

# Integrating Youth Entrepreneurs into Value Chains: Job Creation and Growth Opportunities



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# Equity Group

**Equity  
Bank**



**Equity  
Investments**



**Equity  
Insurance**



**Equity Group  
Foundation**



**Operations (Branches, Agents, Mobile, Internet, ATMs, Points of Sale)**

**IT, Finance, Risk, Compliance, Human Resources, Legal**



# Banking the “Unbankable”

- Changed the banking model in SSA by removing barriers to banking
  - No fees, no minimum deposit, no minimum balances, just an ID to open an account
- Business model: high volume, low margin







# Banking the “Unbankable”

- Agency model: bringing banking services even closer to your door step in rural areas and urban informal settlements
- 10,378 Agents in Kenya
- Total transactions on 6th May
  - 141,826 (YTD: 11,779,916)
  - Deposits: 85,876 valued@ \$7.4m
  - Withdrawals 55,959@ \$3.3m
  - Agency accounts for 36% of all banks transactions in volume



# Equity Group Foundation

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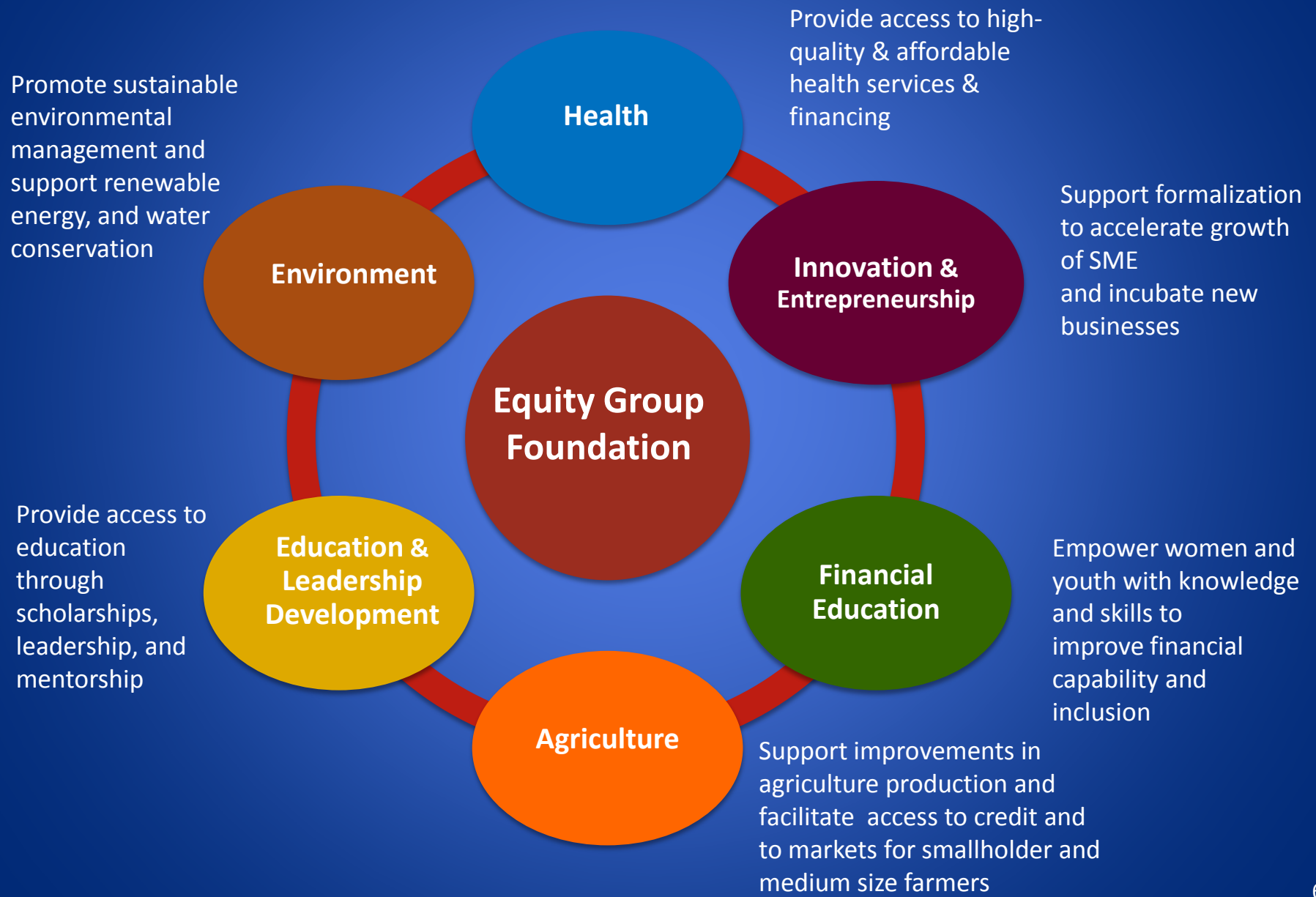
## Vision

*To champion the social and economic transformation of the people of Africa*

## Mission

*We harness partnerships and leverage infrastructure to implement innovative, scalable and sustainable initiatives that transform lives and livelihoods*

