

Globethics.net



Brot
für die Welt



KENYA NATIONAL ETHICAL INVESTMENT GUIDELINES

NOVEMBER 2021

Submitted to:

Prof Dr Obiora Ike

Globethics.Net, International Headquarters

Geneva - Switzerland

Email:ike@globethics.net

Herbert Makinda

Globethics.Net, East Africa Regional Office

Nairobi-Kenya

Email:makinda@globethics.net

Submitted by:

Dr. Oliver Kisaka,

Executive Director CORAT Africa

Bogani East Road, P.O. Box 42493 - 00100 Nairobi, Kenya

Tel. No. 0733 600045/0724 569 660

Email: consultancy@coratafrica.com/corat@coratafrica.com

Website: www.coratafrica.com

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	3
1.0 INTRODUCTION	4
1.1 Preamble.....	4
1.2 Background	4
1.3 Key Concepts and Principles	5
1.4 The Purpose of the National Guidelines	6
1.5 Process of Developing the National Guidelines.....	7
1.6 Ethical Investment Validation Workshop	7
1.7 The Kenya National Workshop on Ethical Investment.....	8
2.0 ETHICAL INVESTMENT CONTEXT	10
2.1 Leadership	10
2.2 Ethics and Human & Environmental Rights	13
2.3 Governance	15
2.4 Sustainability	17
3.0 THE RECOMMENDED ETHICAL INVESTMENT GUIDELINES	20
3.1 Effective Leadership	20
3.2 Ethics and Human & Environmental Rights	26
3.3 Good Governance	30
3.4 Sustainability	32
4.0 DISSEMINATION OF ETHICAL INVESTMENT GUIDELINES.....	34
ANNEXES: AFRICAN CHURCH ASSETS PROGRAMME ACAP IV KENYA NATIONAL WORKSHOP	38
Annex 1: Joint Communique from the Two-Day Kenya National Workshop	38
Annex 2: Kenya National Workshop participating Organizations	46
Annex 3: Kenya National Workshop Participants.....	48

ACKNOWLEDGEMENTS

The ACAP IV Ethical Investment Guidelines development team would like to express gratitude to the many players who contributed to the successful completion of the activity. Special thanks to Globethics.net who provided the financial resources and engaged CORAT Africa to conduct the study.

We are grateful to all the 86 participants from 52 Churches, CROs and stakeholders who participated in the ACAP IV Kenya National workshop. We would specifically like to thank the Churches, Church related Organizations, Universities, Civil Society Organizations, One Financial institutions, and Government agencies who created time to register and attend the workshop face-to-face or virtually.

Special mention goes to the team of reviewers comprising Dr. Bright Mawudor, Prof. William Ogara, Herbert Makinda and Kenya National workshop participants for their review and input to the draft guidelines. Their input and feedback were valuable and most appreciated, enabling us produce final guideline document.

Finally, we are grateful to all those with whom we had the pleasure to work with during this study. The CORAT Africa team comprising of Dr. Oliver Kisaka, Evans Isaboke, Fred Olweny, Tom Omurwa, Edgar Ala and Annette Oloo who made personal and professional contribution to the entire study process and development of the guidelines which is greatly appreciated.

1.0 INTRODUCTION

1.1 Preamble

These guideline was based on the Ethical Investment study which clearly spelt out the issues the Churches and CROs are experiencing that impacts the performance of their investments. The study covered four basic areas; National Legislation and Policies, Ethics and Human Rights, Governance, and Sustainability which are well stated in the guideline.

In 2019, Globethics.net, with the support of Bröt für die Welt, launched the third edition of the African Church Assets Programme, with the goal of strengthening the capacities of Churches and Church Related Organisations (CROs) in asset management and investment strategy. This was done with the full understanding that the church will continue with her mission and that she needed resources, particularly financial resources to fund her mission activities in a more sustainable manner.

Furthermore, the Church in Africa has faced the challenges of dwindling funding partner support from the West in recent decades. In view of the emerging realities, the Church in Africa must respond to the question of 'Sustainability' as sooner than later. In response to calls from its 173 member churches, AACC organized an international symposium on the "Sustainability of the Church in Africa," at which delegates urged the Church to overcome its dependency crisis (AACC, 1996). The Pastoral Letter of the Kenya Episcopal Conference (The Economy of Kenya, 1999) added to that voice by acknowledging the difficulty of proclaiming Christ to people who are becoming poorer by the day. These are pointers for a proactive and intentional response.

We applaud the efforts of Globethics.net & Partners, AACC, CORAT Africa, and other stakeholders concerned with the well-being of the Church in Africa, and would like to see all Churches and CROs shift from burying their 'one talent' to marshalling their 'five talents' (Matthew 25:14-30) for maximum benefit to the course of Christ.

1.2 Background

This document contains guidelines based on the Study on Ethical Investment and Sustainable Asset Management within the Kenyan Churches and Church-Related Organisations. The study's goal was to mobilize and strengthen churches, Church and CROs, and all local stakeholders to play a more proactive and coordinated role in the development and implementation of local policies, guidelines, and standards on ethical investment.

The church has always dedicated her resources as a means of spreading the Gospel. As a result, its role in promoting ethical investments should be seen with a holistic understanding of the Gospel. Indeed, she should give due priority to human, social, economic and environmental resources. Churches are required to be good stewards when making investment decisions and in seeking partnerships with other businesses. Furthermore, the Church's services necessitate increased accountability when dealing with social, human, environmental and economic resources in the interests of future generations and creation.

The Guidelines are informed by the outcome of the study which was undertaken by CORAT Africa with the leadership provided by Globethics.net L.E.G.S methodology. Globethics.net designed this framework methodology to address Sustainable Assets Management and Ethical Investment in Africa as well as international standards and best practices on quality management and sustainability approaches. The framework methodology has been built around 4 key fundamental building blocks for sustaining Church mission. These include Leadership, Ethics, Governance and Sustainability. The Church and CROs need to ensure the methodology is in place, to ensure those institutions are able to manage and sustain their assets and make the appropriate decisions on Ethical Investments. This practical Ethical Investment Guideline is to help Churches and CROs reflect on their *values, structures, processes* and *procedures* so that they are able to meet the international standards and facilitate the implementation of the global UN Agenda - SDGs 2030 at local levels.

1.3 Key Concepts and Principles

The Guidelines provide principles and standards of best practices consistent with applicable laws and recognized standards in Kenya and Internationally. These guidelines are adaptable various individual settings of different institutions. Nevertheless, some matters covered by the Guidelines may also be regulated by national laws or international commitments.

The following are key concepts and principles to help the user to understanding well the guidelines during implementation:

- 1) Obeying national laws is the first obligation of Churches and CROs. The Guidelines are not a substitute for nor should they be considered to override the national laws and regulations. While the Guidelines may extend beyond the law in many cases, they should not and are not intended to place the investment in situations that are conflicting with existing requirements.
- 2) The Guidelines are not aimed at introducing differences of treatment between different investments. They reflect best practices for all investments.

- 3) The relevant National Government has the right to prescribe the conditions under which the investments operate subject to national and international laws and regulations.
- 4) The Churches and CROs adhering to the Guidelines will fulfil their responsibilities to treat investments equitably and in accordance with the national laws and regulations, and their contractual obligations.
- 5) The Churches and CROs are encouraged to use appropriate national dispute resolution mechanisms, including arbitration as a means of facilitating the resolution of legal challenges arising between the Investment and shareholders, the national or County Government or another party.
- 6) Transparency, asset protection and non-discrimination are core investment policy principles that underpin efforts to create a quality investment environment for all.
- 7) Governance organ of the organization is responsible for policy making, oversight function and stewardship of ethical investment.
- 8) Leadership encompasses both governance and management functions at the organisational level
- 9) Ethics are moral values or ethical principles upheld by employees, beneficiaries and other stakeholders of the investments. They become the standards of performance in terms of behaviour or conduct.
- 10) Sustainability is a business approach to creating long-term value or benefits by taking into consideration how a Church or CRO operates captivating the human, social, economic and environmental resources.

1.4 The Purpose of the National Guidelines

The Church and CROs are expected to promote and inculcate ethical investment guidelines. The goal is to empower leaders, managers and workers of Church and CROs investments with knowledge and skills to be better stewards of the available human, social, environmental and economic resources. In order for the guidelines to take root, an intentional organized and focused advocacy campaign will be necessary. The process for conducting this has also been highlighted in these guidelines.

It is important to understand that ethical behavior in the workplace can stimulate positive employee behaviors that lead to organizational growth. Examples of such ethical behavior patterns in the workplace includes; obeying the CRO's rules, effective communication, taking responsibility, accountability, professionalism, trust and mutual respect for colleagues at work. These examples of ethical behavior patterns ensure maximum productivity output at work place and better ethical investment policies, regulations and standards.

1.5 Process of Developing the National Guidelines

Development of these guidelines was a culmination of complementary activities that commenced with a country study. Data and information was collected from 26 church and church related investments, and civil society organizations and a bank, in Kenya. The findings of this study were disseminated in a three-day validation workshop that ended with a communique that highlighted key emerging issues and recommendations. These issues and recommendations formed the basis of these guidelines.

1.6 Ethical Investment Validation Workshop

Over 42 participants representing Churches and CROs from 10 countries met virtually for three days on 28th to 30th June, 2021 under the auspices of the fourth phase of the African Church Assets Programme (ACAP IV). The theme of the workshop was strengthening African church based organizations and their asset management through ethical investment. Bread for the World, Globethics.net, All Africa Conference of Churches, and CORAT Africa all partnered to make this workshop a success.

A key question raised at the beginning of the workshop was how the study would facilitate heightened engagement of the Churches, CROs and all local stakeholders in taking a stronger and concerted role in the formulation of local policies on ethical investment and development of their own standards that serve people. The workshop took note of the study findings that most of the Churches and CROs were found to be underperforming in key areas. The workshop recognized the centrality of effective leadership in enabling staff of Churches and CROs to make the right decisions on ethical investment and also essential in maintaining integrity and fostering trust. What is worrying is that most Churches and CROs have mission and vision statements, human resource processes, strategic plan guiding investments and even ethical instruments like constitutions, code of conducts, etc. but implementation and compliance is lacking.

The workshop participants agreed on key recommendations including addressing high levels of corruption and bad procurement practices, divergence between compliance and enforcement of the same laws, continuous exposure on issues of safeguarding HR in investment including clear HR Policies and Codes of Ethics, document a policy framework alive to ethical investment; Churches and CROs be bold to punish crime, break the culture of silence and protect whistle blowers, set up ethics committees accompanied by ethics training, enforce policies and guard against selective application of policies, work with Universities to implement ethical investment programs, Facilitate Churches and CROs to show case their success stories that will be widely published and shared among the others. See Ethical Study Report Joint Communique section for details. The participants departed from the workshop with commitment to continue the conversation on ethical investment including implementing collective advocacy programs.

1.7 The Kenya National Workshop on Ethical Investment

Over **84** participants representing **52** Churches and CROs from **13** countries met face-to-face and virtually on 21st to 22nd October, 2021 at the Jubilee Hall, AACC, Nairobi Kenya are grateful to God who has made the two-day workshop possible even within the context of the ravaging effects of COVID 19 Pandemic. The theme of the workshop was *The Kenya National Workshop on Ethical Investment*.

The organizers of the workshop were Bread for the World, Globethics.net, All Africa Conference of Churches, and CORAT Africa who partnered to make this national workshop a success. The participants were indeed encouraged by the overwhelming support and goodwill messages from key stakeholders present and online participants including the Anglican Church-Burundi, Bread for the World-Germany, Evangelical Presbyterian Church-Ghana, Archbishop of the Catholic Arch Diocese of Mombasa, Church of Nigeria, NGO fraternity, Delegation from Ethiopia including the Director of CCRDA. The contribution from private Equity Firms including Fusion Group is also greatly appreciated. Furthermore, representatives of Persons Living with Disability (PLWD) and the youth graced the workshop by their opening remarks.

