

Microfinance Banking

Providing lending services to women in Kenya

Reducing poverty and promoting entrepreneurship by increasing women's access to credit

In May 2008, UNDP partnered with Equity Bank, UNIDO, ILO, and the Ministry of Finance to establish the Fanikisha Initiative in Bondo, Kenya that would increase women's access to credit facilities and reduce poverty in local regions by giving women capital for economic activities.

UNDP estimates that 53% of rural women and 63% of urban women live below the poverty line in Kenya. Furthermore, approximately 85% of businesses in the informal sector and 48% of small and micro-enterprises are owned by women, though the enterprises are largely underfunded and the women lack proper business training. Despite such preconditions, Kenya has maintained a B+ credit rating since 2006, among the highest of African nations.

UNDP Kenya recognized a unique opportunity to promote both entrepreneurship in local markets and women in the workforce by increasing lending through Equity Bank. The project began with an initial operating budget of \$100,000 USD.

The Fanikisha Initiative is structured to achieve four specific goals:

1. Create opportunities for Kenyan woman to excel socially and economically through access to credit and entrepreneurship trainings
2. Increase the number of women in decision-making positions
3. Build awareness of women's role in business at local, regional and government levels
4. Enhance women's capacity and motivation through entrepreneurial skills training

- Country: Kenya
- Launched: 2008
- Partners: Equity Bank, ILO, UNIDO, the Ministry of Finance, UNDP
- Program Highlights: \$ 100,000 USD initial project budget, 20,000 women registered for training courses, Equity Bank experienced significant growth



Kenya Women Finance Trust support women in Small and Micro Enterprises

In the year since its inception, the Fanikisha Initiative, thru opening access to credits, has helped build local markets in Bondo and will extend its lending practices to Nairobi with three new Equity Bank branches. The aim is to continually increase financial aid to women entrepreneurs over the next 5 years.

Thus far, 20,000 women have registered for training courses in utilizing small business loans 2,000 of whom are from Bondo. In addition, Equity Bank has seen extremely rapid growth and has been continually expanding its operations.