# EGF Pillars

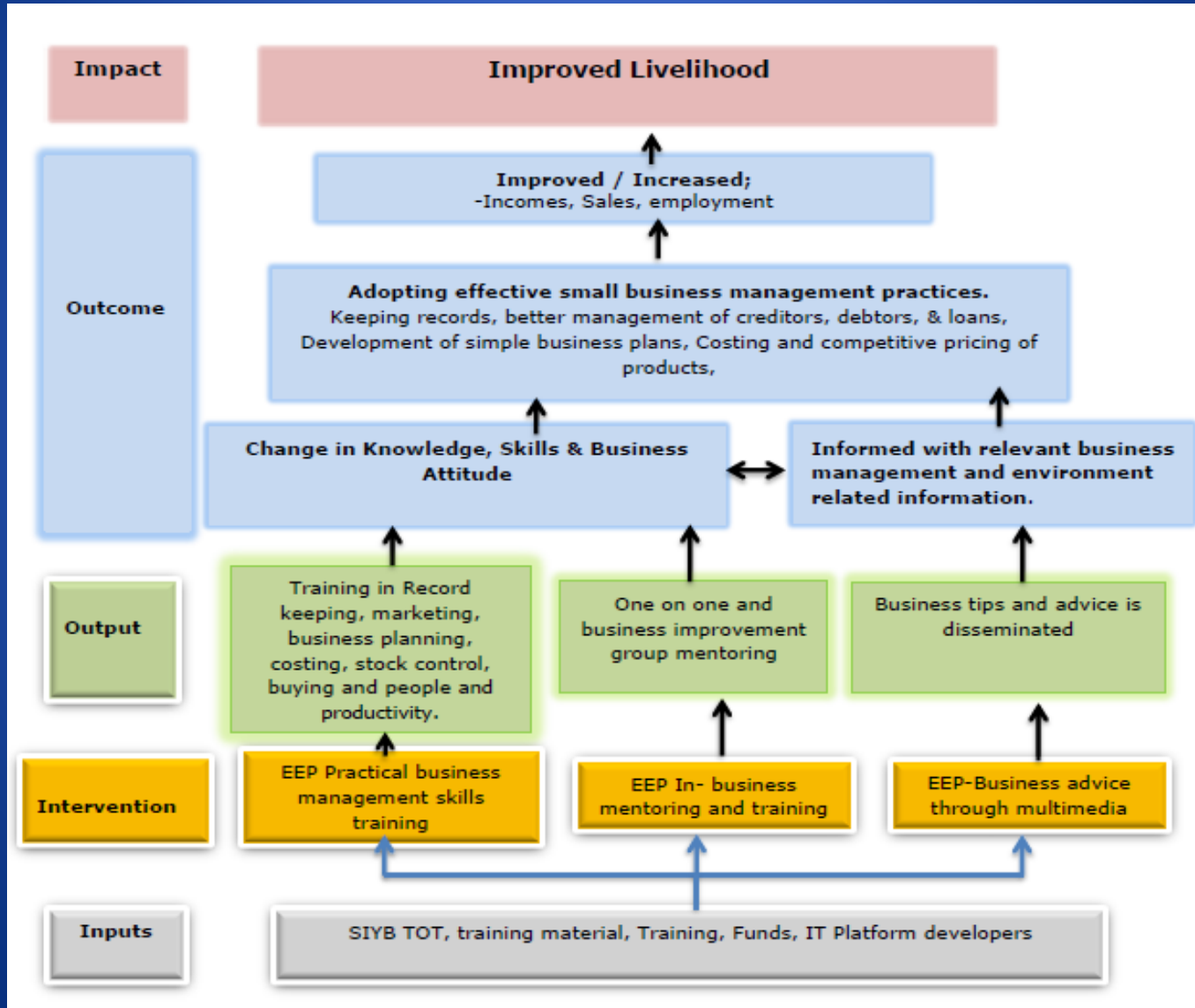


# Entrepreneurship Training

- ILO's *Start & Improve Your Business* Curriculum
- Modules in Marketing, Stock Control, Record Keeping, Business Planning, Costing, Managing Cash Flow, Managing of Employees, and Managing Family Interference
- Training course followed by mentoring: one-on-one with trainer; peer mentoring
- **11,500+** women and youth entrepreneurs trained and mentored in Kenya
  - >2–3 jobs created per enterprise trained to date!



# Theory of Change





# Entrepreneurship Training

- Why: The micro and small enterprise (MSE) sector in Kenya employs about 7.5 million Kenyans or 80 per cent of the country's total employment and contributes 20% of the Gross Domestic Product (GDP).
- EGF focuses on developing skills, knowledge and attitudes prerequisite to adopting effective small business management practices



# Outcomes (So Far!)

## Mid-term results of EGF's Entrepreneurship Programme

	Before Training	Post Training
% of Micro and Small Enterprises (MSEs) keeping records	12%	83%
% of MSEs practicing very good or excellent bookkeeping	12%	83%
% of MSEs practicing very good or excellent marketing	13%	90%
% of MSEs practicing very good or excellent stock taking	13%	85%
Total no of employees amongst the MSEs	830	948
Average number of employees per MSE	1.38	2.33
Taken loans after the training	22%	52%
Taken loans from a bank (versus micro-finance institution)	30%	91%

\* Results to date compiled from Mid-Term Evaluation conducted by Agile Consultants, June 2012. EGF will be conducting a full outcome and impact evaluation of the programme in mid-2014.

# Equity Bank - Tanzania

- Participated in TOT in ILO's SIYB and "Get Ahead"
- Bank funded pilot targeting 300 marginalized women entrepreneurs in Dar es Salaam, Mwanza and Arusha
- ~50% took loans after training (*Fanikisha*)
  - From 20k Tsh to 3m Tsh @ 1.67-2% interest rate
- ~50% felt need to re-organize their biz plans before proceeding

# Equity Business Clubs

- Mentorship amongst women entrepreneurs (all Bank customers) from different levels
  - (Micro/MSEs/SMEs/Corporate)
- A source of business information and experience sharing
- Networking (potential value-chain linkages)





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