In Africa and more particularly in Kenya where the study was done, high levels of corruption and bad procurement practices persist. There is divergence between compliance and enforcement of many of our National Laws and Legislation. Many of the churches and CROs are not always bold to punish crime. There is a persisting culture of silence and no protection for whistle blowers, slow judicial process, corrupt practices being politicized and budget constraints, intentional destruction of witness evidence, citizen apathy all negate the fight against corruption and glorification of material wealth and institutionalized corruption is saddening.

The two-day Workshop's goal was about empowering leaders, managers and workers of Church and CROs investments with knowledge and skills to be better stewards of the available human, social, environmental and economic resources. In order for the guidelines to take root, an intentional organized and focused advocacy campaign will be necessary. The workshop was enriched with a reminder to all participants to be good and faithful stewards of resources on behalf of the owner, God himself. The Workshop also stressed the importance of obeying the national laws as the first obligation of Churches and CROs.

The participants agreed that the Churches and CROs Investments can be successful if the guidelines are disseminated widely. The dissemination strategies will include starting intentional advocacy program targeting key stakeholders, Churches and CROs appointing experienced and qualified professional staff, practicing ethical behaviours in the

workplace, establish a review mechanism for engaging internal and external stakeholders in reviewing ethical investment practices, work towards a coherent and comprehensive communication strategy, and establishing a National Ethical Investment Committee (NEIC).

Listening to the story of EACC in their work of assets tracing and recovery, disruption of anti-corruption networks, high impact investigations, corruption risk assessments, ethics enforcement through setting up of integrity clubs in schools is adding a voice to enforcement of the guidelines presented.

The participants left the Jubilee Hall with the mandate to contribute to the dignity of our people in Africa and beyond. The Jubilee agenda is gathering momentum and we shall do our part to keep it alive through promotion of actions that will make ethical investing become a reality. The participants departed from the workshop with commitment to continue implementing ethical investment guidelines and taking note of gaps and learning lessons. See the National Workshop details in the Annexes: Annex 1 – Workshop Communique, Annex 2 - List of organizations attending the workshop and Annex 3 - list off participants attending the workshop physically.

2.0 ETHICAL INVESTMENT CONTEXT

2.1 Leadership

Leadership: At the very basic, leadership is about setting direction aimed at incrementally delivering on the organization's vision and mission either directly or indirectly through teams that are well coached, inspired and motivated. It is about doing the right thing to move the organization forward. Good leadership is what gets people excited to work, it raises the morale, it keeps everything and everyone on track, and it makes for a more effective and efficient investment. Any enterprise without a good leader is going to fail. The path of men who are placed in positions of leadership in Churches and CROs is not an easy one, they need to be strengthened and enlightened by God which will enable them to stand firm against unholy influences and to discern right from wrong, good from evil. They cannot serve His cause acceptably unless they make the best use possible of the religious privileges they enjoy. Although they may profess the truth, yet if men pass along day by day with no living connection with God, they will be led to do strange things and decisions will be made not in accordance with the will of God. There is no safety for our leading brethren while they shall go forward according to their own impulses. These careless workmen have brought upon the people a burden that grieves them to the heart.

Churches and CROs need someone in charge who can keep everything moving forward smoothly. The effective leaders provide clarity of purpose, motivate and guide their Churches and CROs to realize their mission. The Bible is in full support of this paragraph. [1 Timothy 4:12](#) *“Let no one despise your youth, but be an example to the believers in word, in conduct, in love, in spirit, in faith, in purity”*. [Exodus 18:21](#) *“Moreover, you shall select from all the people able men, such as fear God, men of truth, hating covetousness; and place such over them to be rulers of thousands, rulers of hundreds, rulers of fifties, and rulers of tens”*. [Matthew 20:25-28](#) *“ But Jesus called them to Himself and said, “You know that the rulers of the Gentiles lord it over them, and those who are great exercise authority over them. Yet it shall not be so among you; but whoever desires to become great among you, let him be your slave – just as the son of man did not come to be served, but to serve, and to give His life a ransom for many”*. [Proverbs 3:5-10](#) *“ Trust in the LORD with all your heart, And lean not on your own understanding; In all your ways acknowledge Him, And He shall direct your paths. Do not be wise in your own eyes; Fear the LORD, and depart from evil. It will be health to your flesh, and strength to your bones. Honor the LORD with your possessions, And with the first fruits of all your increase.....”*

Youth in Church Work: The Lord has appointed the youth to be his helping hand. The Churches have an army of youth today who can do much if they are properly directed

and encouraged. Youthful talent well organized and well trained is needed in our Churches and CROs today. Let all be so trained that they may rightly represent the truth, giving the reason of the hope that is within them, and honoring God in any branch of the work where they are qualified. Many of our youth today, growing up as did Daniel in his Judean home, studying God's word and His works, and learning the lessons of faithful service, will yet stand in legislative assemblies, in halls of justice, or in royal courts, as witnesses for the Lord. Apostle Paul saw that Timothy was faithful, steadfast and true, and he chose him as a companion in labour and travel. Those who had taught Timothy in his childhood were rewarded by seeing the son of their care linked in close fellowship with the great apostle. Timothy was a mere youth when he was chosen by God to be a teacher; but his principles had been so established by his early education that he was fitted to take his place as Paul's helper. And though young, he bore his responsibilities with Christian meekness. Let young men and women from our Churches form companies as soldiers of Christ, enlist in the work, putting all their tact and skill and talent into God's service.

Youth Unemployment: Approximately 62% of Africa's population was below the age of 25 in 2019. Although this demographic is expected to slightly fall to 59% in 2030 and decline further to around 52% in 2050. This large, dynamic youth cohort could be an asset if unemployment, education, and rising inequality are addressed. The United Nations Population Fund estimates that GDP for the continent could grow by \$500 billion per year for 30 years if Sub-Saharan Africa invests in its human capital. The Africa Development Bank projects that Africa will need to create 20 million jobs annually through 2030 just to keep the current unemployment levels constant (*Africa Development Bank, 2020*).

Public Procurement Systems are at the centre of the strategic management of public funds to promote overall value for money and helping prevent corruption a crucial pillar of strategic governance and service delivery for governments and organizations across the globe. In Kenya, the supply chain management function is one of the cornerstones in the implementation of the National Development Goals under Agenda 4 and Vision 2030. Public procurement has suffered negative public perception due to unbridled procurement-related graft cases involving the pilferage of huge public funds. Public Procurement is increasingly considered a core element of accountability to the public on the way public funds are managed. The Kenya Institute of Supplies Management (KISM) is entrusted under the Supplies Practitioners' Management Act (SPMA) No. 17 of 2007, to set and enforce professional and ethical standards governing the practice of Procurement and Supply Chain Management Professionals in Kenya. Today we celebrate first-ever Procurement Code of Ethical Conduct for procurement professionals and the Disciplinary Policy document which has set out the values and clear guidance on the expected behaviour of Supply Chain Professionals in Kenya.

National Legislation & Policies: Kenyans laud efforts by the government in creating an enabling environment for ethical investment. This has given birth to a robust legislative framework and guidelines on investments to guide Churches and CROs. It was noted that Kenya has ratified a number of international agreements including the Universal Declaration of Human Rights (1948), which recognizes social protection as a fundamental human right for all citizens of the world. The country is considered to have a positive investment climate favorable for investment firms, ranked 56 of 190 economies. Despite the significant strides that Kenya has taken in improving its business environment, the government of Kenya has not been consistent in implementing the business reforms. The bureaucracy in the system often results in delays in some processes such as the issuing of the necessary business licenses. Corruption is still a major challenge and only seems to be worsening in a context of ongoing and worsening global corruption

The **ethical investment study** revealed that Kenya has a robust legislative framework and guidelines on investments to guide Churches and CROs. However, the Churches and CROs are experiencing lack of awareness, lack enforcement, and lack of implementation of the law. This is happening because of ignorance, non-compliance, corruption and fraud, and lack of monitoring by regulatory agencies to promote, protect, and facilitate investments in Kenya. The corruption vice that has been rampant within the public sector has found its way to Churches and CROs investments. Nepotism in employment and corruption in procurement of goods and services and other unethical practices are not uncommon among Churches and CROs. Indeed, some Churches and CROs do not seem to feel that the investment policies apply to them while at the same time some are investing in shares, stocks and real estate. The **ethical study findings** also revealed that corruption and fraudulent practices exist in the Churches and CROs investments. They include and not limited to corruption and fraud, bad procurement practices, poor/inadequate compliance to laws, nepotism in recruitment, mistreatment of employees, discriminatory practices, sexual relationships for favours, human rights abuse of employees, payment of unfair and unjust wages, not adhering to labour related laws, hiring people with no qualifications or experience for the job, engaging in discriminatory compensation practices, and procurement practices breeds corruption and fraudulent behaviour that requires attention and constant watch by management. The church being the moral of society and the foundation of truth, should be at the forefront in fighting this vice both within and without.

During the validation workshop, the participants agreed that unethical investment practices are seen among the Churches and CROs including embezzling of project funds, grabbing church land and converting such assets into personal use, membership desire of material wealth over spiritual wealth among the youth, and crafty Christians whose integrity remain under question. Concerns were raised that a significant number of Churches and CROs are not in compliance with national tax and return filing laws. This

means that it is only a matter of time before the government punishes them. The Churches and CROs must act quickly to correct the situation and comply with national laws. Already some Churches and CROs have been prosecuted and heavily fined for non-compliance.

Some Churches and CROs have taken bold steps to deal with mismanagement of resources, theft, corruption, and fraud which is commendable. In situations where an employer or employee neglects or refuses to fulfill a contract of service; or any dispute arises as to the rights or liabilities of either party; or any misconduct, neglect, ill treatment or an injury to the person or property of either party under a contract of service occurs; the aggrieved party can complain to the labour officer or lodge a complaint or suit in the Employment and Labour Relations Court (ELRC) which has the status of the High Court and exclusive original jurisdiction over labour disputes. The primary mechanisms for enforcement of the various provisions of the employment laws in Kenya are fines and penalties imposed by the ELRC. Depending on the nature of matter, the ELRC may order reinstatement or compensation to an employee who has been dismissed unfairly or whose labour rights have otherwise been breached.

2.2 Ethics and Human & Environmental Rights

Ethics and Human Rights. Conscience shapes human choices and distinguishes human beings from other creatures. Freedom of conscience is at its heart but still larger than the freedom of religion or belief. It covers all ethics and values a human being cherishes, whether of religious nature or not. There are no admissible limitations to this freedom, as long as personal convictions are not imposed on others or harm them. While it may seem evident, respect for freedom of conscience is hard to attain. People tend to judge convictions of others. Furthermore, it is very common that those who hold a conviction defend it. What is less common but more needed is that we all stand up to defend everyone's right to their own conviction (Faith For Rights tool kit : www.ohchr.org).

Human resource development has multiple dimensions, covering educational attainment, workforce skills, and the set of employment policies that connect people to investments with appropriate skills and the ability to adapt quickly to new challenges. Each of these areas is a key driver in creating a favorable environment for investment. Therefore, human resource development policies, and procedures should be consistent with the country's broader development and investment policies and regulations. Church and CROs need to develop a coherent and comprehensive human resource development strategy that takes full account of the policy linkages and the implementation capacity of the Church and CROs. The human resource development framework should be flexible to respond to the new skill needs created by changing technologies and economic structures as a result of Pandemics such as COVID-19. For this to happen, close cooperation is required between governance board and the main stakeholders.

The ethical investment study overwhelmingly found out that Churches and CROs a) struggle with corruption, fraud and abuse of power in the execution of investment decisions and processes, b) wilful mismanagement of capital investments such as land and movable property by those entrusted with stewardship responsibilities, c) misappropriation of funds, d) managers of investments are victims of poor investment decisions with limited knowledge, skills and competencies, e) ignorance of the leadership and management teams, f) violation of Labour and employment Laws, and g) ignorance of the laws and regulations relating to Investment.

The Employment General Rules as per section 91 (1) of the Employment Act provide for the following: rights of employees (e.g. sexual harassment and abuse of employee rights at the work place), employment of children under the age of 16 years which is strictly prohibited, adequate provision of sanitation facilities (e.g. latrines, dustbins, drainage and general sanitation at the place of work) and provision of medical treatment (e.g. employer providing medical expenses or treatment during the course of employment).

