Situational Analysis

1. Fiscal Management
2. Public Confidence
3. Staff Morale
4. Sustainability and Resource Mobilization
5. Loan Repayment
6. Loan Products
7. Business Development Services
8. Human Resource
9. Corporate Governance
Turnaround Strategy

In consultation with various stakeholders, the Board offered guidance and strategic direction to purposely channel the Fund’s available resources to identified priority areas.

The Board identified priority areas which formed the deliverables for the first 100 days under the RRI programme. This was aimed at strengthening internal processes with a view to enhancing output in the Fund’s functional areas.
Enhance employee development, performance and retention

Fund products more attractive and competitive, the Board set out to improve on uptake

To guarantee operational efficiency and effectiveness, the Board made deliberate efforts to strengthen internal processes

Development of functional policies and procedures to enhance standardization, consistency and overall efficiency

Establishment of strategic partnerships with key stakeholders to enhance the Fund’s reach and long-term sustainability
Governance

1. Board Charter

The charter defines the Board’s roles and responsibilities as well as functions and structures that support members in carrying out their strategic oversight function.

2. Induction & Continuous Skills Development

In order to provide direction for effective governance and oversight, Board members were enrolled for an induction programme on Mwongozo, facilitated by SCAC.
The Board developed annual work plans to govern all its programmes. This ensured meetings and other scheduled activities were conducted as guided by the State Corporations Act and Mwongozo Code of Governance.
In its first performance evaluation in FY 2016/17, facilitated by SCAC, the Board’s aggregate score was 87.7 percent. This improved to 89.47 percent in FY 2017/18.
Cumulative Achievements

01. Enterprise Development
   Aims at building capacity of youth on entrepreneurship skills through training, coaching and mentorship.
   508,368
   Number of youth capacity built on entrepreneurship and business opportunities

02. Market Support & Market Linkages
   Aims at enhancing market access and linkages to available markets for youth products.
   10,767
   Number of youth facilitated to market their products both locally and internationally.

03. Commercial Infrastructure Development
   Aims at facilitating access to affordable trading spaces for the youth.
   1,653
   Number of youth entrepreneurs facilitated to access affordable trading spaces.

04. Youth Employment Scheme Abroad
   Aims at linking youth with accredited employment agencies and facilitating them to access jobs in international market.
   26,015
   Number of youth facilitated to access jobs abroad through migration loans and pre-departure training.
Business Development and Support Services

1. Entrepreneurship Training, Mentorship and Coaching

2. Market Support and Linkages

3. Commercial Infrastructure

4. YESA Programme

107% Uptake increase in the last three years

150 modern market stalls in addition to the existing 15 units.

6,650 Number of Youth facilitated
5. Access to Government Procurement Opportunities

Percentage of reserved procurement expenditure for AGPO category: 52%

Total LPO amount advanced in the last three years benefiting 525 youth: 326,000,000

6. Youth Internship Programme

Numbers of Youths offered industrial attachment and internship by the Fund in the last three years: 230
The revised credit policy was adopted, and the Fund saw an immediate and significant upsurge in loan uptake. In the first half of FY 2017/18, the Fund disbursed a total of Sh376 million, which was 101 percent more than the amount disbursed in a similar period the previous year.

Aggregately, in FY 2017/18, a total of Sh549 million was disbursed to 109,840 youth, representing a 57 percent improvement compared to FY 2016/17.

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Loan Disbursements

- **Sh. 433m**
  - Average between 2013-2016

- **Sh. 514m**
  - During the Board term
Loan Repayments Summary

Average between 2013-2016

58%

During the Board term

88%
Financial Management

Financial Performance

Sh. 201,614,139
Deficit reported in FY 2014/15

Sh. 53,265,605
Deficit reported in FY 2018/19

During its tenure, the Board ensured prudence in the Fund’s financial management processes, significantly reducing its deficit.

Revolving Fund

Sh. 3.8bn
Revolving fund up in FY 2018/19 from...

