipment” where they pool resources to rent/purchase assets for common use.
6) Low budgets, weak regulatory compliance and unprofessional audits.	Develop strong financial controls and financial reporting systems among MSE associations. The government policy of channeling support through MSE associations should be implemented and the government should enforce laws governing financial disclosure and annual returns.
7) Multiple objectives but weak to provide tangible services.	Encouraging MSEs associations, through policy direction, to focus on few (two or three) core functions that would not stretch their capacity too thin.
8) Problems related to high turnover of members.	(i) Enhancing the financial support by Government and other stakeholders to MSE Associations, (ii) Policy interventions aimed at making it mandatory for MSEs to belong to at least one association, (iii) Separating the formation of associations with enticements for government/donor support, and (iv) De-politicizing the associations.

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