Ethics and Human Resources Development. The ethical investment study revealed that some Churches and CROs investment are experiencing situations where they neglect or refuse to fulfill a contract of service agreement or neglect, ill treatment or an injury to the employee under a contract of service or vice versa. Sometimes employees are dismissed unfairly or their labour rights have otherwise been breached. The aggrieved employees are expected to complain to the labour office or lodge a complaint or suit in the Employment and Labour Relations Court (ELRC) which are far from the reach of most workers. The process of launching a complaint requires a lot of time and the cost involved is prohibitive to most workers. Those who have managed, have taken Churches and CROs investments to the labour office or lodged a complaint or suit in the Employment and Labour Relations Court where they have been paid for damages and compensated heavily, exposing the Churches and CROs investments to ridicule and needless costs.

Ethics and Environment. Environmental Rights are the protection of natural resources, the access to and use of natural resources, and how the access to and use of these resources affects surrounding populations, as well as the resources themselves. The sources of environmental law in Kenya include the constitution, framework law, sectoral statutes, regulations, judicial decisions, customary law, treaties, general opinions of international law and qualified writings among other sources. There are several important environmental laws which are regulating human activities, environmental and wildlife protection. They include Constitution of Kenya 2010, Environmental Management and Co-ordination (EMCA) Act 1999, Mining Act 2016, Physical Planning Act 1996, Public Health Act 2012, Maritime Zones Act 1989, Climate Change Act 2016,

Water Act 2016, Energy Act 2019, National Construction Authority Act 2020, Forest Conservation and Management Act 2016, Wildlife Act 2014 and others.

Non-compliance and negligence of these laws results in various punishments like fines, community service, and in some extreme cases, jail time. Without these environmental laws, the government would not be able to punish those who treat the environment poorly. It is critical to protect the environment so as to reduce the destruction of ecosystems caused by a myriad of anthropogenic activities. It is more of a moral or ethical obligation for humans to protect the environment from pollution and other activities that lead to environmental degradation e.g. air pollution, water contamination, waste management, chemical risks, resource exploitation, come under this law. Therefore, environmental laws play a huge part in protecting humans, animals, habitats, and resources.

The extractive industry has significant potential to lift people out of poverty and contribute to sustainable development, generating considerable revenues to governments for infrastructure development and delivery of social services. At the same time, the sector has been associated with extensive adverse social, economic and environmental impacts on local communities, workers and even nationally, prompting demand for greater stakeholder engagement to explain and involve stakeholders in managing negative impacts where they occur.

God has placed Churches and CROs on this earth as His image bearers to look after and manage His environment faithfully and lovingly. The preservation and nurture of the environment relates intimately with the way we serve God. Unfortunately, men and women who call themselves Christians have been increasingly involved in an irresponsible destruction of the earth's resources, resulting in widespread suffering, environmental degradation, and the threat of climate change. While scientific research needs to continue, it is clear from the accumulated evidence that the increasing emission of destructive gasses, the massive destruction of the American rain forests, and the depletion of the protective mantle of ozone (the so-called greenhouse effect), are all threatening the earth's ecosystem. There are dire predictions of global warming, rising sea levels, increasing frequency of storms and destructive floods, and devastating desertification and droughts. These problems are largely due to human selfishness and greed which result in ever-increasing production, unlimited consumption, and depletion of non-renewable resources. Solidarity with future generations is discussed, but the pressure of immediate interests is given priority. The ecological crisis is rooted in humankind's greed and refusal to practice good and faithful stewardship.

2.3 Governance

The Bible teaches much about good governance. In the Old Testament this is expressed in terms of right relationships: between the ruler and the people and between the ruler and God. It also contains stories of when this relationship of trust is broken. The New

Testament charts the relationship of Jesus and his followers with the religious and civil authorities of the time, describing harassment and persecution. These reflections throughout the Bible from generations of people of faith offer many insights into our own times. Psalm 72 is a prayer to God to guide the rulers of Israel. It offers an ideal governance model, focused on a relationship of care for the poor and vulnerable. Good governance is shown based on the principles of justice, righteousness and compassion, defending the rights of the poor and marginalised and protecting the people from conflict. Quoting from Isaiah 61, Jesus declares his manifesto for leadership in chapter 4 of Luke's Gospel.

Psalm 72: 1-4, 12-14 ~ Prayer for Guidance for the Ruler *“Give the king your justice, O God, and your righteousness to a king's son. May he judge your people with righteousness, and your poor with justice. May the mountains yield prosperity for the people, and the hills, in righteousness. May he defend the cause of the poor of the people, give deliverance to the needy, and crush the oppressor. For he delivers the needy when they call, the poor and those who have no helper. He has pity on the weak and the needy, and saves the lives of the needy. From oppression and violence, he redeems their life; and precious is their blood in his sight”.*

Luke 4: 16-21 ~ Jesus' vision for leadership *“When Jesus came to Nazareth, where he had been brought up, he went to the synagogue on the Sabbath day, as was his custom. He stood up to read, and the scroll of the prophet Isaiah was given to him. He unrolled the scroll and found the place where it was written: ‘The Spirit of the Lord is upon me, because he has anointed me to bring good news to the poor. He has sent me to proclaim release to the captives and recovery of sight to the blind, to let the oppressed go free, to proclaim the year of the Lord's favour.’ And he rolled up the scroll, gave it back to the attendant, and sat down. The eyes of all in the synagogue were fixed on him. Then he began to say to them, ‘Today this scripture has been fulfilled in your hearing”.*

The Bible is very clear on good governance and obedience to authorities. *“And the government is the ruling authority for the inhabitants of the land. This is so that order may be maintained” (Titus 3:1).* *“Let every person be subject to the governing authorities. For there is no authority except from God, and those that exist have been instituted by God.” (Romans 13:1).* *“Therefore whoever resists authority has opposed the ordinance of God; and they who have opposed will receive condemnation upon themselves.” (Romans 13:2).* *“For the Lord's sake, submit to all human authority—whether the king as head of state.” (1 Peter 2:13).* *“Work willingly at whatever you do, as though you were working for the Lord rather than for people. Remember that the Lord will give you an inheritance as your reward, and that the Master you are serving is Christ.” (Colossians 3:23-24).*

Governance in Church Organizations. Organizations are created as a means to an end to achieve specific goals, which are to create value for its owners or promoters. A key goal for organizations is to achieve efficiency and effectiveness in the pursuit of their mission. In Kenya, strategic leadership is a concept which until recently had been mainly adopted by business organizations, NGOs and government departments but not churches. Churches in Kenya have for a long time considered it to be more of a secular concept which was not applicable in the running of spiritual affairs. The older (mainstream) churches established by missionaries in the early twentieth century including Roman Catholics, Anglican Church, Presbyterian Church of East Africa, Africa Inland Church, Methodist Church, Seventh Day Adventist, and Baptist Church, among others, tend to have formal and well established governance structures in place which help them ensure order, accountability and overall strategic leadership and direction. Their governance organs are firmly in charge of maintaining their core values, keep their leaders and members under scrutiny in terms of their conduct and behavior, ensure strict financial accountability and responsibility for effective management. In more recent years, many Pentecostal churches have sprung up in Nairobi and other parts of Kenya which do not have defined governance structures or accountability systems in place. Most of these churches are led by individuals or families that lack order, accountability and strategic leadership. The leaders and members are not in any form of scrutiny in their conduct and behavior vulnerable to perennial church conflicts are a result of malpractices during church elections, corruption, one-man decision making, lack of financial accountability, leadership wrangles, and spiritual conflicts, etc.

The **ethical investment study** revealed that some Churches and CROs are without good governance systems and structures that makes it difficult to create effective long-term strategies decision-making processes. Unethical issues experienced with governance boards include lack of planning and management of meetings, low commitment, poor attendance of meetings, the decisions and actions made do not address strategic issues, implementation of decisions and actions and reporting. The study was concerned with Churches and CROs investments that have not conducted financial audits in the past three years which is unethical. Some of the respondent organizations reported unethical issues emerging from the external audits including employee theft, flouting of procurement policy, lack of registration of the some of the assets and the existence of dormant bank accounts.

2.4 Sustainability

Sustainability and Holy Scriptures. The Bible has underlined the importance of sustainability in the Christian faith. The concept of human dominion over nature is attributed to the harmful effect on nature, yet the dominion should be understood as being faithful servant to God by maintaining what is considered good as our endeavor.

The concept of man's dominion over nature as steward is explained well in Genesis "Then the Lord God took the man and put him in the Garden of Eden to work it and take care of it" (Genesis 2:15). God's authority over creation is asserted in Psalm "I will not take a bull from your house, nor goats out of your folds. For every beast of the forest is Mine, And the cattle on a thousand hills. I know all the birds of the mountains, And the wild beasts of the field are Mine." (Psalm 50:9–11). God created everything good as revealed in Genesis and He has emphasized the importance of preserving creations with God's promise for observing the Sabbath of the land which guides both the policy formulations for sustainability and individual actions regarding taking care of creation. "And the Lord spoke to Moses on Mount Sinai, saying, "Speak to the children of Israel, and say to them: When you come into the land which I give you, then the land shall keep a Sabbath to the Lord. Six years you shall sow your field, and six years you shall prune your vineyard, and gather its fruit; but in the seventh year there shall be a Sabbath of solemn rest for the land, a Sabbath to the Lord. You shall neither sow your field nor prune your vineyard. What grows of its own accord of your harvest you shall not reap, nor gather the grapes of your untended vine, for it is a year of rest for the land" (Leviticus 25:1-5). The act of serving the less fortunate people in our society is part of sustainability. The Bible is full of biblical texts to guide and instruct us to act towards sustainability from both social foundation and environmental perspective. "Is it not to share your bread with the hungry, And that you bring to your house the poor who are cast out; when you see the naked, that you cover him, And not hide yourself from your own flesh? Then your light shall break forth like the morning, Your healing shall bring forth speedily, And your righteousness shall go before you; The glory of the Lord shall be your rear guard" (Isaiah 58: 7-8). "Now it happened on another Sabbath, also that he entered the synagogue and taught. And a man was there whose right hand was withered. So the scribes and Pharisees watched Him closely, whether he would heal on the Sabbath, that they might find an accusation against Him. But he knew their thoughts, and said to the man who had the withered hand, "Arise and stand here". And he rose and stood. Then Jesus said to them, "I will ask you one thing: Is it lawful on the Sabbath to do good or to do evil, to save life or to destroy?" (Luke 6: 6-9). "All scripture is given by inspiration of God, and is profitable for doctrine, for reproof, for correction, for instruction in righteousness, that the man of God may be equipped for every good work" (2 Timothy 3:16-17).

The Bible has underlined the importance of sustainability through the following passages: "Then God blessed them, and God said to them, "Be fruitful and multiply; fill the earth and subdue it; have dominion over the fish of the sea, over the birds of the air, and over every living thing that moves on the earth" (Genesis 1:28). " There are many plans in man's heart, nevertheless the Lord's council that will stand" (Proverbs 19:21). "But seek first the kingdom of God and His righteousness, and all these things shall be added to you" (Matthew 6:33). "For I know the plans I have for you, declares the LORD, plans for

peace and not for evil, to give you a future and a hope” (Jeremiah 29:11). “And do not be conformed to this world, but be transformed by the renewing of your mind, that you may prove what is that good and acceptable and perfect will of God”(Romans 12:2) .

Sustainability of Investments. Sustainability is becoming more important for all organizations, including Churches and CROs in all sectors. To be sustainable, Churches and CROs needs to develop the capacity within itself to continuously identify the factors affecting their holistic growth in the long-term, build knowledge and skill set on how to counter the adverse factors, and roll out the changes within itself in a self-sufficient manner. For this to happen the Churches and CROs need to have the leadership, talent, global insights and change strategies necessary to rise to the unique challenges facing them today. The core strategy of the Churches and CROs is to build sustainable investments which are expected to be guided by sustainable ethical practices. The principle of having independence for entities such as Churches and CROs investments is a good ethical practice. Availability of policies, procedures and standards and their implementation and enforcement will ensure sustainability of the investments. Cross-cutting issues affect all aspects of a business and therefore need special attention.

