



# RE PROMOTING SOCIAL DEVELOPMENT THROUGH COMMUNITY TRUSTS?

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# WHAT IS THE OBJECTIVE?

- Renewable energy projects that have an impact on a landscape should support social development.
- **Why??**
  - Government uses its licence rights to leverage local CSI?
  - Private sector have a philanthropic ethos and volunteer a contribution?
  - Rural poverty is not conducive to an enabling environment?
  - Community protest during construction and operation are a threat?
  - Large scale RE projects prevent other land uses and need to show a positive local impact?
  - All of the above?

# WHAT IS THE BENEFIT FOR THE COMMUNITY?

- Temporary Local construction jobs.
- Lease of land if community owned.
- Reliable electricity.
- Flow of community development money through trusts.
- Community as a shareholder can get dividends.
- Long term job potential?

# USING TRUSTS AS A DEVELOPMENT ENABLER

## Guiding principles

1. Local and national government are responsible for development.
2. The community should guide and control their own development.
3. The Sustainable Development Goals should guide development investment.
4. Gender inequality should be prioritised – ***Investing in women grows communities.***
5. Really understand the status of social development in the affected Community
6. Monitor impact against a measurable set of indicators.
7. Create a development plan with the community and government to guide trust investments.
8. Transparency and accountability are the foundations of good governance.
9. Trusts should not be a vehicle for political parties.

# SOME LESSONS FROM TRUSTS AND COMMUNAL PROPERTY ASSOCIATIONS

- Ensure all sectors are represented.
- Remain involved in the trust.
- Running an accountable community based organisation costs money.
- Actively support representation of most vulnerable sectors of the community.
- Investment in education has the most long term benefit.
- Do not build social infrastructure without a long term staffing agreement from government or a solid NGO/CBO.
- Have an annual report back and planning meeting.
- Create easy communication between the trust and community it is serving.
- Co-operate with NGOs and local government rather than try replace them.
- Help communities move towards a sustainable low carbon future.

# CASE STUDY- KIPETO WIND PROJECT, KADJIADO COUNTY, KENYA

- 100 MW wind farm with a 25 year PPA.
- Being built on individually owned parcels of land within a Maasai community.
- Individuals will get 2.5% of the turnover of the turbines on their land.
- There is a community liaison committee in place.
- Community will receive 5% of dispersed dividends – this is a voluntary self imposed tax agreed by the shareholders.
- A community trust will be formed to receive and disburse the funds.
- Defining the community took many meetings.
- We are looking for “quick-wins” linked to the construction period.
  - Water supply linked to new boreholes
  - Construction offices and accommodation will become teacher accommodation
  - A budget has been set aside to social spending to bridge the gap before profits are made





# SETTING UP THE COMMUNITY TRUST

- Process of setting up a trust has begun – lawyers will be appointed.
- The trust will be founded by the company and have community sectors represented as trustees.
- The trust will go on a field visit to see how other trusts have worked in Kenya.
- NGO and government stakeholders are on board.
- A Social base line has been completed.
- A draft community development plan has been drawn up.
- A participatory community plan will be created using the draft plan to guide trust investments.
- Baselines will be agreed to monitor impact of the social spending.





# THANK YOU

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