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Kenyan company trains and lends to farmers under UN-backed initiative



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An investment company in Kenya announced today that it will provide some 100,000 smallholder rural farmers – the majority of them women – with access to small loans and basic financial training over the next five years as part of the company’s commitment to a United Nations-backed initiative to alleviate poverty.

Juhudi Kilimo, which operates in rural Kenya where farmers lack access to bank loans, will provide credit and training as part of its commitment to the Business Call to Action (BCtA), a global initiative supported by the UN Development Programme ([UNDP](#)), the corporate responsibility scheme known as the UN Global Compact and several other organizations and governments.

It provides Kenyan farmers' groups with two-month workshops on agribusiness and financial practices before offering them the opportunity to apply for loans. Farmers can then use the credit to buy assets such as dairy cows, seeds and equipment to help them boost their livelihoods, enabling them to pay the loans at below market rates. An estimated 75 per cent of the Kenyan workforce is involved in agriculture and related activities.

“Access to financial services enables rural smallholder farmers to take the leap from subsistence farming to market-based farming, thereby increasing their productivity and income for the long term,” [said](#) Amanda Gardiner, the acting programme manager for the BCtA.

“Juhudi Kilimo [which means “Efforts in Agriculture” in Kiswahili] is providing farmers with tools to escape the cycle of poverty and earn a sustainable livelihood through its innovative approach to investing.”

An estimated 75 per cent of the Kenyan workforce is involved in agriculture and related activities. Many of them lack basic agricultural training, equipment, and market connections they need in order to grow their business.

Since the launch of the pilot phase of the project in 2009, Juhudi Kilimo has provided asset financing to over 7,000 smallholder farmers in Kenya, half of them women. The average repayment rate for these loans is 96 per cent.

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