The **ethical investment study** found sustainability, gender mainstreaming (women, youth), environment, equity and inclusion, succession, church asset ownership, non-compliance to existing laws, policies and procedures, communication and documentation of meeting resolutions and actions as the major Church and CROs cross-cutting issues. These issues should be integrated into all stages of business setup through to impact assessment which has not always been the case. The Churches and CROs need to ensure that the Church and CROs cross-cutting issues are taken into consideration during planning and implementation of all investment initiatives as well as in their overall operation.

3.0 THE RECOMMENDED ETHICAL INVESTMENT GUIDELINES

3.1 Effective Leadership

The following recommended guidelines will promote ethical practices and transform leadership ethical standing at the Church and CROs investments:

- 1) **Promote the implementation of Chapter 6 of the 2010 Kenyan Constitution on Leadership and Integrity (Leadership and Integrity Act 2012).**

Churches and CROs Investments should be at the forefront of promoting full implementation of chapter six of the constitution. These can be done through implementation of appropriate programs including undertaking preventive measures against unethical and corrupt practices, enforcement of existing policies and guidelines, providing public education at strategic locations targeting leaders of Churches and CROs investments, human resource policies and procedures to include chapter six requirements, and promotion of standards and practices of integrity, ethics and anti-corruption. Ensure all leaders appointed to strategic positions meet the requirements of chapter six of the constitution. The Churches and CROs investments should support interventions and programs aimed at barring persons engaged in corrupt and unethical conduct from election or appointment into leadership positions in public offices or Churches and CROs investments. They should work with others to advocate for strengthening of the legal framework on implementation of Chapter six. Integrity standards are a core element of professionalism, as they influence the daily behaviour of procurement officials and contribute to creating a culture of integrity. Good governance entails, amongst others, proper procurement practices characterized by accountability, transparency, efficiency and compliance to Rule of Law. Churches and CROs should shield the youth from misuse by politicians during electioneering period by instilling positive values among the youth in order to cause cultural re-engineering and ethical behaviour change in our societies. This is possible by using the family unit as the first school for children and institutions of learning to pass values-based teachings and lessons to the young people.

- 2) **Mitigating Against Corrupt and Fraudulent Practices.**

The Churches and CROs investments should review their organizational values including integrity periodically with a staff's commitment to adhere to and comply with these values. The values and a corruption free environment should be highlighted in all their organizational materials, websites and tender. All corruption cases should be reported through created whistle blowing channels, which should be clearly spelt out in the corruption and favouritism policy. The Churches and CROs investment leadership should ensure all staff are made aware of the *Anti-Corruption and Economic Crimes Act 2013* and existing laws and policies on managing the investments, enforcing in-house laws and policies, and *disclosure of conflict of interest (COI) made mandatory*.

3) Improving Procurement Practices.

The Church and CROs should work towards improving procurement practices continuously. The following are the recommended guidelines to complement existing efforts; establish a clear and well disseminated procurement policies and guidelines aligned to the existing procurement laws and procedures, employ only qualified and experienced staff who meet the requirements of chapter six, instituting a procurement committee with members of impeccable integrity to handle procurement of goods and services, and prequalify suppliers of various goods and services paying attention to their integrity status. Suppliers with questionable integrity and standing should not be pre-qualified. Lastly, the Churches and CROs Investments should partner with the Kenya Institute of Supplies Management (KISM). KISM will help in building the capacities of Churches and CROs in areas of Procurement and Supply Chain Management to promote overall value for money, and prevent corruption a crucial pillar of strategic governance and service delivery.

4) Establish Sustainable Partnerships with Community-Based Organizations, Universities, Enforcement Agencies and Extractive Sector Stakeholders.

Establish Sustainable Partnerships with relevant organizations, Universities, enforcement and regulatory agencies (e.g. Kenya Revenue Authority, State Law Office, Ethics and Anti-Corruption Commission, Kenya NGO Bureau), NGOs (e.g. *Kenya Human Rights* Commission, Kenya Federation of Women Lawyers,) and Professional Associations/organizations (e.g. Law Society of Kenya, Association of Christian Lawyers, Institute of Certified Public Accountants; Institute of Certified Public Secretaries) and Umbrella organizations and Service providers (CORAT Africa, National Council of Churches, All Africa Conference of Churches, to help them, deal with legal education and compliance challenges. Such value adding partnerships will also help to build capacities in deficient areas and strengthen the Churches and CROs governance boards and management teams through establishing strong systems and structures; enforcing and monitoring implementation of ethical investment policies, guidelines and standards; and compiling all existing registration into one popular version that will be circulated to members both in hard copies and soft copies for use. The established partnerships will:

- Build capacities of Churches and CROs in deficient areas and strengthen the governance boards and management teams on ethical investment, environmental stewardship and management.
- Promote research and programs on ethics, faith and Christianity that will enhance the implementation of the Ethical Investment Guidelines
- Help Churches and CROs to actively engage extractive sector stakeholders who are contributing to sustainable development through revenue generation to the government, infrastructure development, delivery of social services to the people, and implementation of ethical standards and good practices.

5) Instituting Punitive Mechanisms Against Crime.

The ethical standards of an organization are judged by its actions and the actions of its employees. Procurement ethical standards emphasize procurement ethics being important in procurement, for instance, procurement staff are the representatives of their organization in dealing with suppliers. Sound ethical conduct in dealing with suppliers is essential to the creation of long-term relationships and the establishment of supplier goodwill. Hesitancy in punishing crime committed within church settings breeds impunity and questions the church's standing as the moral face and voice of society. This position needs to be reversed so that those committing crime within church settings can face the law besides institutional mechanisms. The Churches and CROs should be clear, in their human resource policies on the consequences of workplace crime beyond job loss including prosecution depending on the nature of the offence. The Church and CROs should be at the forefront of creating awareness of all existing laws, and organizational policies, procedures and standards.

6) Compliance and Enforcement of Existing Policies and Procedures.

The purpose of compliance and enforcement of core policies and procedures is to eliminate all forms of workers abuse, abolish child labour, uphold the principle of non-discrimination in respect of employment and occupation and ensure the freedom of association and the right to collective bargaining. These relate to the fundamental principles and basic human rights in the workforce and key elements in the healthy functioning of an investment. Most Churches and CROs who participated in the study have established the core human resource policies and procedures, but compliance with and enforcement is uneven among them. The study also revealed that some Churches and CROs staff lack specific business skills and knowledge that will unlock their full productive potential. The shortage of trained workers is thus an obstacle to expanding investment and makes it particularly hard to compete favourably in the market. The Churches and CROs should: make efforts to improve enforcement and compliance, promote responsible business practices, establish staff capacity development programmes aligned with investment requirements and work towards appointing experienced and qualified professional staff to provide the required technical services and education on the existing legal and regulatory frameworks. The Church and CROs should create awareness of all existing laws, and organizational policies and procedures.

7) Promote Value Adding Church and Cross Border Connections.

Value adding connections (networks) should not be confined locally but reach beyond Kenyan borders to expose Church and CROs to ethical and business experiences in other

environments including international. This has to be deliberate for purposes of creating a partnership and knowledge management component in each Church and CROs. Just like for other networks, investments need to be clear on the objectives of such Church and CROs's border connections (networks) then identify entities to connect with and then workout mechanisms for networking. The value add from such networks needs to be monitoring and documented as they play out in the investment.

8) Showcase and Publish Success Stories for Mutual Learning.

Showcasing success stories of ethical investments is a powerful way of mutual learning because of its practical nature. This however, would need a body that can facilitate this and fortunately such church bodies exist. Good examples are AACC and NCCK. The church based bodies can work with Church and CROs to create a knowledge management (KM) hub that can steer this process. On their part, Church and CROs will need to create a KM/research component within investments that will be responsible for gathering needed data and information, analysing and interpretation to inform appropriate actions to be taken. Central to this whole process will be the need to develop mechanisms for showcasing success stories for mutual learning. The other mode of learning and sharing success stories, is through publishing and to achieve this, Church and CROs will need to develop clear strategies and also train selected staff on good writing and further encouraging them to write and publish on relevant forums.

9) Develop an Investment Strategic Plan, Financial Plan and Investment Charter.

The Church and CROs' investments need to develop an investment strategic plan, financial plan and investment charter to help guide investment decisions and practices. The investment charter will regulate the Investment Committee functions through determining its duties, authorities, working procedures and rules of nomination of its members, in accordance with the regulatory rules.

10) Establish Youth Development Program.

Churches and CROs investments should develop youth development strategy and programs that will focus on supporting the youth spiritually, mentally, socially and economically. Church leaders should do ministry *with* young people where they will be given opportunities to make their contributions based on their skills and interests which make them feel involved and being part of the church. The churches have the responsibility to mobilize the youth to join small groups in their congregations. This will ensure the youths aren't just involved with youth groups in church but also develop friendships with each other. Getting older youths and adult professionals involved in each group will also foster natural mentorships. The good news is that anyone can start a

project that earns money, creates a solution to an existing problem, and has positive community impact.

The Churches and CROs should now focus on youth economic empowerment through the following ways:

- Provide technical assistance and capacity building to strengthen the youth leadership and their networks to enhance compliance to existing regulatory framework and overall performance.
- Facilitate the formation of youth centres, youth entrepreneurship or social enterprises, youth producer groups at various churches and CROs to ease access to inputs and finance, give them a place they can ‘hang out’ to share knowledge, innovate and brainstorm on their issues. The program should target enterprises with a great potential for job creation, and youth employability e.g. climate change and green growth, renewable energy, agriculture & agro-industry, rural development, small & micro-enterprise development, industrial and trade development, development research, governance, public financial management, capacity building, water, human and social development. Successful social entrepreneurs/enterprises should be community driven, creative and innovative, business savvy, know how to network and resilient.
- Support youth entrepreneurship or social enterprises that will increase youth employment and access to finance and business support services.
- Create an enabling environment for enterprise development. Youth economic empowerment, entails working with existing technical colleges and youth institutions (both church and government owned) in capacity development and skills development
- Establishing an online market so that they can advertise and market their products easily
- Deal with the impact of climate change through mitigation and adaptation activities, particularly increase water sources and access, establish a robust sanitation system and waste disposal systems
- Transforming smallholder agriculture to intensify productivity and raise incomes for smallholder farmers including the youth farmers. The key activities will include establishing smallholder agricultural value chains, introducing value addition in low-tech processing plants and cottage industries, e.g. Potatoes, they process them and sell them as high-value products (such as chips and crisps), invest in cold rooms to preserve fruits and vegetables, and minimising post-harvest losses.

11) Support Youth Spiritual development activities

Support Youth Spiritual development activities through teaching, small group series and events that will provide the youth opportunities to develop God-centered relationships with others. The church, home and school will join together to help the youth grow joyfully in wisdom and stature and in favor with God and man. The goal is to create an

environment where the youth know others and are known; accept others and are accepted; love others and are loved; and pray for others and are prayed for. Churches and CROs should be intentional about helping them grow in their relationship with God and others. The youth development program is meant to help the Youth to: a) develop a Christ-like character; b) experience the joy and satisfaction of doing things well; c) express their love for Jesus in a natural way; d) learn good sportsmanship and strengthen their ability to get along with others; e) discover their God-given abilities and to learn how to use them to benefit self and serve others; f) discover God's world; g) improve their understanding of what makes families strong; and h) develop parental support for the training of children.

12) Strengthen Transparency, Accountability, and Credibility Framework.

To deal with corruption in all its forms i.e. abuse of public office for personal gain, Churches and CROs should establish and strengthen transparency, accountability, and credibility framework. This will help deal with all forms of corruption including bribery, collusion, embezzlement and theft, fraud, extortion, abuse of discretion, favoritism, nepotism, and clientelism.

13) Encourage Churches and CROs to appoint experienced and qualified professional staff

Encourage Churches and CROs to appoint experienced and qualified professional staff (e.g. auditors, consultants, investment advisors, lawyers) to provide the required technical services and be involved in creating awareness on the existing regulatory frameworks, compliance and enforcement.