Sh. 2.7bn
in FY 2015/16

Over the last three years, the Fund has grown its revolving fund from Sh2.7 billion in the FY 2015/16 to Sh3.8 billion in FY 2018/19.
Development grant allocation grew from Sh105,336,000 in FY 2014/15 to Sh335,336,000 in FY 2019/20.
Strategic Partnerships

The Fund developed a policy and strategy for continual prospecting, development and management of strategic relationships with credible organizations in both the public and private sectors.

Youth benefitted from The partnerships

64,678
Public Sectors Partners

- **Joint sensitization, training and financing of youth on AGPO and business/company registration**
  - 1,800 Youth supported

- **Promotion of youth participation in the Big Four Agenda, particularly under Affordable Housing**
  - 3,000 Youth supported

- **Support youth participation in the Mwananchi Gas Project.**
  - 2,500 jobs created for youth

- **Joint sensitization and public awareness campaigns**
  - 31,500 Youth Trained

- **Joint training and sensitization on tax education for SMEs**
  - 3,200 Youth Trained

- **Promotion of youth participation in the Big Four Agenda, particularly under Affordable Housing**
  - 4,000 Youth supported

- **Joint sensitization, training and financing of youth on AGPO and business/company registration**
  - 2,800 Youth trained
Private Sector Partners

Establishment of e-Hubs (one-stop youth entrepreneurship and innovation hubs/centers)

- 2,600 Youth Supported

Joint sensitization of youth to participate in the annual TEF Entrepreneurship Contest, offer entrepreneurship training & mentorship and finance eligible youth enterprises for scaling up after TEF grant financing

- 78 Youth Mentored
- 3,200 Youth Trained

Inculcation of digital marketing skills for youth-owned SMEs

- 10,000 Youth to be Supported
- 2,500 youth to be supported

Embed and inculcate good youth lifestyle choices and reproductive health information to YEDF’s entrepreneurship training

- 3,000 Youth Trained

Promotion of youth in agriculture, particularly in dairy and sweet potato value chains

- 7,000 Youth Trained

To strengthen individual capacities of youth in informal settlements and reduce barriers to access of opportunities by the youth

Program document developed; Awaiting implementation

Promote youth entrepreneurship by providing digital content and broadcasting of success stories

Joint support and promotion of youth in agribusiness, renewable energy and water management-related enterprises in line with the Big Four Agenda

Implementation to commence in July 2019. Targets 4,800 youth

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Impact investment

By CHARLES MWANIKI

SUMMARY

- Study shows investments to double in the next five years as investors race for deals
- The entry of impact investors into the local deals scene has seen them compete for the limited number of viable startups with more traditional private equity firms
- The findings of the report are based on 14 case studies of early stage SMEs and a poll of 16 representatives of financial and private equity firms.

A new study by US-based consultancy FR LLC and University of Virginia Business School shows.
Sh. 123bn
The amount committed by impact investors into Kenyan enterprises is expected to double to Sh. 123 billion ($1.2 billion) within the next five years.

Sh. 62bn
Amount the Social Impact investors have pumped in, into Kenya’s enterprises in the last decade.

Sh. 260bn
Total amount raised by private equity firms in the last decade.
“Social impact capital is a growing investment flow in Kenya representing up to $600 million in shareholdings in over 200 companies in East Africa with an additional $650 million in the pipeline for investment,” the survey report reads.
“While previously investing in start-up and early stage growth companies, social impact investors are now competing for expansion deals of $3 million to $5 million.”
The entry of **impact investors** into the local deals scene has seen them **compete** for the **limited number of viable startups** with more traditional private equity firms, which has had the effect of distorting the market by driving up valuations of potential targets.
“Competition between social impact investors and PE funds had driven valuations by two to three times over the last five years,” said the report.
The findings of the report are based on 14 case studies of early stage SMEs and a poll of 16 representatives of financial and private equity firms.
To the youth; embrace your chance to lead by seizing the opportunity and turning it into tangible achievement. You must stand up, offer yourselves, dedicate yourselves, shoulder responsibility, and carry the world into the future.

~ His Excellency President Uhuru Kenyatta