14) Empower Churches without formal Governance Structures and Registration.

Umbrella church networks and service providers e.g. NCKK, AACCC, Evangelicals, Pentecostals, CORAT Africa, Indigenous churches, etc. should develop strategies to help many upcoming churches without formal governance structures and national identity.

The support required include:

- Conducting study on the state of informal churches to identify the existing gaps
- Developing capacity development program to address the gaps identified.
- Helping the informal churches to formalize their existence through registration with the registration of societies or state law office.
- Helping the informal churches to establish sound governance structures including relevant policies and procedures, strategic leadership, and internal management
- Establishing organizational performance measurement system that will enable them move towards achieving efficiency and effectiveness.

3.2 Ethics and Human & Environmental Rights

The Church and CROs investments have the duty to protect human rights, environmental rights and workers' rights within the framework of nationally and internationally recognized human rights principals and instruments, as well as relevant national laws and regulations and employment standards. The following are the recommended guidelines to deal with ethics and human rights concerns:

1) Stand Up and Act for Everyone's Right.

The most fundamental responsibility for the Church and CROs investment is to stand up and act for everyone's right to free choices and particularly for everyone's freedom of thought, conscience, religion or belief. The Church and CROs investments should affirm their commitment to the national and universal norms and standards e.g. The Kenyan 2010 Constitution and Article 18 of the International Covenant on Civil and Political Rights. The Church and CROs investments should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved and seek ways to prevent or mitigate adverse human rights impacts that are directly or indirectly linked to their business operations, products or services.

2) Sign Policy Commitments to Respect Rights of Workers and Abolish Child Labour.

The Church and CROs investments should sign policy commitments to respect human rights of workers and abolition of child labour by taking immediate and effective measures to prohibit and eliminate all forms of child labour as a matter of urgency.

3) Support and Promote Equal Treatment of all and Denounce all Forms of Discriminatory Practices.

The Church and CROs investments should commit to support and promote equal treatment in all areas and manifestations of religion or belief and to denounce all forms of discriminatory practices. They should be commit themselves to preventing all forms of discrimination against any individual or group and consider any such interpretation as contrary to the unity of the body of Christ, oneness of humanity and equal dignity of humankind.

4) Commit to Leverage the Spiritual and Moral Weight of Christian Values and Beliefs.

The Church and CROs investments should commit to leverage the spiritual and moral weight of Christian values and beliefs with the aim of strengthening the protection of universal human rights and developing preventative strategies adapted to local contexts, benefitting from the potential support of relevant national and international partners. This will be in support of the fulfillment of the scriptures. There is no commandment greater than the one given in Mark 12:30-31 "And you shall love the Lord your God with

all your heart, with all your soul, with all your mind, and with all your strength. And the second, like it, is this: You shall love your neighbor as yourself. There is no other commandment greater than these". In Luke 6:35 "But love your enemies, do good, and lend, hoping for nothing in return and your reward will be great and you will be sons of the Most High. For he is kind to the unthankful and evil".

5) Develop Sustained Partnerships with Universities.

The Church and CROs investments should develop sustained partnerships with Universities to promote a) interdisciplinary research, programs and tools for implementing the ethical investment Guidelines, and b) research on specific questions related to ethics, Christian faith and human rights and to benefit from their outcomes that could feed into the programs and tools of ethical investments.

6) Commit to Support Each Other at the Implementation of the Guidelines and Recommendations.

The Churches and CROs investments should commit to support each other at the implementation level of these guidelines through exchange of practices, mutual capacity enhancement and regular activities of skills updating.

7) Commit to Staff Capacity Development.

The study findings demonstrated that some Church and CROs staff lack specific knowledge that businesses require to unlock their full productive potential. Transmitting these skills is the domain of on-the-job training and specialized off-site training. The shortage of trained workers is thus an obstacle to expanding investment and makes it particularly hard to compete favorably in the market. Church and CROs should develop policy instruments to support staff training including co-financing arrangements, scholarships, sponsorships, organizing workshops, in-house training, etc. The investment environment dictates that the Church and CROs put in place stable staff capacity development programmes which are aligned with the investment requirements.

8) Compliance and Enforcement of Core Labour Policies and Standards.

As a general principle, core labour policies, procedures and standards relate to fundamental principles and basic human rights in the workforce and are distinct from labour standards regarding work conditions and employment protection laws. Specifically, they aim to eliminate all forms of forced or compulsory labour, to abolish child labour, to uphold the principle of non-discrimination in respect of employment and occupation and to ensure the freedom of association and the right to collective bargaining. These core labour policies and standards are key elements in the healthy functioning of an investment. They create a level playing field for all investments, and sharpen the incentive for workers to improve skills and the younger generation to

accumulate human capital. Most Church and CROs who participated in the study have established the core labour policies and standards, but compliance with and enforcement is uneven among Church and CROs. There is need to raise awareness of the problems associated with low compliance with the core labour policies and standards, to reinforce efforts to improve enforcement and compliance with them and to promote tools that foster responsible business practices.

9) Develop an Investment Strategic Plan, Financial Plan and Investment Charter.

The Church and CROs' investments need to develop an investment strategic plan, financial plan and investment charter to help guide investment decision and practices. The investment charter will regulate the Investment Committee functions through determining its duties, authorities, working procedures and rules of nomination of its members, in accordance with the regulatory rules.

10) Establish Partnerships with Community-Based Organizations, Universities, Enforcement Agencies.

Churches and CROs to establish Partnerships with Community-based organizations, Universities, enforcement and regulatory agencies (e.g. NEMA, KWS, KFS, WRMA, Kenya Human Resource Management Institute), NGOs to help them, deal with negligence and compliance challenges. The partnership will also help to build capacities in deficient areas and strengthen the Churches and CROs governance boards and management teams on environmental stewardship and management.

11) Establish and implement appropriate Human Resource Policies aligned to the national labour laws and guidelines.

Encourage Churches and CROs to establish appropriate human resource policy that are aligned to the national labour laws and guidelines. The policy will facilitate the appointment or contracting on short-term basis experienced and qualified professional staff key in the provision of technical services and creating awareness on the existing legal/regulatory frameworks, compliance requirements and enforcement. Some of the staff required include human resource experts, environment advisors, environmental lawyers, human rights experts, investment experts, etc.).

12) Create and Nurture Climate Change Champions or Stewards of the Environment.

Churches and CROs should be encouraged to create and nurture climate change champions or stewards of the environment for future generations. Anna Surridge is a 16-year-old strong Christian, who believes in stewardship of environment as per the

scripture. Through her firm stand, she has become an eco-champion in Great Britain. She is promoting an eco-friendly hair dryer, recycling mobile phones, digging up the lawn to plant vegetables, etc. Ann is passionate about the environment and climate change. Living in South Wales she is one of the six “Climate Change Champions” appointed by the Welsh Assembly to “help people change small things in their life to help the environment.” She is traveling to various events highlighting the need to care for the environment. She encourages the young people to leave messages on a ‘graffiti wall’ or to record video messages for the environment ministers of European Countries to take action in preserving and conserving the environment. Churches and CROs have the responsibility to create and raise Climate Change Champions for future generations like Ann for the honour and glory of God.

13) Promote and Adopt Internationally recognized Environmental Management Systems.

Churches and CROs should advocate for simple, wholesome lifestyle, where people do not step on the treadmill of unbridled over-consumption, accumulation of goods, and production of waste. A reformation of lifestyle is called for, based on respect for nature, restraint in the use of the world's resources, re-evaluation of one's needs, and reaffirmation of the dignity of created life. Churches and CROs can advocate this much needed reform by promoting and adopting to internationally recognized Environmental Management Systems (EMS) such as ISO 14000. This is a set of management standards that enables organizations to identify and modify or control how their activity impacts on their environment. Further, EMS helps to improve the organizations’ environmental performance continually, and to implement a systematic approach to setting environmental objectives and achievable and demonstrable targets. It also provides assurance to management that it is in control of the organizational processes and activities having an impact on the environment and assures employees and or volunteers that they are working for an environmentally responsible organization.

14) Support Churches and CROs Youth Social Enterprises.

Churches commit themselves to support youth social enterprises through technical advice and financing. The focus will be on recycle of waste, remodel, reuse, reclaim, repair, and practice restraint. The objective is to keep the environment free of waste or clean and source of income.

15) Preach Stewardship of Creation/Environment from the Pulpit.

Churches commit themselves to preach stewardship of creation or our environment from the pulpit, and establish a training program for church members to champion and care for the environment.

16) Stakeholder Engagement (Extractive Sector stakeholders, National and County Government)

Stakeholder engagement is emerging as a means of describing a broader, more inclusive relationship building process. Churches and CROs should be actively involved in the extractive sector that has significant potential to lift people out of poverty and contribute to sustainable development through revenue generation to the government. The revenue is expected to be invested in the Country's infrastructure development and delivery of social services to the people. These means that the Churches and CROs should be engaged with:

- **Extractive sector stakeholders** promoting fair employment practices and compliance with existing labour laws and procedures. They should encourage extractive sector stakeholders to develop and implement ethical standards and good practices for both companies and communities in improving the sector in Kenya.
- **National and county governments** advocating for prudent management of public resources through the public financial management framework.

3.3 Good Governance

The following recommended good governance guidelines will help the Churches and CROs investments in attaining their desired investment goal as they encompass every sphere of operations, management, action plans, internal controls and self-regulation.

1) **Establish an Effective Governance Framework.**

The Churches and CROs require an effective legal, regulatory and institutional foundation that should comprise of legislation, regulation, self-regulatory arrangements, voluntary commitments and good business practices. The governance framework should be designed in such a way that it is flexible enough to meet the needs of Churches and CROs operating in widely different circumstances. Another key consideration is the need for effective enforcement and implementation that will require the allocation of responsibilities for supervision, implementation and enforcement.

2) **Boards Composition and Responsibility.**

Churches and CROs require an effective governance board which is the heart of the governance structure of a well-functioning and well governed investment organization. The governance board acts as the ultimate internal monitor. Ideally, the Board guides long-term corporate strategy, puts the key agents in place to implement it, and monitors performance against the strategy set out. Consequently, bad company performance and governance begins with a governance board not fulfilling its key responsibilities. Therefore, the appointing authority should ensure the following: membership of the board is broad and relevant to the needs of the organization, board meetings are held regularly, members show commitment to the organization, good attendance in meetings,

and members understand the organization, its operations and issues well. In terms of responsibility, members need to have clear understanding of the board's key functions including resource mobilization, policy formulation, strategic guidance, financial oversight, recruitment and guidance of the management team members. The appointing authority should also ensure board/member's reasonable term limits are set, and processes put in place for electing or appointing board member or staff.

3) Governance Board's Role in the Governance of Investments.

The Churches and CROs governance boards should play a central role in the governance of the investments. The board is chiefly responsible for guiding corporate strategy, monitoring managerial performance, overseeing operational systems to ensure that the investment obeys the applicable national laws and achieving an adequate return for the investment. It should also monitor and manage potential conflicts of interest of management, board members and shareholders. In addition, governance boards have a duty to act in the best interests of the investment and its shareholders, and are expected to take due regard of, and deal fairly with, other stakeholder interests, including those of employees, creditors, customers, suppliers and local communities. Regardless of how the board members are chosen, in order to effectively fulfil their responsibilities, they must be able to exercise informed, objective and independent judgement, acting as representative of all shareholders of the investment.

4) Capacity Building for Governance Boards.

In dealing with investment governance issues, Churches and CROs will use a varying combination of legal and self-regulatory instruments, and voluntary initiatives. To minimize compliance costs and provide greater flexibility, Churches and CROs need to develop and use voluntary initiatives to improve their corporate governance. They should appoint reliable service providers to promote awareness and train governance board members to understand objectives of good governance, requirements and engaging other key stakeholder's as a way of increasing understanding of good governance within the organizations.

5) Review of Governance System.

The Churches and CROs should consider undertaking a full periodic governance system review against best practices and internationally accepted principles of good governance. The approach will include organizing a dialogue among key stakeholders to discuss and share their experiences in the application of the Guidelines as an effective way of building consensus for good governance improvements. Where possible an organizational

development or corporate governance expert will be invited to facilitate the process for better results.

3.4 Sustainability

The following recommended guidelines will help the investment to attain sustainability in its operations, management, action plans, internal controls and self-regulation.

1) Setting up of Organizational Implementation Structures.

The Churches and CROs will be required to create community and national level structures responsible for the implementation, monitoring, evaluation and reporting of the ethical investment guidelines. The structures at national and community levels include the national ethical investment committee, and Church/CROs ethical investment committee. These governance organs will facilitate the processes that will ensure the sustainability of ethical practices and standards at the national and local/community levels.

2) Establish Ethical Investment Centers of Excellence (COE).

The Churches and CROs will be encouraged to establish Centers of Excellence (CoE) in Ethical Investments that will promote and demonstrate excellent practices in ethical investments. A Center of Excellence is a business unit with a leading-edge knowledge and competency in ethical practices i.e. a place where highest ethical standards are maintained. When a reward system is created within a COEs, it becomes a source of motivation for the staff and management of Churches and Church and CROs. Effective centers of excellence will be characterized by:

- Top management buy-in to get COEs planned and implemented,
- Bring together cross-discipline team experienced in ethical investment,
- Consistency
- Governance plan with clear duties and responsibilities,
- Having a system of shared resources with templates, tools, calendars, and work standards that are accessible to everyone who is involved in carrying out specific tasks, and
- Monitoring performance and adherence to standards to facilitate reward system and ensure consistency.
- Because COEs are designed to drive innovation and improvement, they also create an organizational structure that encourages the different members to measure, experiment, and push each other forward. By promoting more transparency and more shared results, they can be a powerful way for the

organization to align around business goals, rather than individual departmental metrics.

3) Youth Mentorship Program.

The Churches and CROs to intentionally work with advanced Churches, CROs, Universities and Colleges to initiate a mentorship program that will expose the youth to ethical standards and practices while undergoing training. The youth while undergoing training, will conduct action based research on areas of interest in ethical investment, which will encourage the young people to get value based education and experiences. In addition, the youth will be mentored through practicum sessions within Churches and CROs investments and church programs (see section **3.3 (11) and (12)**). The mentorship program will promote inter-generational partnership as a sustainability strategy.

4) Publication and Dissemination of the Guideline and other Resource Materials.

The Churches and CROs investment organs at the national and local levels will lead the process of disseminating the guidelines to various stakeholders. The organs will be encouraged to translate the guidelines into Kiswahili that will be distributed to all Churches and CROs through the existing channels. The organs will also compile all national legislations dealing with investments into one popular version that will be distributed to Churches and CROs (hard or soft copies or e-copies) for study and use. At the same time, the Churches and CROs will use the documents to create awareness to their members and emphasise the importance of compliance and enforcement of the same. The publication and dissemination strategy will enhance sustainability of ethical investment practices.

5) Establish Investment Monitoring and Evaluation System.

Monitoring and evaluation (M&E) is essential for ensuring that any activity attains its objectives, and does so in the most efficient way possible, in terms of quality and time. The Church and CROs Investment Managers will be required to set investment objectives, identify key performance indicators (KPIs) and track performance of their employees and activities to improve effectiveness over time. The M&E system will also facilitate strategic decision-making when the managers have gathered evidence that can inform which activity (s) is most effective, and decide to re-allocate staff and resources, or make product and service adjustments, accordingly. The M&E system will be an essential management and product development tool, allowing improvements over time and will help to increase transparency and accountability in the use of resources, in particular of public character. Annual or periodic investment monitoring and evaluation reports will be useful in reporting investment achievements, gaps, recommendations, documenting best ethical practices and lessons learnt.

4.0 DISSEMINATION OF ETHICAL INVESTMENT GUIDELINES

The ACAP Programme stakeholders will need to invest resources including time, efforts and money in the dissemination of the guidelines. The key dissemination audiences may include the following among others:

- Churches and CROs Investments
- Christian and Public Universities
- Enforcement and regulatory agencies (e.g. EACC, NEMA, KWS, KFS, WRMA, Kenya human resource management institute, Kenya Institute of Supply Chain Management)
- NGOs, Civil Society Organizations and charitable foundations
- Relevant County and National Government Agencies
- Private sector dealing with trade, commerce, investments and financing
- Faith-based organizations
- Schools
- Local Authorities

The dissemination of the guideline will have very little impact if it is not disseminated via the most relevant channels. For example, a beautifully produced DVD with videos that capture the magnitude of the ACAP IV project impact is useless if the intended audience do not have DVD players or even reliable electricity supply or reliable internet connectivity. The consideration of appropriate channels is an essential step as it will help to narrow down, in very realistic ways, the types of communication tools that are practical, reach the right audiences and within the available budgets.

It will be important for the ACAP Programme stakeholders to consider the resources available for the dissemination activities in terms of materials in different forms, personnel, experience and competency of the personnel to do the work effectively, and funding available to implement the dissemination strategy. One reason why research teams tend not to be adept at sharing their findings is because dissemination can be expensive to carry out. Some forms of dissemination require significant resources as well as a high level of capacity.

A timeline for disseminating the guideline may be obvious but worth reiterating. There may be, for instance, an upcoming conference or other event at which the responsible team can distribute the guidelines, deliver a plenary presentation, and/or arrange some face-to-face meetings with interested groups or individuals. Therefore, the responsible team must pay attention to issues of timing. This involves being aware of shifts within an audience (suggesting greater receptivity to your team's work), windows of strategic opportunity that might suddenly open to which the team must respond quickly, and the activities of like-minded stakeholders and institutions, whose actions may help in advancing ethical investment agenda.

Dissemination of the guidelines and its impact also requires careful evaluation and feedback. The dissemination process should be carefully planned so that the intended audience(s) are reached. During implementation of the process, adjustments may be needed to ensure a maximum return on investment and attention. All stakeholders should answer One question that is a useful guide in the entire process of dissemination: *what will be the ultimate change if communications and dissemination of the guideline are completely successful?*

The following are the proposed strategies for promoting and disseminating the ethical investment guidelines:

- 1) **Ethical Investment Practices Review Process:** The Churches and CROs investments need to establish a review mechanism for engaging internal and external stakeholders in reviewing their ethical investment practices to identify gaps and take appropriate actions to enhance investment performance. The review process is a public participation process that will engage key stakeholders directly in a decision-making process that gives full consideration to their input. The review process shall identify gaps and remind the Churches and CROs investments of ethical practices to enhance their performance.
- 2) **Appropriate Communication Strategy:** To ensure compliance with investment policies, procedures and standards, Churches and CROs investments should establish appropriate communication strategy to disseminate these policies, procedures and standards. A good communication strategy will foster trust among members, prevent or resolve conflicts, provide clarity and direction on matters of mutual concern, create better relationships, increase engagement among stakeholders, improve productivity, and promote team building among staff. The system will also ensure that timely, regular, reliable and relevant information is disclosed regarding their activities, structure, financial situation and performance. An appropriate communication strategy will facilitate sustainability of ethical investment practices.
- 3) **The National Ethical Investment Committee (NEIC):** There is a need for establishing National Ethical Investment Committee comprised of selected Churches and CROs, CSOs, Businesses community, Universities, Financial Institutions, Service providers, Government agency, etc. The Matter requires further consultation and discussion among key stakeholders. The proposed role of NEIC is to coordinate the dissemination and implementation of the guidelines in the country.
- 4) **The Church and CROs Ethical Investment Committee (EIC):** The Governance boards of Churches and CROs are expected to provide strategic direction, establish

governance system for the investment, perform a fiduciary duty to protect the organization's assets and monitoring the investment performance. The Investment Committee is the primary authority on developing the investment plan and related investment objectives and policies within the organization. The members of an investment committee can be drawn from the organization's governance board, management, and shareholder's representatives. The committee should have at least one member with a professional background in finance or investments and diversity in other areas is important for different perspectives. Bringing in an advisor is a requirement when the committee is not equipped with the expertise or time to monitor investments. The role and authority of the ethical investment committee should be clearly spelled out in the committee charter or an investment policy statement.

- 5) **Ethical Investment Courses and Academic Programs:** Service Providers and Universities should explore partnerships with Globethics.net, EACC and other stakeholders to offer short and long-term courses and academic programs on Ethical Investment as a way of disseminating the guidelines widely. CORAT Africa as Consulting and Capacity Development organization is keen on this strategic direction.
- 6) Publishing the guidelines in Churches and CROs national journals and publications.
- 7) Presenting the guidelines at Churches and CROs organized national conferences and meetings and professional associations.
- 8) Use of the Social media for wider coverage especially targeting the youth population
- 9) Identify Donors to support implementation and dissemination of the guidelines
- 10) Publishing the ACAP IV project findings in national journals and statewide publications.
- 11) Presenting the guidelines at national and international conferences and meetings of professional associations in Kenya.
- 12) Creating and distributing the guidelines in materials, such as flyers, guides, pamphlets, DVDs, others to local churches, community groups and other local stakeholders.
- 13) Creating toolkits of training materials on ethical investments and curricula for church or community groups
- 14) Disseminating information through social media or on an organization's website
- 15) Discussing Ethical Investment activities on the existing Christian local FM Radio stations and TV stations.
- 16) **Implementation, Monitoring, Evaluation and Reporting Framework:** Both the implementation plan and monitoring, evaluation and reporting (MER) framework are key components that Globethics.net and users of this guideline will need to

develop for purposes of ensuring that the guidelines are implemented, monitored, evaluated and progress reported.

ANNEXES: AFRICAN CHURCH ASSETS PROGRAMME ACAP IV KENYA NATIONAL WORKSHOP

African Church Assets Programme ACAP IV Kenya National Guidelines on Ethical Investment Workshop Held on 21st-22nd October, 2021 at the Jubilee Hall, All Africa conference of Churches, Nairobi Kenya.

Annex 1: Joint Communiqué from the Two-Day Kenya National Workshop

“Consecrate the fiftieth year and proclaim liberty throughout the land to all its inhabitants. It shall be a jubilee for you; each of you is to return to your family property and to your own clan. The fiftieth year shall be a jubilee for you; do not sow and do not reap what grows of itself or harvest the untended vines. For it is a jubilee and is to be holy for you; eat only what is taken directly from the fields “(Lev 25: 11-12)

1.0 Preamble

1.1. We, **84** representatives from **52** Churches and CROs from **13** countries meeting here (both face to face and virtual) at the Jubilee Hall, AACC, Nairobi Kenya are grateful to God who has made the two-day workshop possible even within the context of the ravaging effects of COVID 19 Pandemic. The richness and depth of sharing coming from this Hall do attest to the very name of the Hall. In the words of Prof Obiora Ike, the Executive Director of Globethics, *“Jubilee is about our search for restoring human dignity at a time when we are facing overwhelming challenges”*. That notwithstanding, we join Kenyans here present in the good news after the Presidential announcement of October 20, 2021 during the Country’s *Mashujaa* Celebrations that the curfew order which has been in force for the last one and half years is now revoked.

1.2. We are indeed encouraged by the overwhelming support from our key stakeholders as highlighted in their goodwill messages. Some of the Stakeholders to name but a few include the Anglican Church of Burundi Kenya. Our Funding Partner, Bread for the World, Germany. We were also blessed to receive greetings from the Evangelical Presbyterian Church in Ghana, Archbishop of the Catholic Arch Diocese of Mombasa, Church of Nigeria NGO fraternity, Delegation from Ethiopia including the Director of CCRDA. The contribution from private Equity Firms including Fusion Group is also greatly appreciated. Furthermore, we had the privilege of being greeted by a representative of Persons Living with Disability (PLWD). The youth too were very

well represented with a reminder from them that we must not forget to talk about some of the enduring values that are being forgotten by our society.

- 1.3. The trigger for the workshop is not new to many of us. It is about how we are carrying forward the rich results from the study conducted by a competent Pan African Research Organization, CORAT Africa. The study, in the words of the Managing Director of that Consultancy Organization has been subjected to scrutiny in a process, of study, consultations and workshops held to enrich the outcomes. ***“The study was undertaken at a time of great challenges with COVID 19 Pandemic. That notwithstanding, the research team was able to weather the storm and present a credible study report.”***
- 1.4. Our Global Context: This workshop has started with an important reminder. The World in which we live isn't what God had intended. As Monika Pepping of Bread for the World, Germany puts it ***“the disastrous effect of climate change is here with us and one consequence of that is that economic development is not sustainable. You will all appreciate that a lot of our problems is driven by unequal wealth distribution. Further questions abound on why there is mental health deterioration in a world blessed with abundant resources. How come that in a world of so much building and yet people who are homeless are increasing in number. The challenges facing humanity is daunting. Why do we talk so much and yet to do so little?”***
- 1.5. Our Local and Regional Context: Coming home to Africa and more particularly in our own countries, high levels of corruption and bad procurement practices persist. There is divergence between compliance and enforcement of many of our National Laws and Legislation. We confess that many of our churches are not always bold to punish crime. There is a persisting culture of silence and no protection for whistle blowers. Other frustrating realities include the slow judicial process, corrupt practices being politicised and budget constraints. There are cases of intentional destruction of witness evidence. Citizen apathy all negate the fight against corruption. Glorification of material wealth and institutionalised corruption is saddening.

2.0 The ACAP Journey

- 2.1. We seek to remind all of us that during ACAP I (October 2015 to March 2016) 16 church institutions were selected to participate in launching the first phase of ACAP which was aimed at undertaking the mapping of their assets and on the identification of tasks and actions to improve their records. This was a rich process.
- 2.2. During ACAP II (November 2016 to April 2018), Globethics.net, in cooperation with AACC, further pursued the goal of development and capacity building with the goal

of qualifying churches and Church-Related organizations (hereafter: CROs) for responsible asset management, strengthening the sustainability of selected institutions. In that phase, 23 partner organizations from 10 selected countries (Kenya, Uganda, Tanzania, Rwanda, DR Congo, Ghana, Nigeria, Zambia, Zimbabwe, Cameroon) participated in coordinated capacity building activities in Kenya. In addition, in-depth events were held nationally in Rwanda, DR Congo and Uganda. Participants were employees in management positions of national church councils, individual churches or CROs with special professional mandates (CHAK, Kenya, PIASS Rwanda, CRUDAN Nigeria, Mindolo Ecumenical Foundation, Zambia). This journey gave birth to the ACAP III stream.

2.3. The ACAP III (January 2019 to February 2020) was an immediate follow up to strengthening the capacity of CROs to manage their assets sustainably and to adopt ethical investment principles. This third phase of ACAP was dedicated on conducting an ethics perception survey among the contributors of ACAP I & II on the management of their assets and their thinking on ethical investment. The outcomes of the survey were presented at an International workshop in May 2019 in Kenya and after some conversations a set of guiding principles were developed built on 4 pillars called the L.E.G.S (Leadership, Ethics, Governance and Sustainability) were coined to provide a framework for the Churches and CROs in the form of a practical “Ethical Management Guide for CRO” to assist them on rethinking their values, structures, processes and procedures. This practical guide was distributed to some 130 participants in the two National Workshops that was organized in Ghana and Zambia in November 2019.

2.4. We are all privileged to have been part of ACAP IV-This is the current phase which is focusing on study by CORAT Africa to draw out key lessons that will inform Ethical Investment practices. During this month of October 2021, and we now invite you to listen in on what you yourselves have helped put together.

3.0 The Main Focus of the Ethical Investment Guidelines Workshop

3.1. The two-day Workshop had a goal which was about empowering leaders, managers and workers of Church and CROs investments with knowledge and skills to be better stewards of the available human, social, environmental and economic resources. In order for the guidelines to take root, an intentional organized and focused advocacy campaign will be necessary. The process for conducting this has also been highlighted in these guidelines.

3.2. The Workshop was enriched with a reminder to all of us to our call to ethical investment. That call is about stewarding resources on behalf of the owner, God himself. It is a call to use the resources entrusted to us with diligence as we reflect on

the Parable of the talents. We are being reminded that the call to subdue the earth isn't a call to misuse the resources but a call to care for them and exploit them with due care.

3.3. The Workshop stressed a significant entry point in our care for resources. That obeying national laws is the first obligation of Churches and CROs. The Guidelines are therefore not a substitute for nor should they be considered to override the national laws and regulations. While the Guidelines may extend beyond the law in many cases, they should not and are not intended to place the investment in situations that are conflicting with existing requirements.

4.0 Highlights of the Ethical Investment Guidelines

4.1. Ethical, Human and Environmental Rights

We underscore the fact that the Church and CROs investments have the duty to protect human rights, environmental rights and workers' rights within the framework of nationally and internationally recognized human rights principals and instruments, as well as relevant national laws and regulations and employment standards. We believe that most fundamental responsibility for the Church and CROs investment is to stand up and act for everyone's right to free choices and particularly for everyone's freedom of thought, conscience, religion or belief. Such rights have to be deeply rooted in biblical values.

4.2 Effective Leadership Guidelines

We believe that at the very basic, leadership is about setting direction aimed at incrementally delivering on the organization's vision and mission either directly or indirectly through teams that are well coached, inspired and motivated. It is about doing the right thing to move the organization forward.

4.3 Good Governance Guidelines

Over time Churches and CROs continue to draw their business philosophy from the Bible's "Parable of the Talents", in Matthew 25:14–30. The story tells of a master who was leaving his house to travel, and, before leaving, entrusted his property to his servants. According to the abilities of each man, one servant received five talents, the second had received two, and the third received only one. It is the desire of the Churches and CROs endeavour to excel through good governance and fair and transparent business practices. Good governance means the system of rules, practices and processes by which Churches and CROs are administered and controlled. Churches and CROs

require an effective governance board which is the heart of the governance structure of a well-functioning and well governed investment organization

4.4 Sustainability Guidelines

Sustainability is key to the growth and continuity of Church and CROs. The Churches, Church and CROs and stakeholders will be required to create several institutions responsible for the implementation, monitoring, evaluation and reporting of ethical investment guidelines at various levels. The institutions include the national focal point, national ethical investment committee, and Churches and CROs ethical investment committees. The Churches and CROs will be encouraged to establish Centres of Excellence (CoE) in Ethical Investments that will promote and demonstrate excellent practices in ethical investments.

In order to ensure that youth are not left out we invite Churches and CROs to intentionally work with institutions of Higher learning including Universities and Colleges to initiate a mentorship program that will expose the youth to best practices while undergoing training. In this respect, the Churches and CROs investment organs at the national and local levels to lead a process of disseminating the guidelines to various sectors of investment including education, health, hospitality, agriculture, real estate and others. Such mentorship programs should assist identify youth with role models. The mentorship process should extend to our children through promotion of intentional financial education program that target them and demystify the subject of money. We do look forward to the time when our children will engage in essay competition on best ethical investment practices.

5.0 Strategies to Disseminate the Guidelines

5.1. Dissemination of the guidelines will not happen in a vacuum. We are committed to ensuring that there is an intentional advocacy program that targets our key stakeholders. Specifically, we are committed to establishing sustainable partnerships that will add value to our work and these should be coupled with clear systems and procedures to promote ethical investment. These include KRA, EACC and NGO that deal with issues of corruption. Such value adding partnerships will also help to build capacities in deficient areas and strengthen the Churches and CROs governance boards and management teams through establishing strong systems and structures; enforcing and monitoring implementation of ethical investment policies, guidelines and standards; and compiling all existing registration into one popular version that will be circulated to members both in hard copies and soft copies for use. We should, however guard against working with too many organizations or networks that may only lead to bureaucracy

- 5.2.** We commit to encouraging Churches and CROs to appoint experienced and qualified professional staff (e.g. auditors, consultants, investment advisors, lawyers) to provide the required technical services and be involved in creating awareness on the existing legal/regulatory frameworks, compliance requirements and enforcement.
- 5.3.** We believe that ethical behaviour in the workplace can stimulate positive employee behaviours that lead to organizational growth. Examples of such ethical behaviour patterns in the workplace includes; obeying the CRO's rules, effective communication, taking responsibility, accountability, professionalism, trust and mutual respect for colleagues at work.
- 5.4.** The Churches and CROs' investment need to establish a review mechanism for engaging internal and external stakeholders in reviewing ethical investment practices. The review process is a public participation process that will engage key stakeholders directly in a decision-making process that gives full consideration to their input
- 5.5.** We seek to work towards a coherent and comprehensive communication strategy. We do recognise that lack of awareness was cited during the study as a cause for noncompliance on ethical values and principles. In order to ensure compliance with investment policies, procedures and standards, Churches and CROs investments will work on a comprehensive appropriate communication strategy to disseminate these policies, procedures and standards. We have a great opportunity to make creative use of social media and digital marketing so that we are able to target the rights groups.
- 5.6.** The NFP shall further the effectiveness of the National Guidelines by undertaking promotional activities, handling enquiries and contributing to the resolution of issues that arise relating to the implementation of the Policies and Guidelines.
- 5.7.** We are committed to establishing a National Ethical Investment Committee (NEIC). This will be comprised of selected Churches, Church and CROs, CSOs, Businesses community, Universities, Financial Institutions, Service providers, Government agency, etc. The Matter requires further consultation and discussion. NEIC will perform the following roles. The NEIC shall periodically engage with stakeholders and interested parties to get views and experiences gained in the application of the Guidelines.

6.0 Key Conclusions

- 6.1.** The various presentations over the last two days do demonstrate that the AACC, Globethics.net and the key stakeholders and partners are not alone. Indeed, listening to the story of EACC has emboldened our resolve to present the guidelines. Their work in assets tracing and recovery disruption of anti-corruption networks, high

impact investigations intended to cause maximum deterrence, corruption risk assessments, ethics enforcement through setting up of integrity clubs is really key in adding the voice to enforcement of the guidelines being presented. Their emphasis on preventive approach is key to creating supportive climate for ethical investment.

- 6.2.** Thank you CORAT Africa team for the professionalism with which you have approached the assignment. We now urge you to speed up the finalization of the guidelines, in keeping with best practice. Thank you the AACC Team for not just providing us with a meeting place, but very robust and practical ideas on how to model ethical investment. As we leave this workshop we shall be receiving a summary of the Learning Review of how the 6-year journey has been. Thanks to you the Gloabethics.net team for your investment in this noble task. Thank you all here present for your active participations.
- 6.3.** We are concluding this Workshop not just armed with richness of ideas and thoughts but also with practical ideas that are workable. We leave the Jubilee Hall with the mandate to contribute to the dignity of our people in this vast continent and beyond. The Jubilee agenda is gathering momentum and we shall do our part to keep in alive through promotion of actions that will make ethical investing become a reality. We leave Jubilee Hall with the tools to be part of this transformative change in a continent that has vast resources that lie underutilised.
- 6.4.** Finally, we invite all of you to keep the Jubilee Spirit alive...It is an invitation to all of us be holy “and eat only what is taken directly from the fields”. Yes, together we can make this World a better place for ourselves and our children, a World where there is enough for all. This is possible with ethical investment. This to us is our biblical mandate. In the Name of our Risen Lord and Saviour Jesus Christ, AMEN.

Signed by the following Organizations

1. Globethics.net
2. All Africa Conference of Churches
3. CORAT Africa
4. Fransiscan Family Association Kenya
5. Secular Fransiscan Order Kenya
6. The Anglican Church of Kenya
7. Disability Inclusion Office – Tangaza
8. Dimesse Sisters
9. Kenya Christian Professionals Forum
10. Sister Ministers of the Infirm of St. Camillus (Camillian Sisters)
11. Fransiscan Missionaries of Mary
12. Africa Inland Church

13. JPIC –Franciscans Africa
14. Electra Hadassah Foundation
15. Presbyterian Church of East Africa
16. Presbyterian Church of Nigeria
17. Evangelical Presbyterian Church of Ghana
18. Comboni Missionary Secular Women Institute
19. Holy Trinity Church in Africa – Diocese of Masogo East
20. Imagine Kenya Trust
21. St. Martin Catholic Social Apotolate, Nyahururu
22. Methodist Church in Kenya
23. Kenya YMCA
24. Fusion Capital
25. WREPA
26. St. Vincent De Paul
27. University of St. Thomas Aquinas, Rome
28. National Cohesion and Integration Commission (NCIC)
29. Pan Africa Christian University
30. Amani Rehabilitation Centre
31. OFS Africa
32. *The Office of the Director of Public Prosecutions (ODPP)*
33. Tushirikiane
34. TUSA
35. St. Mary's Catholic Church
36. Seventh-Day Adventist Church (SDA)
37. Camillian Sisters
38. Tangaza University College
39. Institute of Social Transformation-Tangaza
40. Kingdom Equip Network
41. Leadership Institute of Kenya
42. Daystar University - Kenya
43. *Ethiopian Evangelical Church Mekane Yesus (EECMY)*
44. Matthewos Consulting - Ethiopia
45. Ethiopian Othodox Church
46. Consortium of Christian Relief and Development Association (*CCRDA*)

Dated this day October 22, 2021; Nairobi, Kenya

Annex 2: Kenya National Workshop participating Organizations

1. Globethics.net
2. All Africa Conference of Churches
3. CORAT Africa
4. Fransiscan Family Association Kenya
5. Secular Fransiscan Order Kenya
6. The Anglican Church of Kenya
7. Disability Inclusion Office – Tangaza
8. Dimesse Sisters
9. Kenya Christian Professionals Forum
10. Sister Ministers of the Infirm of St. Camillus (Camillian Sisters)
11. Fransiscan Missionaries of Mary
12. Africa Inland Church
13. JPIC –Franciscans Africa
14. Electra Hadassah Foundation
15. Presbyterian Church of East Africa
16. Presbyterian Church of Nigeria
17. Evangelical Presbyterian Church of Ghana
18. Comboni Missionary Secular Women Institute
19. Holy Trinity Church in Africa – Diocese of Masogo East
20. Imagine Kenya Trust
21. St. Martin Catholic Social Apotolate, Nyahururu
22. Methodist Church in Kenya
23. Kenya YMCA
24. Fusion Capital
25. WREPA
26. St. Vincent De Paul
27. University of St. Thomas Aquinas, Rome
28. National Cohesion and Integration Commission (NCIC)
29. Pan Africa Christian University
30. Amani Rehabilitation Centre
31. OFS Africa
32. The *Office of the Director of Public Prosecutions (ODPP)*
33. Tushirikiane
34. TUSA
35. St. Mary’s Catholic Church
36. Seventh-Day Adventist Church (SDA)
37. Camillian Sisters
38. Tangaza University College
39. Institute of Social Transformation-Tangaza

40. Kingdom Equip Network
41. Leadership Institute of Kenya
42. Daystar University - Kenya
43. *Ethiopian Evangelical Church Mekane Yesus* (EECMY)
44. Matthewos Consulting - Ethiopia
45. Ethiopian Othodox Church
46. Consortium of Christian Relief and Development Association (*CCRDA*)

Annex 3: Kenya National Workshop Participants

**African Assets Church Programme (ACAP IV) Kenya National Workshop Participants
At The Desmond Tutu Conference Centre, Nairobi
21st- 22nd October, 2021**

No	Name	Organization	Telephone No.	Email Address
1.	Jean Marie Vianney	JPIC	(254) 746618795	j.m.vianney@jpicfa.org
2.	Sr. Caroline Mwangangi	St. Vincent De Paul	(+254) 715594515	carolmwangangi@gmail.com
3.	Esther Ogonda	Electra Hadassah Foundation	0722 591814	sisesta@yahoo.com
4.	Wangari Gathing	Presbyterian Church of EA	(254) 0720767374	gathing@gmail.com
5.	Hendrica Okondo	WREPA	(254) 722528592	hendricao@yahoo.com
6.	James Miriago	University of St. Thomas Aquinas, Rome	(39) 3512208151	jamesjemo@ymail.com
7.	Jared Musima	Kenya YMCA	(733) 542718	jared@africaymca.org
8.	Kephar Ogutu	Holly Trinity Church	(+254) 725433979	celpherogt@gmail.com
9.	George Orwa	Holly Trinity Church	(+254) 717489971	georgeorwa02@gmail.com
10.	Susan Gathu	St. Martin Catholic S.A	(254) 0720822364	susangathu@saintmartin-kenya.org
11.	Prof Jane Kerubo	University	(254) 716015204	jkerubo2012@gmail.com
12.	Daniel Kabiru	St. Martin Catholic S.A	(+254) 728720849	kabsdaniela@gmail.com
13.	Faith Kamene	AIC	(254) 704327403	imanimene3@gmail.com
14.	Agnes Giteri	Catholic	(+254) 722408862	wanguignes12@gmail.com
15.	Maureen Shikuku	SDA	(+254) 712539550	maureenshikuku52@gmail.com
16.	Ruth Mbugua	Amani Rehabilitation Centre	(+254) 722507626	ruthwanjiru2000@gmail.com
17.	Ruth Nyawira	Catholic	(+254) 705362011	ruthnyawira68@yahoo.com

18.	Mary Watetu	Ongata Rongai	(+254) 797436919	watetumari8@gmail.com
19.	Rev. Joshua Kioko	AIC	(254) 0713872667	joshuakioko10@gmail.com
20.	Patrick Macharia	OFS Africa	(254) 721480827	pmmacharia17@gmail.com
21.	Nancy Omwoyo	Imagine Kenya Trust	(+254) 726272463	nancy.monyangi@imaginekenya.co.ke
22.	Dr. S. Ngacha Njeri	University of Nairobi	(254) 720393738	snnjeri@gmail.com
23.	Olive Mukantwali	Tushirikiane	(254) 722816091	oltegarama@gmail.com
24.	Jean Patient	Tushirikiane	(+254) 708870681	jpatient173@gmail.com
25.	Teresa King'ara	Dimesse Sisters	(254) 0726458418	benetrizak@gmail.com
26.	Monicah Rimui	Anglican	(+254) 758896280	mwrimui96@gmail.com
27.	Rosemary Wairimu	St. Mary's Church	(+254) 114135350	mphanderozie95@gmail.com
28.	Charles Sendegeya	Tushirikiane	(254) 722635497	admin@tusacbo.com
29.	Frank Laurence	TUSA	(254) 733623532	feal60some@gmail.com
30.	Charles Maina	TUSA	(+254) 726896946	charlesmaina99@yahoo.com
31.	Faith Mwendu	Catholic Church	(+254) 0724464516	ndambukifaith87@gmail.com
32.	Angeline Mwikali	Dimesse Sisters	(+254) 707075412	angelynepeter@gmail.com
33.	Mercy Muchangi	Sisters Minister of the Infirm	(+254) 728019413	mucangi72@gmail.com
34.	Vane Kemunto	St. Mary's Catholic Church	(+254) 721 575 411	kemosebe@gmail.com
35.	Patrick Kituyi	St. Mary's Catholic Church	(+254) 722269166	george.masinde@gmail.com
36.	Esther Ritho	Camillian Sisters	(+254) 0728637525	ritho.wangui@gmail.com
37.	Caroline Otieno	Camillian Sisters	(+254) 706217260	otienocarol77@gmail.com
38.	George Kaggwa	TUC	(254) 727594349	gkaggwa@tangaza.ac.ke
39.	Pst. Josphat Orangi	Seventh Day Adventist	(+254) 726999918	pastor.orangij@gmail.com
40.	Charles Macharia	ADS Kenya	(+254) 722615902	macharia@adskenya.org
41.	Vincent Owino	Catholic	(254) 0716287870	vincentrabbieowino93@gmail.co

				m
42.	Hulluf Kahsay	IST Tangaza	(+254) 773937071	hulwellast1@gmail.com
43.	Justine Muhuta	St. Mary's Catholic Church	(254) 0721362065	njambimuhuta@yahoo.com
44.	Brenda Kiema	TUC	(254) 722229642	bkiema@gmail.com
45.	Dr. Anthony Ogutu	Catholic	(254) 720696083	opiyoogutu@gmail.com
46.	Mapopa Mphande	TUC/Fransiscan	(*254) 733893441	mapopa1962@gmail.com
47.	Dr. Gershon Mwiti	Leadership Institute of Kenya	(254) 0722546090	gkmwiti@oasisafrica.co.ke
48.	Mary Sebastain	JPICFA Fransiscans Africa	(+254) 722401795	francesmary65@yahoo.com
49.	Prof. Bernard Boyo	Daystar University	(254) 724694334	bboyo@daystar.ac.ke
50.	Gumachew Kussie	Matthewos Consulting	(+251) 961251639	vgumachew@gmail.com
51.	Gumachew Lemita	EECMY	(+251) 961251639	vgumachew@gmail.com
52.	Rev. Dr Emmanuel Ansa	Kingdom Equip Network	(233) 208121830	ansahek@yahoo.com
53.	Jared Musima	Kenya YMCA	(254) 720424456	jared@africaymca.org
54.	Tewaney Seifesellasi	Ethiopian Orthodox Church	(+251) 911435331	tewaneyss@yahoo.com
55.	Rev. Geoffrey Mwako	Methodist Church	(+254) 0723230306	geoffreymwako21@gmail.com
56.	Patience Muthenya	Kenya Christian P.F	(+254) 724707531	pmmuthenya@kcpf.or.ke
57.	Matewos Tera	Consultant	(+251) 912009771	mterabussa@gmail.com
58.	Dr. Neuss Legesse	CCRDA	(251) 912038108	nigussul@crdaethiopia.org
59.	Magdalene Karanja	St. Vincent De Paul	0721251526	Magdalinekaranja4@gmail.com
60.	Daniel Kamau	Fusion Investment	0721576697	dkamau@fusiongroupafrica.com
61.	Dr. Solomon Munyao	PAC University	0721575411	solomon.munyao@pacuniversity.ac.ke
62.	Hannah Kariuki	St. Mary's Catholic Church	0722632072	hannahk.wothaya@gmail.com
63.	Rev. Dr Samuel Kobia	NCIC	0722492310	

64.	Pst. Dr. Timothy Guto	SDA Church	0722801356	tinguto@yahoo.com
65.	Pst. Patrick Omutia	ODP	0722513541	patrickomutia@yahoo.com
66.	Bishop Argwings Yoto	Holly Trinity Church		
67.	Dr Dennis Odinga	TUC	0722486785	densokiya@gmail.com
68.	Prof. Jesse Mugambi	Guest Speaker		
69.	Magdaline Karanja	St. Vincent de Paul	0721251526	Magdalinekaranja4@gmail.com
70.	Lucy Howe Lopez	Globethics.net	(41) 22 791 6174	howelopez@globethics.net
71.	Christine Housel	Globethics.net	(41) 794 265 912	housel@globethics.net
72.	Prof. Obiora Ike	Globethics.net	(41)794489336	Ike@globethics.net
73.	Herbert Makinda	Globethics.net	0722 290 650	makinda@globethics.net
74.	Prof. William Ogara	Globethics.net	0721 975 136	wo.ogara@gmail.com
75.	Herbert Makinda	Globethics.net	(+254) 722290650	herbmakinda@gmail.com
76.	Elizabeth Nduku	Globethics.net	0722 624 694	enduku@cuea.edu
77.	Dr. Bright Mawudor	AACC	0721 497 108	mawudor@aacc-ceta.org
78.	Dr. Oliver Kisaka	CORAT Africa	0722349497	os.kisaka@coratafrica.com
79.	Fred Olweny	CORAT Africa	0721392927	fredolweny@coratafrica.com
80.	Evans Isaboke	CORAT Africa	(254) 722644576	emisaboke@gmail.com
81.	Tom Omurwa	CORAT Africa	0723539813	tomurwa@yahoo.com
82.	Edgar Ala	CORAT Africa	0720844772	edgarala@googlemail.com
83.	Humphrey Chivini	CORAT Africa	(254) 711869941	Lchivini@gmail.com
84.	Annette Oloo	CORAT Africa	(254) 732772633	consultancy@coratafrica.com

